Iceland Liechtenstein Norway grants

EEA Grants **Portugal**
Mecanismo Financeiro do Espaço Económico Europeu
European Economic Area Financial Mechanism
Unidade Nacional de Gestão
National Focal Point

BILATERAL FUND MANUAL

EEA FM 2021-2028

Manual version control

Version	Date of update	Summary of changes
1	April 2026	N/A

Table of contents

Abbreviations 6

Preliminary Note 7

1 Framework 8

2 Goals of the Bilateral Fund 9

2.1 Financial allocation 9

3 Bilateral Fund Management 10

3.1 Bilateral Fund Agreement 11

3.2 Joint Committee for the Bilateral Fund 11

3.3 Work Plan 12

3.4 NFP responsibilities 12

3.5 Programme Operators Responsibilities 13

4 Funding Allocation Arrangements 14

4.1 Managing entities bilateral activities 14

4.2 Predefined Initiatives 14

4.2.1 Proposals Submission 15

4.3 Application selection procedure through calls 16

4.3.1 Open call notices 16

4.3.2 Application Submission 17

4.3.3 Decision-Making Process 18

4.4 Financing Payment Methods 20

5 Rules of eligibility 21

5.1 Eligible Entities 21

5.2 Eligible Initiatives 22

5.2.1 Territorial Scope 22

5.3 Eligible expenditure 23

5.3.1 General principles on the eligibility of expenditures 23
5.3.2 Type of expenditure 24
5.4 Excluded costs 25
5.5 State Aid 27
6 Rules for the implementation of expenditure 28
6.1 Public Procurement 28
6.2 Forms and rules of grants 29
6.2.1 Currency of grants and expenditure 29
6.2.2 Forms of grants 29
6.2.3 Guidance for the planning and implementation of expenditure 31
6.2.4 Revenue 38
7 Grant contracting 38
7.1 Acceptance Agreement 38
7.2 Partnership Agreement 39
7.3 Beginning of initiative implementation 39
7.4 Bilateral Initiative modifications 40
7.4.1 Substantial modifications 40
7.4.2 Non-substantial modifications 41
7.5 Conclusion of contract 42
7.5.1 Completion of the initiative 42
7.5.2 Cancellation 42
7.5.3 Non-compliance of the initiative 43
8 Reporting and Monitoring 44
8.1 Reporting on physical and financial implementation 44
8.2 Monitoring the implementation of Bilateral Initiatives 45
8.2.1 Administrative verification 46
8.2.2 On-site verification 47

8.3 Initiative dossier 48

9 Payments 50

9.1 Bank account 50

9.2 Payment conditions 50

9.2.1 Advance and Interim Payment 50

9.2.2 Final Balance Determination 51

9.3 Return of funds 51

10 Certification and audit 53

11 Irregularities 54

12 Communication 54

13 Glossary 56

14 Annexes 61

Table of images

Figure 1 – Results-based management process 10

Figure 2 – Bilateral Fund Governance Model 14

Abbreviations

AA	Audit Authority
AD&C	Portuguese Agency for Development and Cohesion
CA	Certification Authority
DPP	Donor Programme Partners
EEA	European Economic Area
EFTA	European Free Trade Association
BF	Bilateral Fund
FLP	Forecast of likely payments applications
FMC	Financial Mechanism Committee
FMO	Financial Mechanism Office
FPR	Final Program Report
GRACE	FMO's Grants Administration and Collaboration Environment
IFR	Interim Financial Report
IGCP	Portuguese Treasury and Public Debt Management Agency
IGF	Portuguese General Finance Inspectorate
JCBF	Joint Committee for the Bilateral Fund
EEA MF	European Economic Area Financial Mechanism
MoU	Memorandum of Understanding on the implementation of the European Economic Area Financial Mechanism
NFP	National Focal Point
PO	Programme Operators
RCM	Council of Ministers Resolution
TA	Technical Assistance
UCGR	Portuguese Certification and Risk Management Unit

Preliminary Note

Consultation of this Manual does not exempt or replace consultation of the legal framework of the EEA FM 2021-2028, and in the event of conflict, the provisions contained in the following documents shall prevail:

- Protocol 38d to the Agreement on the European Economic Area;
- Regulation on the Implementation of the European Economic Area Financial Mechanism 2021-2028;
- Memorandum of Understanding on the implementation of the EEA Financial Mechanism 2021-2028 (MoU);
- Bilateral Fund Agreement;
- Bilateral Guideline;
- Description of the Management and Control System at national level;
- Portuguese Administrative Procedure Code; Portuguese Public Procurement Code;
- Other national and European Union legislation.

These documents are available for consultation on the EEA Grants Portugal website:

https://eeagrants.org/en/portugal

1 Framework

By means of the European Economic Area (EEA) Agreement signed in Oporto in May 1992, Iceland, Liechtenstein, and Norway became partners with the Member States of the European Union in the internal market.

As a way of promoting a balanced, continuous strengthening of economic and commercial relations, the parties to the European Economic Area Agreement have established a pluriannual Financial Mechanism, known as EEA Grants, by means of which Iceland, Liechtenstein, and Norway financially support Member States of the European Union, thus ensuring their participation in the internal market.

This European Economic Area Financial Mechanism (EEAFM) aims to achieve two equally important general goals:

a) Reducing economic and social disparities;
b) Strengthening bilateral relations between Donor States and Beneficiary States.

All funded programmes, projects, and initiatives must contribute to these two general goals.

With Portugal as one of the Beneficiary States, a Memorandum of Understanding (MoU) was signed between Portugal and the Donor States on July 8th, 2025, to ensure the effective implementation of the EEAFM 2021-2028.

The National Focal Point of the European Economic Area Financial Mechanism (NFP-EEAFM) was created by Council of Ministers Resolution No. 39/2017 of March 10th, rectified by the Rectification Declaration No. 14/2017 of April 24th. On July 17th, 2023, Council of Ministers Resolution No. 73/2023 entered into force, establishing the National Focal Point of the European Economic Area Financial Mechanism 2021-2027. This resolution was repealed by Council of Ministers Resolution No. 19/2026, which entered into force on 5 February 2026 and establishes the National Focal Point of the European Economic Area Financial Mechanism 2021–2028, adapting it to the new financing period 2021–2028.

Taking into account its responsibilities, the NFP has prepared this Manual to support Programme Operators and beneficiaries of the EEA FM 2021-2028 in the implementation of Bilateral Fund, namely in clarifying concepts and specifying rules and procedures.

The Bilateral Fund is provided for in Article 4.6 et seq. of the Regulation of the EEAFM 2021–2028.

This Manual may be revised to incorporate any comments and improvements deemed appropriate, namely to introduce new procedures and/or amend existing ones.

2 Goals of the Bilateral Fund

Bilateral relations between countries are defined as the cooperation between their institutions and people at the administrative, political, private, and academic sector and civil society level.

This way, the Bilateral Fund wants to strengthen the relations between Portugal and the Donor States by funding bilateral initiatives that allow for an increase in strategic cooperation, networking, exchange of knowledge, and the implementation of other joint initiatives beyond Programmes agreed upon in the MoU.

2.1 Financial allocation

In accordance with Article 4.6 of the EEAFM Regulation 2021-2028, each Beneficiary State must reserve between a minimum of 2% and a maximum of 5% of its total allocation for the financing of bilateral initiatives, with Portugal allocating €3,000,000 to the Bilateral Fund through the MoU.

As stipulated in Articles 4.7 and 4.10 of the Regulation, the Bilateral Fund includes a national component, managed directly by the NFP, and a programme-level component, managed directly by its Operators.

This financial allocation is distributed as follows, without prejudice to subsequent adjustments between Programmes, should this be considered necessary:

a) At **national level**, €1,700,000 has been allocated;
b) At **Programme level**, €1,300,000 has been allocated, broken down as follows:
    i. Blue Growth Programme: €400,000
    ii. Green Transition Programme: €300,000
    iii. Domestic and Gender Violence Programme: €300,000
    iv. Culture Programme: €300,000

According to the MoU, Bilateral Fund does not receive national public co-financing from managing entities.

3 Bilateral Fund Management

All the initiatives funded by the EEAFM 2021-2028 must follow a results-based management approach using a logical articulation between goals, activities, tools and resources, which implies:

a) Setting goals;
b) Identifying the target group or final beneficiaries;
c) Defining adequate means and resources to achieve goals
d) Monitoring progress via predefined indicators;
e) Identifying and managing associated risks;
f) Recording achieved results and resources used;
g) Assessing continuously.

Applying this methodology to bilateral relations also implies defining measures that ensure partnership sustainability (e.g. signing memoranda of understanding (MoU) between partners or creating digital platforms for knowledge sharing that remain available after the initiative has ended).

The expected results for funded initiatives must be reflected in tangible products (outputs) that promote cooperation between national entities and the entities of the Donor States (outcomes), therefore contributing to the strengthening of bilateral relations (impact).

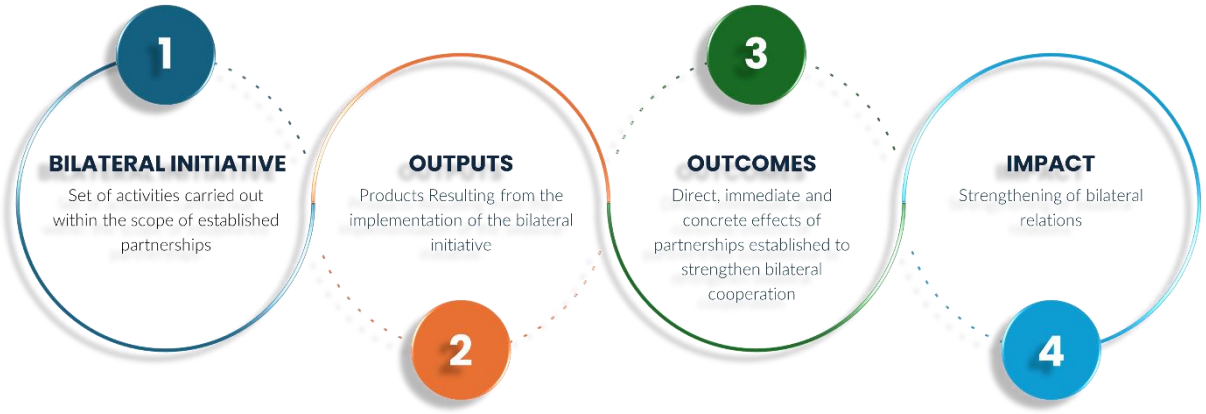


Figure 1 – Results-based management process

For the results of the bilateral initiative to be measured, it is essential to set clear, verifiable, and measurable indicators that allow initiative assessment when it comes to initiative implementation and results achieved.

3.1 Bilateral Fund Agreement

With a view to implementing the Bilateral Fund at national level, an agreement was signed on 10 October 2025 between the Financial Mechanism Committee (FMC) and NFP, under the terms set out in Regulation EEAFM 2021-2028.

This Agreement regulates the rights and duties of the parties and describes:

a) The value and objective of the national Bilateral Fund;
b) The role, functioning and composition of the JCBF;
c) The procedures and requirements of the Work Plan.

3.2 Joint Committee for the Bilateral Fund

The Joint Committee for the Bilateral Fund (JCBF) has overall responsibility for overseeing the progress of Bilateral Fund implementation at national level, being a committee established by the beneficiary state to discuss issues of bilateral interest, decide on the use of the Bilateral Fund at national level and review progress in the implementation of the EEA Financial Mechanism 2021-2028 with a view to achieving the objective of strengthening bilateral relations (Article 1.6(m) of the Regulation).

Art. 4.9 of Regulation

JCBF's tasks

Art. 2.3 a 2.5 of Bilateral Agreement

JCBF composition and functioning

It is through the JCBF that bilateral ambitions, priority areas for bilateral cooperation and concrete initiatives to be financed by the Bilateral Fund managed by NFP are determined.

The JCBF is composed of representatives from the following entities:

a) NFP, which chairs the Committee;
b) Ministry of Foreign Affairs of Portugal;
c) Ministry of Foreign Affairs of Norway (represented by the Norwegian Embassy in Lisbon);

d) Ministry of Foreign Affairs of Iceland (represented by the Permanent Delegation of Iceland to the OECD);
e) Ministry of Foreign Affairs of Liechtenstein (represented by the Liechtenstein Mission to the EU).

Decisions regarding the use of the Bilateral Fund shall be taken by consensus.

This Committee shall meet at least once a year, either in person or virtually, with the FMO as an observer member. Other observers may be invited if justified.

3.3 Work Plan

The Work Plan is the proposal for the implementation and activities of the Bilateral Fund, which includes the general framework for implementation, the main bilateral initiatives to be carried out, the respective budgets (indicating the share of activities with the different donor countries) and expected results. It is a dynamic document, prepared by the NFP in collaboration with Donor States, which is subject to approval by the JCBF.

Similarly, the POs must, in coordination with their Programme Partners, prepare the Work Plan for the bilateral activities and initiatives planned for their Programme, which they must communicate to NFP.

3.4 NFP responsibilities

NFP is the National Focal Point responsible for fulfilling the duties defined in the EEAFM Regulation 2021-2028 and the MoU. It is authorised by Council of Ministers Resolution 19/2026 of 4 February 2026, which establishes the National Focal Point for the European Economic Area Financial Mechanism 2021-2028, with a view to continuing NFP's mission.

Within the Scope of the Bilateral Fund, the NFP is the Managing Entity at national level, responsible for the management and use of the Bilateral Fund, as provided for in Article 4.7 of the EEAFM 2021-2028 Regulation, including reporting obligations. This

management is carried out in accordance with the guidelines established by consensus of the JCBF.

NFP is also responsible for:

- Together with the FMC, for approving that Programmes assign part of the management of their Bilateral Fund to Programme Partners;
- Liaising with the Certification and Audit Authorities on relevant issues relating to the implementation of the Bilateral Fund (see 10 Certification and Audit);
- Liaising with Programme Operators on matters defined by the Regulations.

3.5 Programme Operators Responsibilities

In the Bilateral Fund at Programme level, in accordance with Article 4.10 of the Regulation, each Programme Operator is responsible for management, including management and use within the Scope of its Programme throughout the Bilateral Fund implementation period, including reporting obligations. This management is carried out in accordance with what is established in a joint decision with the Donor Programme Partners (DPP).

Art. 4.3 of Regulation

Cooperation Committee

Decisions on the management and use of the amount allocated to Programmes implemented in cooperation with DPPs shall be taken by consensus between the Programme Operator and their DPP, in accordance with point 6.3 of the Bilateral Guideline and the distribution of responsibilities previously agreed between different DPPs. The Cooperation Committee, in accordance with Article 4.3(a) of the Regulation, is the privileged forum for decision-making and procedures within Bilateral Fund's Scope.

The Programme Operator may also entrust part of the management of bilateral funds to their Programme's DPPs, after approval by the NFP, in conjunction with the FMC. In such cases, the Programme Operator shall always be responsible for complying with the reporting obligations set out in the Regulation.

Programme Operators are also responsible for ensuring proper coordination with both NFP and Certification and Audit Authorities on relevant issues relating to the implementation of the Bilateral Fund at programme level (see 10 Certification and Audit).

4 Funding Allocation Arrangements

The funds allocated by the Bilateral Fund may be implemented through the following methods, regardless of the managing entity (NFP or PO):

a) Expenses related to activities directly implemented by the Managing Entity;
b) Predefined Initiatives;
c) Opening of tenders for the selection of bilateral initiatives

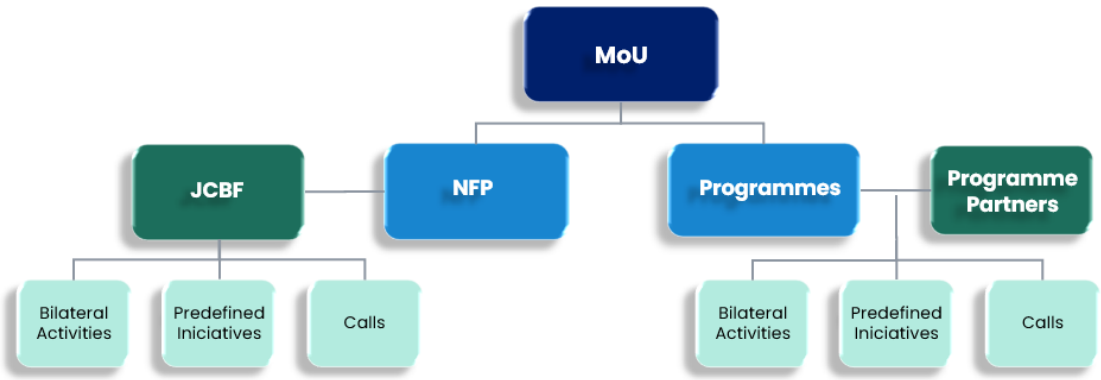


Figure 2 – Bilateral Fund Governance Model

4.1 Managing entities bilateral activities

As entities managing Bilateral Fund, both NFP and PO may directly implement financed bilateral activities.

In PO's case, these activities must be organised in partnership with DPP, and may include other managing entities and DPP. It must be decided by consensus with each Programme's DPP.

In the case of the NFP, the financing of these activities must be submitted for prior approval by the JCBF. This approval may be granted at a meeting or submitted by email.

4.2 Predefined Initiatives

Predefined initiatives are the ones whose implementation is justified by their unequivocal contribution to strengthening bilateral relations. They are not subject to Open-calls to be selected and are preferably promoted by public entities. Predefined initiatives are

preferably directed towards non-competitive areas. In the case of predefined initiatives within the Scope of the Bilateral Fund at programme level, they should be clearly aligned with the programme that approves it.

4.2.1 Proposals Submission

Predefined initiatives may be established in advance in the Bilateral Fund Agreement and/or Programme Agreement, or may be submitted throughout the entirety of EEAFM.

These Proposals are sent directly to the NFP or the POs, depending on their Scope, by completing the existing form available at the *Balcão dos Fundos* platform with a description of the following aspects:

a) Summary of the bilateral initiative with reference to the objectives, expected results and impact;
b) Description of the planned activities and their timetable;
c) Identification of the promoter. partner entity or entities, and their participation in the initiative;
d) Identification of the expected results, indicators and objectives of the planned activities;
e) Explanation of the initiative's contribution to strengthening relations between entities in Portugal and Donor States;
f) Measures to ensure the sustainability of bilateral collaboration and the possibility of future collaboration;
g) Detailed budget by activity and item, by month, with justification of the amounts presented, indication of the calculation basis used and, in exceptional cases, revenue forecast;
h) Planned communication and dissemination activities.

The funding rate for predefined Bilateral Initiatives may be up to 100%.

The reference funding amount for this type of bilateral initiative is €50,000; notwithstanding, a higher maximum amount may be approved when duly justified.

A partnership with at least one entity from the donor countries is mandatory.

Initiatives must have a maximum duration of 24 months, but a longer duration may be approved when duly justified.

At national level, Proposals submitted after September 2031 will not be accepted and all initiatives must be completed by 31 March 2032.

At programme level, Proposals submitted after June 2031 will not be accepted and all initiatives must be completed by November 2031.

In the case of initiatives submitted to the Bilateral Fund at national level, the NFP does an initial eligibility check and can request further details from the promoter and then submits the proposal to the JCBF for decision. In case the initiative is approved for funding, the NFP will proceed with the contracting process guaranteeing all administrative requisites are met.

Proposals for predefined initiatives can be submitted directly to the NFP or to other JCBF members. In the latter case, the JCBF member shares the proposal with the NFP, with a view to having it presented to the JCBF for decision. In its role as secretariat to the JCBF, the NFP assesses the eligibility and completeness of a proposal for a bilateral initiative, and may assist in improving a proposal before it is submitted to the JCBF for approval.

In addition, in its role as JCBF member, the NFP takes part in the deliberation and decision-making on a proposal, and therefore considers the relevance of an initiative in terms of its substance. All approved PDP initiatives must be registered at *Balcão dos Fundos* platform.

In the case of initiatives submitted to Programme Operators, the decision to approve or reject applications is made by the PO in consensus with the Programme's DPPs.

4.3 Application selection procedure through calls

Initiatives selected through a call for Proposals are subject to a selection procedure by the managing entity, published on the EEA Grants website and at *Balcão dos Fundos* platform, and must demonstrate a clear contribution to strengthening bilateral relations, without prejudice to calls for Proposals being restricted to specific themes.

The funding rate will be established in the call for Proposals.

4.3.1 Open call notices

Applications for the different Bilateral Funds calls are submitted following a call for Proposals published on the EEA Grants website, in the Portugal section, and on the

Balcão dos Fundos platform. They may also be published on other websites as, for example, the Norwegian Embassy in Lisbon, the Portuguese Embassy in Norway, and other appropriate sites to reach the intended target audience, as well as through media outlets considered relevant for wider dissemination to the public.

The call for Proposals must specify the terms under which it will be conducted, namely:

a) The subject and purpose of the support to be granted;
b) The priority area of bilateral relations covered by the call for Proposals, if applicable;
c) The total amount available in the Scope of the Open call;
d) The minimum and maximum amount of financial support to be granted to each approved initiative;
e) The maximum funding rate to be awarded;
f) Applicants and partners eligible for the support to be granted;
g) Restrictions, limitations and/or exclusions to which applicants and partners are subject;
h) The nature of eligible expenditure;
i) Expense eligibility date;
j) Selection criteria;
k) Selection and decision-making process;
l) Grant payment conditions;
m) Communication and publicity requirements;
n) Formalisation of applications, namely identification and access to the application form and required attachments, and versions to be submitted;
o) The deadline for submitting applications;
p) Platform for submitting applications;
q) Additional information such as links and/or relevant documents supporting applications;
r) Contact details for clarification of doubts.

4.3.2 Application Submission

Both Portuguese and Donor Countries promoter entities must be registered in the platform *Balcão dos Fundos* to be able to submit an application. In case they are not

registered already, Portuguese promoters may register themselves directly at the platform. Donor countries' promoters (that lack a Portuguese Tax Identification Number) must first fill the *Balcão dos Fundos* Registration (fund management platform) form. After registration, promoters will have access to the platform for the submission.

Promoters must submit the applications by filling in the form available on the *Balcão dos Fundos* platform, accompanied by the required documentation, by the deadline specified in the call for Proposals.

In case of selection, the platform will also be used for the overall management of the initiative.

Calls for Proposals may have different cut-off dates within the specified period. In this case applications received after the deadline for a decision period will be registered for inclusion in the next decision period. Applications must be submitted in English. If the original administrative documents attached to the form are in Portuguese, no translation will be required.

Only applications sent through the *Balcão dos Fundos* platform will be accepted.

4.3.3 Decision-Making Process

The decision-making process follows the principles set out in Article 7.5 of the EEAFM 2021-2028 Regulation, namely good governance, transparency, fairness, efficiency and zero tolerance for corruption.

> ***Art. 7.5 of Regulation***
>
> *General principles and rules for the selection of initiatives*

The decision-making process takes place in two stages: formal evaluation and merit evaluation.

Formal Assessment

After receiving the applications, the managing entity conducts a formal assessment, which focuses on the following elements:

a) Compliance with the deadlines and submission method required for the application;
b) Compliance with the completion of the form fields;

c) Eligibility of the promoter and partner(s);
d) Eligibility of the initiative's implementation period;
e) Eligibility of the activities planned in the initiative;
f) Financial plan/budget and eligibility of the proposed items;
g) Compliance of the means to be used for the dissemination of the initiative with the dissemination obligations set out in the EEAFM 2021-2028 Regulation and in the Communication and Graphic Standards Manual – EEA Grants Portugal 2021-2028;
h) Submission of the documentation required in the call for Proposals and in the form.

If, following this assessment, any element is found to be missing or any non-compliance is found, the managing entity shall notify the respective entities to remedy the deficiency detected within 10 working days, under penalty of immediate exclusion, without prejudice to the holding of a hearing of interested parties in accordance with the Portuguese Administrative Procedure Code (CPA).

Applicants are responsible for the accuracy and authenticity of the documents submitted. At any stage of the application review process, if doubts remain, additional documentation may be requested.

Merit Assessment

After the formal assessment of the application has been completed, a merit assessment is carried out in accordance with the procedures agreed by the JCBF or the Programme Partners, taking into account the selection criteria previously announced in the text of the respective call for applications.

In the case of calls run by the NFP, the decision to approve or exclude applications is made by the JCBF, which may also request support from external experts to help evaluate Proposals.

In the case of calls run by Programme Operators, the decision to approve or exclude applications is made by the PO in consensus with the respective Programme Partners.

Approval may be granted as:

a) **Final Approval**
b) **Conditional Approval** - the JCBF or Programme Operators, with their DPPs, may request clarifications, for example, regarding the justification of expenses presented in the application budget or improvement of indicators. Final approval of these situations depends on compliance with the determinations or clarifications required, within 10 working days, in accordance with the CPA.

Final Decision

The managing entity shall notify the applicant entities of the final decision within the deadline set out in the call for Proposals. In the case of excluded applications, the applicant entities shall have the Opportunity to comment on the decision at a hearing of interested parties within 10 working days, in accordance with the CPA.

The list of selected bilateral initiatives and their promoters is published on the EEA Grants website after the Terms of Acceptance of the selected initiatives have been signed.

4.4 Financing Payment Methods

The managing entity always pays the contracted co-funding to the promoter of the initiative. Payments to the partner(s), within the Scope of the initiative's budget or expenses, are made in accordance with the provisions set out in the Partnership Agreement (see section 7.2 Partnership Agreement).

For bilateral initiatives with funding of up to €20,000 and a duration of up to 12 months, the contracted payment is made as follows:

a) 60% advance payment;
b) 40% after calculation of the final balance.

For bilateral initiatives with funding exceeding €20,000 and/or an implementation period exceeding 12 months, the contracted payment is made as follows:

a) 40% advance payment;
b) 30% interim payment, upon presentation and approval of an interim progress report;

c) 30% after submission and approval of the final report and calculation of the final balance.

In exceptional cases, with duly justified reasons, another payment plan may be stipulated.

In the case of initiatives approved by NFP, this change is subject to approval by JCBF.

In the case of Programmes, this change must be approved by consensus with the Programme Partners.

5 Rules of eligibility

5.1 Eligible Entities

Bilateral initiatives have no limit on the number of partner entities involved, however, the **participation of at least one partner entity from the Donor State is mandatory**, regardless of the allocation of costs related to that partnership, under the terms of Article 4.5 of the EEAFM 2021-2028 Regulation.

Initiative promoter

Any public or private, commercial or non-profit entities, including civil society organisations and non-governmental organisations (NGOs), legally established in Portugal, or in Donor Countries (in general, for Predefined initiatives, or the ones participating in a specific call), may be eligible as **promoters**.

Art. 7.2 of Regulation

Eligibility of Project Promoters and project partners

Please notice the need to be registered in the *Balcão dos Fundos* platform (see section 4.3.2).

Initiative partner

Partner entities may be any public or private, commercial or non-profit entities, including civil society organisations, legally established in Portugal, in any other Beneficiary State or in the Donor State, as well as any international organisation or subsidiary agencies (e.g. Council of Europe). Partner entities are organisations whose participation is

necessary to achieve the objectives of the bilateral initiative and which are actively involved in its preparation and implementation.

Entities that provide services or goods to the promoter of the bilateral initiative in return for remuneration (other than mere reimbursements) are not eligible as partner entities.

All partner entities indicated in the approved application must sign a Partnership Agreement regardless of whether their participation in the initiative is funded or not.

5.2 Eligible Initiatives

All initiatives that clearly contribute to strengthening bilateral relations are eligible, namely:

a) Searching for project partners before or during the preparation of an application and developing these partnerships;
b) Networking, exchange, sharing and transfer of knowledge, technology, sharing of good practices between Portuguese entities, entities from Donor Countries and/or international organisations;
c) Initiatives aimed at strengthening cooperation and the exchange of experiences and best practices between Programme Operators and similar entities in Portugal and in Donor States, as well as international organisations.

Art. 4.5 of Regulation

Eligible activities:

- Matchmaking events;

- Technical cooperation and exchange of experts;

- Capacitation and training activities;

- Workshops and seminars on common interest topics;

- Study visits;

- Data collection, reports, studies and publications;

- Campaigns, expositions and promotional material.

5.2.1 Territorial Scope

Bilateral Initiatives should preferably take place in Portugal and/or in the Donor States.

Exceptionally, activities may be carried out in any other territory within the European Economic Area or third countries which, from a bilateral perspective and in accordance with the principle of proportionality, may be of interest to promoters and partners, and have recognised relevance to the results of the bilateral initiative. This recognition is made by the JCBF or the POs in agreement with the DPP(s).

5.3 Eligible expenditure

5.3.1 General principles on the eligibility of expenditures

Managing Entities Bilateral Activities

The initial date of eligibility for expenditure is the date of signature of the MoU.

The general final date of eligibility for overall Bilateral Fund expenditure is:

a) At national level, 30 April 2032;
b) At programme level, 31 December 2031.

Predefined initiatives or initiatives selected through calls

The general principles on the eligibility of expenditures are (Article 8.2(1) of the Regulation):

a) Expenditure actually incurred and paid by the promoter or its eligible partners within the eligibility period set out in the Acceptance Agreement. In the case of unit costs and lump sums, the activities that form the basis for their payment must also be carried out and completed within the eligibility period;
b) Expenses directly linked to the initiative and duly detailed in its budget;
c) Expenses that are proportionate to the nature, size and complexity of the initiative and strictly necessary for its implementation;
d) Expenses that are strictly necessary for the implementation of the components/actions that make up the approved initiative and that are intended to contribute to achieving its objectives, respecting the principles of economy, efficiency and effectiveness;
e) Expenses that are identifiable and verifiable through their accounting records and in accordance with applicable accounting standards and principles;
f) Expenses that comply with applicable Social Security and Finance legislation.

Art. 8.2.1 of Regulation

General principles on the eligibility of expenditures.

Art. 8.2.2 of Regulation

Expenditures are considered to have been incurred when the cost has been invoiced, paid and the subject matter delivered (in case of goods) or performed (in case of services and works).

Expenses are considered to have been incurred after the goods have been delivered or the services provided, invoiced and paid for.

The fact that an expense is included in the approved budget for the bilateral initiative does not in itself guarantee its eligibility. In order to be eligible, the expenditure must meet all eligibility criteria and its incurrence must be proven in accordance with the rules applicable to the type of costs adopted (actual or simplified costs; see section 6.2.2. Forms of financing).

The rules on the eligibility of expenditure apply to all costs of the initiative and not only to the amount of the financing grant.

5.3.2 Type of expenditure

With regard to the type of expenditure, expenditure that complies with the applicable legislation, namely the public procurement rules referred to in point 6.1 of this Manual, and that falls within the following direct costs, shall be considered eligible:

a) Travel expenses directly related to the implementation of the initiatives
   i. Travel, accommodation and daily expenses of participants in the initiative implemented, provided that they are essential for their participation and comply with the rules and limits set out in point 6.2 of this Manual;
   ii. Transport expenses for human resources assigned to the initiative, relating to their participation in partnership meetings or the implementation of planned activities, excluding travel associated with internal meetings of the entities;
   iii. Travel expenses for human resources assigned to the initiative, in their own vehicles, calculated based on the value/km of the public administration benchmarks, which may not be exceeded. Fuel costs are not reimbursed for these journeys, but toll and parking costs are accepted;
   iv. Daily allowances for human resources assigned to the initiative, relating to participation in partnership meetings or the implementation of the planned activities, in accordance with point 6.2 of this Manual.

b) Costs of consumables and other supplies, provided they are identifiable and used exclusively in the implementation of the initiative (e.g. gifts, USB sticks, laboratory materials. In the case of gifts, these must be directly related to the visibility of the EEA Grants);

c) Costs of purchasing specialised services for the implementation of the initiative
   i. Acquisition of specialised services essential for the implementation of the initiative (e.g. specialised services related to the Scope of the initiative, IT services, translation services, communication services, design services, creation of a dedicated page on the promoter's website);
   ii. Expenses for trainers' and/or speakers' fees for carrying out the initiative;
   iii. Catering services.
d) Rental of spaces or goods strictly necessary for the implementation of the initiative (e.g. rental of a room for holding an event, rental of sound and audiovisual equipment, rental of specialised equipment);
e) Costs arising directly from requirements established in the funding contract (e.g. costs of communication and publicity activities and materials, computer software, costs of certifying the expenses of foreign partners).

For more information on the specific rules for implementing expenditure, see Chapter 6.

5.4 Excluded costs

The following expenses are not eligible under the Bilateral Fund pursuant to Article 8.9 of the Regulation:

a) Interest and charges on debts and late payment charges;
b) Costs relating to bank commissions or other purely financial costs, except those relating to financial services resulting from FMC and/or managing entities requirements;
c) Provisions for losses or potential future liabilities;
d) Exchange rate risks and differences;
e) Recoverable VAT;
f) Expenses that are subject to reimbursement from any other source of funding;
g) Costs of fines, penalties and legal costs, as well as other costs associated with litigation, except where these costs are an integral and necessary component of achieving the results of the initiative;
h) Excessive or reckless expenses.

Art. 8.7 of Regulation

Excluded costs

Also in accordance with Article 8.4.1(d) of the Regulation, the purchase of land and real estate is not eligible under the Bilateral Fund.

Furthermore, in accordance with the general principles of eligibility of expenditure, expenditure that is not properly included in the approved initiative will not be accepted.

Given the Bilateral Fund's objective, project management and organisation obligations are the responsibility of the promoter and respective partner(s), who may not delegate them to other entities through subcontracting. Therefore, project management and organisation expenses will not be considered eligible.

Also, in line with the Bilateral Fund's general objectives, the amounts financed and the focus on partnership activities, construction, reconstruction or renovation works will not be considered eligible.

For the same reasons, the cost of purchasing new or second-hand equipment is not considered eligible (Article 8.4.1(c) of the Regulation). Only in exceptional cases, duly approved in the application or subsequent modifications, will the amounts of depreciation of equipment corresponding to the duration of the project or its effective use for the purposes of the initiative be considered eligible.

The contracting of the same entity for more than 50% of the expenses will not be considered eligible, unless expressly provided for and approved in the application or subsequent modifications.

Indirect costs (consumption of electricity, water, communications, etc.) and human resources costs arising from the implementation of initiatives financed by the Bilateral Fund will also not be considered eligible by the managing entities.

With regard to the procurement of services, expenses for administrative and day-to-day management services, as well as the creation of websites, are not eligible (only the development and/or maintenance of pages within existing websites will be considered eligible).

5.5 State Aid

The paying entity must guarantee that aids granted in the Scope of Bilateral Fund comply with the applicable rules in terms of EU State Aid.

Particularly important in the Scope of the implementation of the Bilateral Fund is the De Minimis Regulation (Commission Regulation (EU) 2023/2831 of 13 December 2023 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid)[1]. This Regulation allows a company to receive up to 300,000€ of de minimis aid for a period of three consecutive years.

To confirm the possibility of receiving financial aid in the Scope of the Bilateral Fund, the NFP is an entity accredited at Sircaminimis platform by the Portuguese Agency for Development and Cohesion (Agency), the Portuguese entity in charge of defining and keeping the central de minimis registry under Decree-Law 140/2013 of October 18th and controlling the accumulation of financial benefits.

Any de minimis aid that might be granted under the Bilateral Fund will be registered by the managing entity in the platform above managed by the Agency, where they will be able to:

a) See whether a given Taxpayer ID number has any recorded aid in Sircaminimis (amounts, dates, among other data).
b) See whether such Taxpayer ID number has any amount available to receive more de minimis aid.
c) Register at Sircaminimis platform the amounts approved.

Considering that the Bilateral Fund beneficiaries can be entities from Donor States or other Beneficiary States in the EU, it is established that the managing entity will only register aid granted to beneficiaries based in Portugal, so the rules to be complied with by other entities are the ones established in the Regulation or each country's legislation.

De Minimis Regulation introduced the concept of single company making it mandatory for the company that benefits from the aid to declare whether it is a single company or an independent company. For this purpose, only associated companies based in

[1] Published in the Official Journal of the European Union Series L of 15/12/2023

Portugal are relevant, because the de minimis aid limits that one single company can receive are established by each Member State.

In case of doubt about the de minimis aids, you can contact the Public Procurement and State Aid Office of the Agency using the following e-mail address:

minimis@adcoesao.pt or the telephone number **(+351) 21 881 40 00**.

6 Rules for the implementation of expenditure

6.1 Public Procurement

The implementation of expenses in Bilateral Fund's Scope is subject to compliance with national and European public procurement laws, both by the promoter and the partners. This way, the rules of the Portuguese Public Procurement Code (CCP), Decree-Law 111-B/2017 of August 31st and subsequent amendments, apply to the acquisition of goods and services under that Scope.

The CCP defines which procedure to adopt according to amounts defined for each acquisition to be made.

Art. 8.16 of Regulation

Public Procurement

For reasons of transparency, it is recommended that, whenever possible, in acquisitions through direct procurement, the promoter should consult at least three entities of their choice to comply with best economic practices and allow full and fair competition between potential suppliers. If there is more than one procurement for the same supplier and with the same object, the legal threshold calculation must be respected for the sum of the procurements.

Failure to comply with the rules of the CCP makes the corresponding expenses ineligible for financing by the Bilateral Fund.

In the case of entities based in Portugal that are not covered by Article 2 of the CCP, where direct and full application of the CCP rules is not possible, they must base their procurement on the principles of legality, transparency and rigour, and the criteria for selecting the entities contracted must be clear and constitute the most economically

advantageous proposal. Where possible, it is recommended consulting at least three entities of their choice.

6.2 Forms and rules of grants

6.2.1 Currency of grants and expenditure

The amounts granted by the managing entity shall be expressed in euros.

In the case of expenditure incurred in other currencies, the amounts shall be converted into euros. This amount shall be converted into euros using the European Commission's monthly accounting exchange rate for the month during which the expenditure was paid by the promoter or partner of the initiative (Article 9.6 of the Regulation), as well as by the managing entity, in activities directly organised by it.

6.2.2 Forms of grants

Four forms of grants are allowed (Article 8.3.1 of the Regulation): actual incurred costs and three simplified cost options (lump sums, unit costs and flat-rates). A combination of the different forms of grants is also possible across different categories of expenditure; however, it is not permitted to apply more than one form of grant simultaneously to the same category of expenditure or to the same cost item, in order to avoid double funding.

Whenever the nature of the expenditure allows, and where a calculation methodology has been previously defined, objective, verifiable, and approved by the managing entity, simplified cost options should be adopted, giving them precedence over actual costs. **Each call for Proposals will define, in its notice of Opening, the forms of financing to be adopted for each type of eligible expenditure or activity. In the case of pre-defined projects, such indication will be provided on a case-by-case basis.**

Art. 8.3.1 of Regulation

Grants to beneficiaries may take any of the following

forms:

- eligible costs actually incurred;

- Lump sums;

- Unit costs;

- Flat-rate financing;

- Combination of some or all of the forms.

Actual incurred costs are expenses actually incurred in implementing the bilateral initiative, upon presentation of expenditure and payment documents. Mere accounting transactions are not considered actual incurred costs.

Example:

The budget provided for a cost of €2,000 for the publication of a document. The final cost incurred was €1,850. The amount to be reimbursed will be €1,850, upon presentation of the relevant supporting documents. Mere internal accounting transfers by the promoter or partners will not be accepted as expenditure.

Lump sums are amounts established in advance that are paid if, cumulatively, the planned activities are carried out and the contracted results are achieved.

Example:

A lump sum has been set for holding a conference, with a minimum of 5 speakers and 50 participants. The activity is considered fulfilled, and the lump sum will be paid for the approved amount only if the minimum values defined are reached. If at least one of the minimum values defined is not reached, the total lump sum approved for that conference will not be paid.

Unit costs are predefined unit values for an activity or service, which can be multiplied by the number of units used to obtain the contracted result.

Example:

The budget provides for the travel of 5 team members abroad, with a value to be paid per person (unit value) being defined. The final amount to be paid will correspond to the defined unit value, multiplied by the number of people who travelled, up to a maximum of the 5 members planned.

Flat-rates are specific categories of eligible costs, calculated as a percentage, established in advance and applied to one or more other categories of eligible costs.

Example:

Two conferences are planned, and it is necessary to publicise their holding and results. To this end, it is established that communication activities will be financed based on a percentage of the sum of the remaining budgeted costs considered eligible for the organisation of both conferences.[2]

6.2.3 Guidance for the planning and implementation of expenditure

As noted, each call for Proposals will set out, in its notice, the forms of financing to be adopted for each type of eligible expenditure or activity. In the case of pre-defined projects, such indication will be provided on a case-by-case basis.

Subsequently, the method for implementing the budget and the supporting documents accepted will be formalised in the Acceptance Agreement, and the beneficiary will be required to carry out the expenditure in accordance with the agreed financing method, which may be amended subject to prior authorisation by the managing entity.

6.2.3.1 Travel Costs

Travel costs mean all expenses related to travel, accommodation and allowances for the period of travel (including travel days in the case of consecutive days).

Travel costs for members of the promoter's or partner's team will be accepted. Travel costs for duly justified external experts may also be submitted, provided that no fees are payable, as well as for other participants whose participation in the activity is relevant to the objectives of the initiative (e.g. selected students).

Travel costs are divided into national and international ones.

a) National travel costs

In the case of **travel by Portuguese entities within Portugal**, expenditure is normally presented on the basis of actual costs, and the legal framework governing the payment

[2] For more information and reference purposes, see: Regulation (EU) 2021/1060 of the European Parliament and of the Council of 24 June 2021 and Commission Notice – Guidelines on the use of simplified cost Options within the Funds covered by Regulation (EU) 2021/1060 (Common Provisions Regulation).

of subsistence and travel allowances to Public Administration employees applies, as set out in Decree-Law No. 106/98 of 24 April, and related legislation.

The following categories of expenditure may be financed:

i) Travel:

- travel by public transport (second class); or

- travel by private vehicle (rate per km in accordance with the subsistence allowance table), where justified, with tolls and parking also eligible; or

- in duly justified exceptional cases, vehicle hire (rate per km in accordance with the subsistence allowance table), with tolls and parking also eligible.

Fuel expenses will not be accepted.

Unless duly justified, distances are calculated based on the place of work.

ii) Accommodation (where an overnight stay is required):

- stays in hotel accommodation up to 3 stars or equivalent.

iii) Subsistence allowances:

- for the calculation of subsistence allowances, the date and time of departure and return must be indicated.

Expenditure must be supported by evidence of the journey undertaken and itinerary (for private vehicle expenses), invoice or equivalent supporting document, proof of payment and, where necessary, the relevant public procurement procedure.

The standard Portuguese Public Administration travel log form, or equivalent documentation with the same level of detail, must be completed.

In the case **of travel by entities from the Donor States within their respective countries**, the same types of expenditure listed above are eligible, in accordance with

the rules in force in the respective country. Expenditure should preferably be supported by an auditor's report.

b) International travel costs

In the case of international travel, for round trips on different days, unit costs should be used. The unit cost applies to both domestic and foreign entities.

Exceptionally, in cases where only a one-way trip or return trip is necessary, or only accommodation is required, the actual incurred costs must be presented, proven by evidence of the trip, invoice or equivalent expense document, proof of payment and, where necessary, its public procurement procedure.

Calculation of unit costs

The unit cost corresponds to a fixed amount per person/participation, which may include international travel expenses, accommodation costs and subsistence costs. Unit costs for international travel refer to a fixed amount per participant/journey, based on the distance travelled between the point of origin and the final destination. Travel distances must be calculated using the European Commission's distance calculator[3].

Unit costs for accommodation correspond to an amount per night and, when applied, no additional accommodation costs may be reimbursed.

As regards unit subsistence costs, these correspond to an amount per 24-hour period per participant, depending on the destination. The amount of unit costs to be declared must be calculated by rounding to the nearest whole number of days. These costs are intended to cover meals and other ancillary expenses (such as transport costs), and when applied, no additional subsistence costs may be reimbursed.

Both accommodation and subsistence unit costs follow the amounts established in the European Commission table in force at the date of the launch of the relevant call, for initiatives under calls for Proposals, or at the date of submission of the

[3] Available at: https://commission.europa.eu/funding-tenders/procedures-guidelines-tenders/information-contractors-and-beneficiaries/calculate-unit-costs-eligible-travel-costs_en#table-3-unit-cost-per-distance-band-for-air-or-combined-airrail-travel-reference-commission-decision-c20245405

proposal in the case of pre-defined projects, or at the date of the request for expenditure, in the case of activities carried out by the managing entity[4].

For expenditure to be considered eligible, each participant's journey must be evidenced through the relevant check-in documents, together with proof of attendance at the respective activity (photos, attendance lists and/or other evidence). Unit costs for international travel are also applicable to managing entities.

Two examples are provided below using the amounts in force at the date of publication of this Manual (these do not replace consultation of the Decision or the use of the European Commission calculator).

Example 1:

A participant from an organisation in Lisbon travels to Oslo to attend a conference, with a duration of 4 days (including 3 overnight stays).

Distance Lisbon–Oslo: approximately 2,700 km, corresponding to €541 according to the European Commission table.

Unit accommodation cost per night in Norway: €145

Unit subsistence cost per day in Norway: €80

Amount payable for distance travelled (between 2,501km and 3,500km)	**Accommodation (3 nights):**	**Subsistence (4 days):**	**Total**
541€	145€ x 3 = 435€	80€ x 4 = 240€	**1,216€**

[4] At the date of publication of this version of the Bilateral Fund Manual (April 2026), the following is in force: *Commission Decision of 31.7.2024 amending Commission Decision C(2021)35 authorising the use of unit costs for travel, accommodation and subsistence costs under an action or work programme under the 2021-2027 multiannual financial framework*, available in: https://ec.europa.eu/info/funding-tenders/opportunities/docs/2021-2027/common/guidance/unit-cost-decision-travel_en.pdf.

Example 2:

A participant from an organisation in Reykjavík travels to Funchal to attend a conference, with a duration of 5 days (including 4 overnight stays).

Distance Reykjavík–Funchal: approximately 3,520 km, corresponding to €743.

Unit accommodation cost per night in Portugal: €109

Unit subsistence cost per day in Portugal: €83

Amount payable for distance travelled (between 3,501km and 4,500km)	**Accommodation (4 nights):**	**Subsistence (5 days):**	**Total**
743€	109€ x 4 = 436€	83€ x 5 = 415€	**1,594€**

6.2.3.2 Costs related to trainers, speakers, and experts

Costs related to the remuneration of trainers, speakers, and experts external to the initiative may be submitted as actual costs or unit costs, duly justified and approved in the budget.

For remunerated participation, the fee should, as a rule, cover all costs and charges associated with the participation. The separate allocation of additional costs, such as travel and accommodation, will not be accepted. For the costs to be considered eligible, evidence of attendance at the activity must be sent, along with the expense document (invoice or receipt, or inclusion of the expense in the auditor's draft for expenses incurred by foreign partners), as well as proof of payment.

In cases where participation is unpaid, travel and accommodation costs necessary for such participation may be accepted. For this purpose, costs must be paid through unit costs. The unit cost must be defined per person/activity and duly justified, subject to evaluation by the managing entity. For the costs to be considered eligible, evidence of attendance at the activity (through photos and attendance statements) must be sent, as well as proof of payment.

6.2.3.3 Other costs and supporting documentation

Communication and dissemination costs must be presented as a single amount for the entire initiative and not per activity. The services or goods required must be identified, and the amounts must be duly justified and substantiated. In duly justified cases, to be assessed by the managing entity, Proposals for communication and dissemination expenses may be accepted through the submission of unit costs or lump sums, duly calculated and approved. The graphic and visual materials created must always mention EEA Grants funding (see Chapter 12 on communication).

For costs related to the **submission of articles, publications, translations and/or revisions**, the work must be completed by the time of payment and/or the end of the initiative, and the materials created must be shared with the managing entity. In these works, publicity of EEA Grants funding is mandatory in the situations defined in the Communication Manual (see section 12 Communication). Open access publication should be preferred.

For **costs related to catering services or the purchase of food**, their relevance to the activity must be justified, with the amounts duly framed and substantiated (namely, the amount per person). In addition to proof of expenditure, a list of participants should be sent whenever possible. In duly justified cases, to be assessed by the managing entity, Proposals for catering or food expenses may be accepted by presenting a unit cost, duly calculated and approved by the managing entity.

When the actual cost method is applied, all costs must be substantiated by the respective expense document and proof of payment. Mere **internal accounting transfers by the promoter or partners are not accepted as expenses**.

6.2.3.4 Activity-base expenditure

Expenditure may also be presented in the budget proposal grouped under an activity/deliverable, corresponding by its nature to lump sums. Under this modality, the calculation of the costs comprising an activity will be assessed and, if the rationale is accepted, the expenditure will be considered eligible provided that the activity/deliverable is fully implemented. Payment is conditional upon verification of the previously defined results.

Example:

The initiative foresees the publication of a technical study “A”, in Portuguese and English, in digital format and to be made available on the promoter’s website as Open access.

To this end, it foresees the need to contract equipment rental for conducting the study, an expert for interpreting the results obtained, a designer for layout, and a translator, specifying the estimated value for each item in the budget proposal. The activity has a total estimated cost of €15,000.

At the end, the managing entity will verify only the completion of the activity with the exact results proposed. In this example, the €15,000 would be considered eligible on the condition that technical study “A” has been completed in Portuguese and English, on the promoter’s website as Open access.

6.2.3.5 Partner’s costs

National partners’s costs shall follow all the rules applicable to the expenditure of the Portuguese promoter, in terms of calculations, procedures and supporting documents.

The costs of international partners shall follow the applicable rules in their countries, in all matters not expressly regulated by the Regulations or this Manual. In accordance with Article 8.12.3(b) and (c) of the Regulation, proof of actual expenditure shall be accepted in the form of a document declaring compliance with the rules of the country of origin and the Regulation (the relevant draft is set out in Annex VI), which must be signed by a duly authorised person from that country who is not involved in the initiative.

> ***Art. 8.12.3 of Regulation***
>
> *For partner entities located outsed of Portugal, the partner shall send to the promotor the expenditure’s proof via an report in english signed by an independent auditor or other competent and independent public officer.*

Where there is shared management of funding, it is the promoter’s responsibility to advance the funding and/or reimburse the partners for the costs incurred within the framework of the Partnership Agreement concluded and in accordance with the rules laid down therein. The advance and/or reimbursement may be total or correspond to the percentage of the initiative's funding, with this decision being at the discretion of the parties and reflected in their Partnership Agreement. In the case of reimbursement, this may be made before or after the validation of expenses by the managing entity. This definition, as well as the deadlines for advance payment and

reimbursement after receiving the funding, must be expressly stated in the Partnership Agreement.

6.2.4 Revenue

Bilateral initiatives are not expected to generate revenue. However, if any bilateral initiative does, exceptionally, generate revenue, this must be identified in advance and taken into account in the calculation of the funding allocated, with the forecasted amount being returned to the initiative itself. If the revenue is not initially provided for in the approved budget, the necessary adjustments to the amount of funding must be made at the time of final payment. In such cases, the revenue will be deducted from the total eligible expenditure, on which the total funding to be allocated will subsequently be calculated.

Example:

A conference with paid registration is held, generating €500 in revenue.

At the end of the initiative, the promoter presents a total of €10,000 in eligible expenditure. The amount of revenue obtained will be subtracted from this amount, and the contracted funding rate will be applied to the remainder.

7 Grant contracting

7.1 Acceptance Agreement

Funding for predefined bilateral initiatives or initiatives selected through a call for Proposals is formalised through the signing of an Acceptance Agreement. This document must be signed and dated, preferably digitally, by the legal representatives of the promoter of the approved bilateral initiative. It must be sent to the managing entity within 30 working days from the date of notification of the approval of said initiative, without prejudice to any other deadline that may be set by the managing entity.

The Acceptance Agreement sets out the conditions for the allocation of funding, namely: Scope of support, financing conditions, maximum amount of approved funding, financing rate, implementation period, and obligations of the beneficiary.

The Acceptance Agreement is drawn up based on the drafts attached to this Manual (Annexes I to IV).

7.2 Partnership Agreement

All formal partners in the bilateral initiative must sign a partnership agreement. Where there are several partners, a joint agreement should preferably be signed.

This agreement shall include at least the following elements:

a) Identification of the parties involved;
b) Roles and responsibilities of the parties involved;
c) Description of the objectives and activities to be carried out under the partnership;
d) Definition of the rules and conditions for financing, in particular with regard to rules for reporting costs and the conditions for advance payments and reimbursement, if applicable;
e) Identification of the currency of the partnership in euros and rules relating to the risk of exchange rate fluctuations, where applicable;
f) Detailed budget, including costs to be borne by each partner, and its payment plan;
g) Conflict resolution system.

The Partnership Agreement must be written in English, and the template attached to this Manual (Annex V) shall be used as a reference.

For the expenditure of the partner entities to be eligible, they must be duly budgeted and itemised in the respective Partnership Agreement.

The promoter must send a copy of the Agreement to the managing entity along with the duly signed Acceptance Agreement, as defined in point 7.3 of this Manual.

7.3 Beginning of initiative implementation

After signing the Acceptance Agreement, the promoter must begin implementing the initiative within 90 days, under penalty of revocation of support and return of any amount received, except in cases where the promoter has timely requested an extension of this period or where another schedule has been stipulated in the Acceptance Agreement.

Regardless of the start date of the bilateral initiative, the transfer of funds will only be made after receipt of the Acceptance Agreement (provided that the conditions set out therein are met) and a copy of the signed Partnership Agreement.

7.4 Bilateral Initiative modifications

After signing of the Acceptance Agreement, in duly justified cases, the managing entity may accept modifications to the bilateral initiative, provided that such modification does not imply an increase in the amount to be financed and/or its financing rate.

Requests for modifications shall be submitted to the managing entity, with substantiated information justifying the need for the change, via the *Balcão dos Fundos* platform.

7.4.1 Substantial modifications

The following shall be regarded as substantial modifications, namely:

a) Adjustments to deadlines and to the eligibility period that enable compliance with obligations, within the implementation and the Bilateral Fund's eligibility period. Such extension must be necessary for the full achievement of the project's objectives and results;
b) Justified amendments and substitutions to the results framework and objectives that do not affect the Scope, quality, bilateral objectives, or the approved budget;
c) Substantial adaptation of the schedule of activities, deliverables and results with an impact on the budget and the project implementation period, without altering the project Scope or bilateral objectives;
d) Justified substitutions in the composition of the partnership (replacement of partner(s) or inclusion of new partner(s)) that do not alter the Scope, bilateral objectives, budget, quality, timetable or objectives of the approved call, providing justification of the adequacy of the new partnership;
e) Adjustments to budget headings exceeding 20% of the total approved budget;
f) Change of the country where the planned activities are to be carried out;
g) Modifications that may compromise the positioning of the initiative in relation to the selection criteria that formed the basis of its funding decision.

In the case of initiatives approved by the NFP, such requests shall be assessed by the JCBF, and the decision shall be communicated via *Balcão dos Fundos* Platform.

In the case of initiatives approved by the PO, such requests shall be assessed jointly with the Programme Partners, and the decision shall also be communicated via *Balcão dos Fundos* Platform.

Requests for substantial modifications must be submitted in advance to the managing entity for approval (e.g., before incurring unforeseen expenditure or before the end of the originally contracted deadline for completion of the initiative). If they are not submitted in due time, the modifications shall be automatically rejected and the corresponding expenditure deemed ineligible.

If the modification is accepted, it must be reflected in the Acceptance Agreement through the preparation of an addendum, where applicable.

If the modification in question has an impact on the terms of the Partnership Agreement, the updated version must be submitted to the managing entity.

7.4.2 Non-substantial modifications

In the case of non-substantial modifications, a request must likewise be submitted to the managing entity for assessment. If the managing entity considers that the proposed modifications do not entail a significant impact on the objectives and results, do not interfere with the implementation period of the initiative, and do not affect the budget beyond the rule set out in point (e) of the previous subsection, approval of the acceptance shall be communicated via *Balcão dos Fundos* or during the assessment of the reports.

7.5 Conclusion of contract

An initiative may be deemed to be concluded through its regular completion, cancellation, or breach of the Acceptance Agreement.

7.5.1 Completion of the initiative

The timely and proper implementation of the initiative, namely the planned activities and reporting obligations vis-à-vis the managing entity, is the objective of bilateral initiatives.

Following the managing entity's assessment of the initiative's final report, once the initiative has been considered duly implemented and the final balance identified has been either paid or reimbursed (see **8. Reporting and Monitoring and 9. Payments**), the initiative shall be deemed completed.

After completion of the initiative, the promoter shall remain subject to obligations concerning the archiving of and access to documentation, as well as publicity and communication requirements, in accordance with the provisions set out in the Acceptance Agreement.

7.5.2 Cancellation

Following the approval of the initiative, and before or during its implementation, the promoter may request its cancellation due to subsequent changes in the assumptions or conditions of implementation, or for reasons beyond their control (e.g., unavailability of the principal investigator or partner to carry out the partnership under the approved terms).

The cancellation request must also be communicated to the partner(s).

Once the managing entity notifies acceptance of the cancellation, this shall entail the repayment of all amounts already received. Repayment must be made within 30 days of such notification. After this period, if voluntary repayment has not been made, compulsory recovery proceedings shall be initiated by the competent services (see **9.3 Recovery of Funds**).

7.5.3 Non-compliance of the initiative

Non-compliance may occur in the following cases:

a) failure by the promoter or its partner(s) to comply with the obligations laid down in the Acceptance Agreement and/or the Partnership Agreement;
b) breach of the legal framework of the EEAFM 2021–2028, as defined in Article 1.5 of the Regulation, as well as of any provision of EU law or of the law of the Beneficiary State that affects or undermines any stage of the implementation of the EEAFM 2021-2028 (see **11. Irregularities**);
c) provision of false information by the promoter or partners, or manipulation of data during their submission, assessment or monitoring.

If the managing entity becomes aware of a situation of non-compliance, it shall notify the promoter of its proposed decision to declare total or partial non-compliance so that, within 10 working days, in accordance with the Portuguese Code of Administrative Procedure, the promoter may submit its observations.

Without prejudice to any determination of administrative and/or criminal liability, following the managing entity's final decision declaring non-compliance, this may result in the suspension of payments until the identified situation has been remedied, or in the total or partial loss of the approved funding and the obligation to repay (also in whole or in part) the amounts already transferred. In cases of false declarations, under the applicable legislation, the beneficiary entity or entities shall be barred from applying for initiatives or projects under the EEA Grants for the following five years.

In the event of a decision to withdraw the approved funding, the promoter is required to repay all amounts already received within a maximum period of 30 days following notification by the managing entity. After this period, if voluntary repayment of the amounts due has not been made, compulsory recovery proceedings shall be initiated by the competent services (see **9.3 Return of Funds**).

8 Reporting and Monitoring

The implementation of bilateral initiatives is subject to regular and continuous monitoring by the managing entities to track progress and ensure compliance with the agreed objectives and targets.

These procedures include:

a) Monitoring compliance with the legal framework of the EEAFM 2021–2028;
b) Monitoring the progress and quality of implementation of the bilateral initiatives;
c) Assessment and monitoring of risk.

Promoters are required to submit implementation reports within the deadlines set out in the Acceptance Agreement, to enable monitoring and evaluation of the contracted results and the disbursement of funding by the managing entities.

In addition to analysing reports submitted regularly by promoters, the managing entity may hold follow-up meetings with them, alongside on-site verification of the bilateral initiative's documents.

Unjustified failure to submit reports on time or failure to respond to requests for follow-up meetings or on-site verifications may result in the closure of the initiative due to non-compliance, with full or partial repayment of unspent funds.

8.1 Reporting on physical and financial implementation

There are three types of reports:

a) Progress Reports – During the implementation of the initiatives, the managing entity may request progress reports whenever deemed necessary for the purpose of monitoring implementation (to be submitted via the *Balcão dos Fundos* platform).
b) Interim Reports – For initiatives exceeding 12 months in duration or funding above €20,000, promoters must submit an interim report at least after the first

half of the implementation period. Promoters must provide the managing entity with an interim report (to be submitted via the *Balcão dos Fundos* platform), listing activities carried out and results achieved. Except in duly justified cases and authorised by the managing entity, interim payments will only be made when the declared expenditure reaches or exceeds 30% of the approved funding.

c) Final Report – Regardless of the submission of progress and/or interim reports, upon completion of the initiatives, all promoters must submit a final report to the managing entity (to be submitted via the *Balcão dos Fundos* platform) along with the supporting documentation for costs incurred, in order to determine the final balance.

These reports form the basis for management verifications carried out by the managing entities.

*In the **final report** all **costs must be reported, not only the financed amount**. The promotor should also include in the report the partner's expenditure.*

Regarding costs incurred by partner entities under the Partnership Agreement, the relevant amounts are included in the reports submitted by the promoter, who is responsible for transferring the funds to partners in accordance with the rules established in the Partnership Agreement.

8.2 Monitoring the implementation of Bilateral Initiatives

Monitoring of the implementation of bilateral initiatives focuses on both their physical and financial implementation, as well as its implementation risk.

Physical Monitoring

Verification of reports focuses on compliance with the planned activities and publicity obligations regarding EEA Grants funding. Websites, printed materials, publications, attendance lists, and other evidence demonstrating full or partial implementation of the proposed activities will be analysed and must be submitted to the managing entity in a timely manner.

For an activity to be considered implemented, it must be completed in accordance with the approved application or authorised modification by the final date of the initiative.

Financial Monitoring

Verification of payment requests focuses on the formal (type of documents presented), strict (content of the documents), temporal (whether expenditure was incurred during its eligibility period), and regulatory eligibility (if the legal framework was complied with) of all costs declared in the reports submitted by promoters, as well as their link to the planned and implemented activities.

This verification may be carried out through administrative checks and on-site inspections, and supporting documentation may be requested on a sample basis.

It is the responsibility of the managing entity to perform management verifications of bilateral initiative promoters. All verifications must be documented using checklists.

The forms and supporting documentation submitted by promoters will be validated by the managing entity or by an external audit entity, duly certified for the purpose.

Risk monitoring

Risk monitoring focuses on the identification, analysis and tracking of factors that may jeopardise the implementation of the initiative, namely financial, operational and compliance risks, and may lead to the intensification of monitoring and verification actions.

8.2.1 Administrative verification

The administrative verification examines *Balcão dos Fundos* platform by promoters and performs the following validations:

a) Compliance of the expense's eligibility with the rules of the EEAFM 2021–2028 Regulation and other applicable legislation, including public procurement;
b) Correspondence between the expense and the approved initiative;
c) Compliance of expenses with the Bilateral Fund rules, particularly regarding partner expenses and the approved funding rate;

d) Legal compliance of supporting documentation and the existence of an adequate audit trail;
e) Compliance with the EEAFM 2021–2028 Regulation and the "Communication and Graphic Standards Manual – EEA Grants Portugal 2021–2028" concerning information and publicity;
f) Compliance of the reimbursement request regarding legal and regulatory framework.

Regarding validation of the supporting documents referred to in point (d), if the report contains more than 100 documents, a sample of at least 30 documents will be checked. If the total number of documents is fewer than 100, all documents will be verified.

For actual costs, supporting expense and payment documents, as well as public procurement procedures (where applicable), will be checked; for unit costs and lump sums, compliance with the approved conditions will be confirmed, and evidence of activity/deliverable completion will be verified according to the proposed terms; for flat rates, the underlying assumption for their application will be checked.

The result of the payment request verification will identify the total amount of expense submitted by the beneficiary, the amount of the expenditure deemed eligible after verification, the amount and type of ineligible expenditure, and the amount of payment to be made.

8.2.2 On-site verification

Two types of on-site verification may be conducted: technical verification and financial verification.

Technical Verification

On-site technical verification focuses on confirming the physical implementation of the initiative and the compliance of its documentation, particularly the existence and organisation of the initiative's dossier. It may take place during both the implementation and completion phases of the initiative.

Financial Verification

On-site financial verification is carried out on a random sample, with a minimum coverage of 20% of the total costs already validated in payment requests.

This verification is intended to monitor the implementation of the initiative, specifically delivery of the product/service in accordance with the contract's terms and conditions, regularity and legality of expenditure incurred, and evidence of compliance with information and publicity rules, through the collection of additional documentation proving the actual physical and financial implementation of the initiative.

Promoters will be notified in advance of:

a) The date and location of the verification;
b) Documents to be made available by the promoter; and
c) Team members required to be present to provide necessary clarifications (e.g., initiative manager, finance department representative, etc.).

The report resulting from each on-site verification will detail the Scope of the verification, technical coverage, and quantify any ineligible expenses.

The results of on-site verifications will be recorded by the managing entity in the quarterly irregularities reporting table.

8.3 Initiative dossier

Promoters of initiatives funded by the Bilateral Fund must maintain an up-to-date physical and/or digital dossier containing all information and documentation relating to the initiative. This dossier shall consist of the originals of the following documents:

a) Application form and its annexes;
b) Communication of the funding approval decision;
c) Acceptance Agreement;
d) Partnership Agreement;
e) Amendments to the Acceptance Agreement and/or the Partnership Agreement, where applicable;

f) Certificates confirming the VAT regime applicable to the entities involved in the initiative;
g) Supporting documents demonstrating compliance with the legal framework on public procurement in the acquisition of goods and services carried out during the implementation of the initiative;
h) Supporting expenditure documents (invoices, receipts and/or other equivalent documents);
i) Proof of bank transfers made within the framework of the partnerships;
j) Initiative report(s) submitted to the managing entity;
k) Evidence of the activities carried out (minutes, attendance sheets, photographs, press articles, among others);
l) Evidence of publicity for the initiative (photographs of materials produced bearing the EEA Grants logo, posters, leaflets, among others);
m) Documentation relating to verifications and audits carried out in respect of the initiative.

In the case of a physical initiative dossier, where it is not possible to include the original documents referred to above, these must be replaced by copies indicating the exact location of the originals.

All documents must be available for consultation and may be requested at any time by the entities responsible for verification, certification and/or audit within the framework of Bilateral Fund. If the dossier is not kept up to date, the managing entity may suspend payments until the promoter ensures its proper updating.

Failure to cooperate or refusal to grant access to the aforementioned documents by the promoter or partner entities may result in cancellation of the funding and repayment of all amounts already transferred.

This archive must be retained at least **until 31 December 2035**.

9 Payments

Payment conditions by the managing entity are defined in the Acceptance Agreement. The transfer of funds to co-finance expenses incurred under the Bilateral Fund will commence once the Acceptance Agreement has been duly signed and returned, together with the submission of all other required documentation, provided that the conditions set out therein have been fulfilled.

All payments are subject to prior verification of the declaration of no outstanding debt to Social Security, the certificate of regularised tax status, and proof of the promoter's IBAN.

Payments made to promoters of the initiatives must be demonstrable through the respective bank transfers or bank statements, with the value dates determining the payment date for the purposes of temporal eligibility.

9.1 Bank account

It is the responsibility of the promoter to identify a bank account through which all financial transactions of the Bilateral Fund-funded initiative are carried out. The transfer of the funding amount will be made to this account, **which the promoter must also use to pay all expenses related to the funded initiatives**.

The promoter must provide the managing entity with documentation proving ownership of the IBAN.

9.2 Payment conditions

The transfer of funds to promoters is subject to the following conditions:

9.2.1 Advance and Interim Payment

The **advance payment** will be transferred upon receipt of the Acceptance Agreement, provided that the conditions specified therein are met, including submission of a signed copy of the Partnership Agreement, the declaration of no outstanding debt to Social Security, and the certificate of regularised tax status.

For bilateral initiatives where an **interim payment** is applicable, such payment is contingent upon submission of the interim report and implementation of at least 30% of the total initiative expenses, except in duly justified exceptional cases.

9.2.2 Final Balance Determination

For the purposes of **determining the final balance**, the promoter must submit to the managing entity, within 30 days following the final date of expense eligibility for the bilateral initiative, the final report referred to in point (c) of section 8.1 of this Manual. The final balance will be calculated by verifying the expenditure incurred and paid, confirming completion of the planned activities, and ensuring that the objectives set out in the Acceptance Agreement have been achieved.

The final balance determination may result in one of three situations:

a) **Full payment of the final tranche of funding** – when the budget has been fully implemented and the total submitted expenditure is deemed eligible;
b) **Partial payment of the final tranche** – when the application of the approved funding rate to the total eligible expenditure results in an amount lower than the maximum approved funding. In this case, the excess amount will be withheld;
c) **Withholding of the final tranche and repayment of unspent funds** – when the application of the approved funding rate to the total eligible expenditure shows that not all funds already transferred as an advance to the promoter have been executed.

9.3 Return of funds

The administrative nature of the managing entities gives rise to the power of public authority and the rules laid down in the Acceptance Agreement are subject to Administrative Law.

The promoter of the initiatives may return the funds, based on an obligation of restitution with an obligatory source in unjust enrichment, to refund all the sums that have been delivered (advanced), with a view to realising an effect that has not taken place, under the terms of Article 473, paragraph 1, in fine, of the Portuguese Civil Code, in the following cases:

a) When verification of the expenditure has resulted in an unfavourable assessment that determines it, in whole or in part, as ineligible, because the eligibility rules laid down in the Regulations and the Bilateral Fund Manual have not been complied with;
b) When sufficient expenditure has not been incurred for the provision granted to the promoting organization via the advance payment;

In the event of a refund, the promoter of the initiative is regularly notified by electronic means of the request for voluntary payment, within the deadline set and indicating the bank account intended for such payment.

Article 179 of the Portuguese Code of Administrative Procedure stipulates that if, by virtue of an administrative act, pecuniary instalments have to be paid to a public legal person, or by order thereof, in the absence of voluntary payment within the prescribed period, the tax enforcement procedure follows, as regulated in the tax procedure legislation' (no. 1), in which case "the competent body issues, under the legal terms, a certificate with the value of an enforcement order, which it sends to the competent tax administration department, together with the administrative process" (no. 2).

The enforced debt is subject to tax enforcement proceedings, under the terms of Article 148(2) of the Portuguese Code of Tax Procedure and Proceedings, which states that 'other debts to the State and other legal persons governed by public law that must be paid by virtue of an administrative act' (point a) and 'Refunds or repayments' (point b) can be collected through such proceedings.

All notifications, as they constitute unfavourable administrative acts, must expressly enshrine the right to a prior hearing, under the terms of Article 121, in conjunction with Article 122 of the Code of Administrative Procedure, approved by Decree-Law no. 4/2015, of January 7, in its current wording, in order to make a decision on the request for the return of funds. This judgement must be made in writing and consultation of the case file is always offered, made possible by electronic means, upon request at least 2 days in advance.

Any settlement of accounts between the promoter and partner(s) is their responsibility.

10 Certification and audit

Expenditure incurred under bilateral activities directly implemented by the managing entities, predefined initiatives, and initiatives selected through calls for Proposals is subject to certification.

Proof of reported payments or any additional information required to confirm the regularity, legality, and eligibility of the reported amounts may also be requested by the Certifying Authority.

Amounts arising from bilateral initiatives under the responsibility of the Programmes are declared for certification purposes within the IFRs of the respective Programmes. Bilateral initiatives managed by the NFP are reported for certification in the specific IFRs of the PT-BF programme.

Managing entities must implement adequate and sufficient management verifications to ensure that the amounts declared for certification purposes are regular, legal, and eligible, and have been incurred in compliance with the Regulation and applicable legislation.

Both managing entities and promoters of bilateral initiatives are also subject to controls carried out by the Certifying Authority and audits by the Audit Authority or entities with delegated powers, by the FMO, and/or by the EFTA Board of Auditors.

During audits, evidence of the reported expenditure must be provided. Supporting documentation must allow reconciliation with the reported amounts, confirm the legality and regularity of eligible expenditure, and ensure an adequate audit trail.

11 Irregularities

According to Article 12.2 of the Regulation, an irregularity means a breach of the legal framework of the EEAFM 2021-2028 as defined in Article 1.5 of the Regulation, as well as of any provision of EU or Beneficiary State legislation, which affects or jeopardises any phase of the implementation of the EEAFM.

Chapter 12 of Regulation

Irregularities

Irregularities may be established following the intervention of the various entities with responsibilities in the EEAFM or following complaints or claims submitted through the irregularity alert provided for in Article 12.6 of the Regulation.

However, it should be noted that mere administrative or clerical errors of a non-systematic nature and which relate to an amount of EUR 5 or less, shall not be considered irregularities.

Irregular or anomalous amounts identified must be deducted from the eligible project expenditure once they are brought to the attention of the managing entities, and any corresponding unduly paid amounts must be recovered.

All irregularities must be reported to the Certifying Authority and included in the quarterly irregularities report. Irregular amounts may not be reused within the same initiative, as indicated in Article 13.2.3 of the Regulation.

12 Communication

All entities involved in the implementation of the EEA Financial Mechanism 2021–2028, of which Bilateral Fund is an integral part, share responsibility for carrying out information and communication activities as defined in the initiative, in order to ensure the widest possible dissemination of information, raise awareness, and strengthen transparency regarding funding opportunities, beneficiaries, and achievements (Article 1.7 of the Regulation).

Managing entities and promoters of bilateral initiatives must, through their information and communication activities, widely and effectively disseminate information about the EEA Financial Mechanism 2021–2028, using tools and methods appropriate to the target audience, highlighting the contribution of Iceland, Liechtenstein and Norway.

Promoters must provide relevant audiences and stakeholders with information about the initiative they are implementing, its objectives, achievements, and results, as well as the support from the EEA Financial Mechanism 2021–2028 and any bilateral cooperation with entities from the donor states. They must also ensure that initiative participants are informed about the Bilateral Fund funding and the donor states.

In this regard, EEA Grants communication requirements and guidelines have been established, which promoters must follow when implementing their initiatives.

The main obligations of the promoters are:

a) Submission of information and images for publication on the EEA Grants website;

b) Inclusion of the EEA Grants logo on all graphic materials, in compliance with the applicable standards;

c) Reference to the support of the EEA Grants on pages related to the initiative, publications, social media, and any promotional material produced;

d) Preparation of two news articles for publication on the official EEA Grants website: one at the start of the initiative and another upon its completion;

e) Communication materials intended for a general audience must be written in Portuguese, English, and the partner country's language, whenever possible;

f) In addition to the obligations listed above, promoters must comply with the requirements set out in the Design and Communication Manual applicable to project promoters.

For more information, the **"Design and Communication Manual 2021–2028"**, is available on the EEA Grants website:

https://eeagrants.org/en/portugal/about/legal-framework/communication-and-design-manual-2021-2028

All Bilateral Fund-funded initiatives are publicised on the EEA Grants website, in the Portuguese page, and the managing entity reserves the right to use all or part of this content in its communication activities.

13 Glossary

Acceptance Agreement	Document signed by the promoters of bilateral initiatives establishing the conditions for the award of funding.
Audit Authority (IGF)	National public entity (Portuguese Inspectorate-General of Finance), functionally independent from the National Focal Point, the Certifying Authority and the Programme Operators, designated by Portugal as the Beneficiary State, responsible for verifying the effective compliance with the previously approved Management and Control Systems.
***Balcão dos Fundos* Platform**	Public platform intended for all entities (natural and legal persons) wishing to apply for support under various funding schemes, including the EEAFM 2021–2028 and to manage the approved projects.
Beneficiary States	Fifteen Member States of the European Union with GDP per capita below the EU average, including Portugal, eligible as beneficiaries under the European Economic Area Financial Mechanism.
Bilateral Fund	Fund corresponding to a minimum of 2% and a maximum of 5% of the total allocation to the Beneficiary State, aimed at strengthening bilateral relations between the Donor States and the Beneficiary State. It is managed by the UNG at national level and by the Programme Operators at Programme level (Article 4.6 of the EEA FM 2021–2028 Regulation). Its objective is to promote cooperation between institutions and individuals at administrative, political, private sector, academic and civil society levels.
Bilateral Fund Agreement	The Bilateral Fund is regulated by the Bilateral Fund Agreement, signed between the FMC and the NFP. This Agreement defines the dimension and objective of the Fund. It also describes the role, functioning and composition of JCBF, Work Plan procedures and requirements, and the allocation of funds.
Bilateral Initiative Partner	Public or private entity, commercial or non-profit, including civil society organisations, legally established in Portugal, in any other Beneficiary State or in the Donor States, as well as any international organisation or subsidiary agency (e.g. Council of Europe), actively involved and effectively contributing to the implementation of a bilateral initiative. The Partner shares with

	the promoter a common economic or social objective to be achieved through the implementation of the initiative.
Bilateral Initiative Promoter	Public or private entity, commercial or non-profit, including any civil society organisation such as non-governmental organisations (NGOs), legally established in Portugal (and, in exceptional cases, in Donor States), responsible for initiating, preparing and implementing a bilateral initiative.
Bilateral Initiatives	Initiatives composed of one or more activities, implemented in partnership with entities from the Donor States, contributing to the strengthening of bilateral relations through the promotion of strategic cooperation, networking, knowledge exchange and/or other joint activities. They may be pre-defined or selected through Open calls.
Certifying Authority (AD&C)	National public entity (Portuguese Agency for Development and Cohesion), functionally independent from the National Focal Point, the Audit Authority and the Programme Operators, designated by Portugal as the Beneficiary State, responsible for the certification of financial reports.
Donor Programme Partner (DPP)	Public entity of a Donor State designated by the FMC to support the preparation and implementation of a Programme agreed in the MoU and of the Bilateral Fund at Programme level.
Donor States	Iceland, Liechtenstein and Norway, members of EFTA that have signed the Agreement on the European Economic Area and contribute funding to the EEAFM.
Eligible Expenditure	Expenditure identified and associated with the implementation of an activity, the nature and date of which comply with the legal framework of the EEA Financial Mechanism 2021–2028, as well as with other applicable national and EU rules.
European Economic Area Financial Mechanism (EEAFM)	Financial mechanism established under the Agreement on the European Economic Area, through which the Donor States provide funding in 15 Beneficiary States for initiatives and projects across various programme areas, with the aim of reducing economic and social disparities and strengthening bilateral relations between the Donor and Beneficiary States.

European Economic Area Financial Mechanism 2021-2028 Legal Framework	Comprising the EEAFM 2021–2028 Regulation, Protocol 38c of the Agreement on the European Economic Area, the Memorandum of Understanding, Programme Agreements and Guidelines adopted by the FMC.
Expenditure Certification Procedure	Formal procedure through which the Certifying Authority declares to the FMO that the expenditure submitted for reimbursement is eligible, supported by paid invoices or other accounting documents of equivalent probative value, or by physical indicators of delivery in the case of simplified costs, and that it has been incurred within the framework of activities duly approved for funding.
Financial Mechanism Committee (FMC)	Committee established by the Donor States to manage the European Economic Area Financial Mechanism, composed of representatives of their Ministries of Foreign Affairs.
Financial Mechanism Office (FMO)	Office assisting the FMC in managing the European Economic Area Financial Mechanism and serving as a point of contact.
Grant rate	Co-payment from the EEAFM 2021–2028 towards the implementation of approved programmes, projects and initiatives, corresponding to a percentage of their total eligible cost.
International Partner Organisation (IPO)	International organisation (or its respective section or agency) involved in the implementation of the EEAFM 2021–2028, designated by the FMC.
Irregularities Authority (AD&C)	National public entity (Agency for Development and Cohesion), functionally independent from the National Focal Point, the Audit Authority and the Programme Operators, designated by Portugal as the Beneficiary State, responsible for recording and reporting detected irregularities to the FMO.
Irregularity	Breach of the legal framework of the EEA FM 2021–2028 and other applicable legislation, namely with regard to public procurement.

Joint Committee for Bilateral Funds (JCBF)	Committee chaired by the National Focal Point to discuss matters of bilateral interest, decide on the use of the Bilateral Fund and assess progress in the implementation of the EEAFM 2021–2028 with a view to strengthening bilateral relations between the Donor States and the Beneficiary State at national level.
Managing and Control Systems Description	Description of the Management and Control Systems established between the National Focal Point, the Audit Authority and the Certifying Authority, or established by each Programme Operator, setting out the organisational structure, expenditure verification procedures, monitoring and reporting arrangements, certification and audit procedures, etc.
Managing Entity	Entity responsible for the management and use of the Bilateral Fund, as provided for in Articles 4.7 and 4.10 of the EEA FM 2021–2028 Regulation, including reporting obligations. At national level, the managing entity is the NFP; at Programme level, it is the respective Programme Operator (PO). Management is carried out in conjunction with the JCBF (for the national managing entity) or with the Donor Programme Partner(s) (DPP) (for managing entities at Programme level).
Memorandum of Understanding (MoU)	Document defining the entities, Programmes, Donor Programme Partners, bilateral ambitions and funding amounts. It serves as a guide for the implementation of the EEAFM 2021-2028, ensuring clarity regarding responsibilities, objectives and financial resources available to achieve the desired results.
National Focal Point (NFP)	Pursuant to Council of Ministers Resolution No. 19/2026 of February 4, the National Focal Point of the European Economic Area Financial Mechanism 2021–2028 was regulated, assuming the role of National Focal Point and entrusted with the responsibilities defined in the EEAFM 2021–2028 Regulation and Memorandum of Understanding.
Open Call Notice/Call for Proposals	Announcement launching a competitive procedure for the allocation of available funds to finance bilateral initiatives, setting out the conditions for funding, namely amounts, funding rates, deadlines for submission of Proposals, selection criteria, etc.

Partnership Agreement	Agreement between the FMC and the NFP, regulating a specific programme implementation.
Programme	Structure defining a development strategy, comprising a coherent set of measures and indicators to be implemented through projects supported by the EEAFM 2021–2028, aimed at achieving the agreed objectives and results.
Programme Operator (PO)	Public or private entity designated in the MoU with responsibility for preparing and implementing a Programme.

14 Annexes

Annex I –Acceptance Agreement Template for Predefined Initiatives at national level;

Annex II –Acceptance Agreement Template for Predefined Initiatives at Programme level;

Annex III –Acceptance Agreement Template for Bilateral Initiatives at national level selected through call;

Annex IV –Acceptance Agreement Template for Bilateral Initiatives at Programme level selected through call;

Annex V – Partnership Agreement template;

Annex VI – Certification of costs claimed by donor initiative partner template;

Annex VII – Balcão dos Fundos registration form for donor country entity;

ANNEX I

EUROPEAN ECONOMIC AREA FINANCIAL MECHANISM 2021-2028

ACEPTANCE AGREEMENT FOR THE APPROVAL OF FINANCIAL SUPPORT FROM THE BILATERAL FUND AT NATIONAL LEVEL

– PREDEFINED INITIATIVE –

Bilateral Initiative No.:
Bilateral Initiative Title:
Promoter of Bilateral Initiative:

Within the framework of the implementation of the predefined bilateral initiatives supported by the Bilateral Fund of the European Economic Area Financial Mechanism 2021–2028 (EEA FM 2021–2028), it is foreseen the implementation of the present Bilateral Initiative, as approved by the Joint Committee for the Bilateral Fund (JCBF).

The Promoter of the Bilateral Initiative, _____, with registered office at _____, tax identification number _____, represented by _____, identification car no. _____, tax identification number _____, who signs in the capacity of _____ and exercising the legal powers for this act, hereby declares that they have taken note of the JCBF decision, for the support of the initiative in question, by the National Focal Point (NFP),

CLAUSE ONE

Subject Matter

1. The purpose of these Acceptance Agreement is to grant financial support for the initiative _____, for which the respective plan and detailed budget were presented with an estimated total cost of _____Euros (_____), as shown in Annex 1, which forms an integral part of these Acceptance Agreement, and which have been accepted in their precise terms by the JCBF.
2. The financial support is provided by the NFP, which acts as the National Focal Point of the EEAFM 2021-2028 and the managing body of the Bilateral Fund at national level, and corresponds to the financing of eligible expenses up to the maximum amount of _____ € approved by the JCBF, as shown in Annex 1, with a financing rate of ___%..
3. The financial support shall be provided in accordance with the budget and funding arrangements stipulated in Annex 2.

4. The start date of the approved initiative, which determines the beginning of expenditure eligibility, is the date of signature of this Acceptance Agreement. Therefore, expenditure incurred prior to this date shall not be considered eligible.
5. The final date for the material completion and eligibility of expenditure of the approved initiative is _____, in accordance with Annex 1, except for actual expenditure incurred during the final month of implementation, which may be paid up to 30 days thereafter. Under no circumstances may the eligibility period exceed 30 April 2032.

CLAUSE TWO

Payments

1. Payment of the financial support shall be made by means of an advance of _____% of the approved budget, paid in accordance with the following paragraph, [interim payment(s) of _____ %], and a final payment of up to ____%, in accordance with paragraph 3 of this Clause.
2. The advance amount shall be transferred by the Secretariat-General of the Government (SG Gov.) to the bank account indicated by the Promoter of the Bilateral Initiative, with IBAN _____, upon order of the NFP, following receipt of the signed Acceptance Agreement, together with the Partnership Agreement(s), proof of ownership of the IBAN referred to in this Clause, and after verification of compliance with tax and social security obligations.
3. The remaining amounts shall be transferred by SG Gov. to the bank account indicated by the Promoter of the Bilateral Initiative, upon instruction from the NFP, which shall occur after verification of the documentation submitted, in accordance with paragraph 2 of Clause Four.

CLAUSE THREE

Promoter's obligations

1. The Promoter of the Bilateral Initiative undertakes to:

a) Fully implement the approved Bilateral Initiative in accordance with Annex 1, the respective Partnership Agreement, and Annex 2 concerning the financing conditions of the planned expenditure and activities;

b) Maintain, at all times, the eligibility conditions relating to the approved financial support, including regularised status with the tax authorities and social security, providing evidence thereof to the NFP when requested;

c) Allow access to the locations where the elements and documents necessary for monitoring, evaluation, control and audit are held;

d) Provide, within the established deadlines, all information requested by the competent entities and those referred to in Clause Five;

e) Retain all data and documents relating to the implementation of the initiative and the financial support until at least 31 December 2035, in accordance with applicable national and European Union legislation;

f) Ensure that the financial support granted is used in strict compliance with applicable national and EU legal provisions, particularly public procurement rules, as well as the legal framework of the EEA FM 2021–2028, especially its Regulation;

g) Respect the principles of transparency, competition, and sound financial management, in order to prevent situations that may constitute conflicts of interest, particularly in relations with suppliers or service providers;

h) Maintain organised accounting in accordance with the applicable accounting framework;

i) Ensure visible publicity that the Bilateral Initiative is funded by the EEA Grants and comply with the requirements and guidelines of the "Communication and Graphic Standards Manual – EEA Grants Portugal 2021–2028";

j) Grant the right of use and authorise the dissemination of information relating to the bilateral initiative on the EEA Grants Portugal website and in any communication actions promoted by the NFP, without prejudice to compliance with legal obligations regarding personal data processing;

k) Immediately inform the NFP of any changes, circumstances, events, or occurrences that may affect the conditions of the financial support granted or the implementation of the initiative;

l) Ensure that the expenditure presented is not financed by any other source, national or otherwise, without prejudice to approved co-financing;

m) Submit, whenever requested by the NFP, a progress report on the Bilateral Initiative, if an Interim Report has not been submitted within that same period;

n) [*for initiatives above €20,000 or lasting more than 12 months*] Submit an interim report after more than half of the implementation period has elapsed;

o) Via the *Balcão dos Fundos* platform, submit to the NFP, together with the final payment request and within 30 days after the final eligibility date, a final report assessing results and demonstrating physical and financial implementation, as well as its contribution to strengthening bilateral relations;

p) Return to the NFP the amounts that have been deemed ineligible and the amounts remaining when the final balance of the initiative is calculated, as well as those resulting from non-compliance with this acceptance agreement or that have been unduly received, within 30 days of notification to this effect.

CLAUSE FOUR

Provisions on expenditure implementation

1. The eligible expenditure of the Bilateral Initiative, for the purposes of granting non-repayable financial support, is that which is entered in the plan and budget set out in Annex 1, and implemented in accordance with Annex 2, in what relates to financial support conditions and the activities foreseen for the bilateral initiative. Eligible expenditure must comply with forms of grant agreed and the Bilateral Fund Manual,

and fall within the categories of expenditure described in Article 8.2 of the EEAFM 2021-2028 Regulation and relate to the implementation of the approved initiative.

2. [*for initiatives up to €10,000*] For verification of the implementation of activities and expenditure, documentation must be submitted via the *Balcão dos Fundos* platform, according to what was established in Annex 2:
   i. the expenditure submission form made available on the *Balcão dos Fundos* platform;
   ii. copies, in digital format, of supporting documents evidencing the implementation of activities, enabling verification of their effective completion in accordance with the proposed terms;
   iii. reporting on the activities carried out and results achieved, in accordance with point n) [or o)] of Clause Three;
   iv. any other documentation required by the NFP and deemed essential for the proper verification of expenditure and/or activities.
3. [*for initiatives over €10,000*] For verification of the implementation of activities and expenditure, documentation must be submitted via the *Balcão dos Fundos* platform, according to what was established in Annex 2:
   i. the expenditure submission form made available on the *Balcão dos Fundos* platform;
   ii. for the actual expenditure submitted, copies in digital format of the supporting expenditure and proof of payment documents (invoices, bank transfers, etc.) shall be provided, evidencing the amounts included in the eligible expenditure submission form as requested by the NFP, together with a description of compliance with the applicable procedures relating to public procurement rules and, where applicable, State aid;
   iii. for the simplified costs submitted, copies shall be provided of the supporting documents evidencing all underlying assumptions for the expenditure incurred, in accordance with the provisions set out in Annex 2.
   iv. reporting on the activities carried out and results achieved, in accordance with point n) [or o)] of Clause Three;
   v. any other documentation required by the NFP and deemed essential for the proper verification of expenditure and/or activities.

CLAUSE FIVE

Entities with control function

1. Monitoring, evaluation, and control shall be carried out by the NFP, the General Inspectorate of Finance (Audit Authority), the Agency for Development and Cohesion (Certification Authority), the Financial Mechanism Office (FMO), and the EFTA Board of Auditors.
2. The NFP may delegate expenditure verification to a duly certified entity, to which the Promoter must provide all requested information.

CLAUSE SIX

Non-Compliance

1. The Promoter of the Bilateral Initiative is obliged to fulfil all the obligations set out in the Acceptance Agreement under penalty of revocation of the financial support decision.
2. Failure to comply with any of the established obligations, which can be regularised, entitles the NFP to suspend payments requested until the situation in question is regularised, within a maximum of 15 working days from the date of the respective notification by the NFP, which will list the terms of compliance.
3. Failure to regularise the situation within the terms and deadlines set out in the previous paragraph gives the NFP the right to revoke the financial support and refund all amounts received by the Promoter, plus interest for late payment at the legal rate in force.
4. Cases that constitute well-founded suspicions of irregularity, fraud and violations of rules expressly provided for in Portuguese law, Community legislation and the Regulation, determine the immediate revocation of financial support and the refund of the amounts that had been received by the Promoter, plus default interest at the statutory rate in force, after 30 days from the notification requesting repayment.
5. Failure to fulfil the repayment obligation in the cases provided for gives rise, under the legal terms, to the issue of an enforceable certificate. The enforceable debt is subject to tax enforcement proceedings, under the terms of article 148(2) of the Portuguese Tax Procedure Code.

CLAUSE SEVEN

Omissions

1. Portuguese law and the legal framework of the EEAFM 2021-2028 shall apply to any cases not covered by this Acceptance Agreement and the Bilateral Fund Manual, pursuant to Article 1.5 of the Regulation.

CLAUSE EIGHT

Jurisdiction

1. The Lisbon Administrative and Fiscal Court shall have jurisdiction to settle any disputes arising between the parties.

Signed on _____

_____

(Signature and Stamp)

ANNEX II

EUROPEAN ECONOMIC AREA FINANCIAL MECHANISM 2021-2028

ACEPTANCE AGREEMENT FOR THE APPROVAL OF FINANCIAL SUPPORT FROM THE BILATERAL FUND AT [*name]* PROGRAMME LEVEL

– PREDEFINED INITIATIVE –

Bilateral Initiative No.:
Bilateral Initiative Title:
Promoter of Bilateral Initiative:

Within the framework of the Bilateral Fund Open Call #[number] supported by the Bilateral Fund of the European Economic Area Financial Mechanism 2021–2028 (EEA FM 2021–2028), it is foreseen the implementation of the present Bilateral Initiative, as approved by the Programme Operator [name of Programme Operator] and the Donor Programme Partner [name(s)].

The Promoter of the Bilateral Initiative, _____, with registered office at _____, tax identification number _____, represented by _____, identification car no. _____, tax identification number _____, who signs in the capacity of _____ and exercising the legal powers for this act, hereby declares that they have taken note of the Programme Operator and Donor Programme Partner's (DPP) decision, for the support of the initiative in question, by the Programme Operator (PO),

CLAUSE ONE

Subject Matter

1. The purpose of these Acceptance Agreement is to grant financial support for the initiative _____, for which the respective plan and detailed budget were presented with an estimated total cost of _____Euros (_____), as shown in Annex 1, which forms an integral part of these Acceptance Agreement, and which have been accepted in their precise terms by the PO and DPP.
2. The financial support is provided by the PO, which acts as the managing body of the Bilateral Fund at [*name of Programme*] Programme level, and corresponds to the financing of eligible expenses up to the maximum amount of _____ € approved by the PO and the DPP, as shown in Annex 1, with a financing rate of ___%..
3. The financial support shall be provided in accordance with the budget and funding arrangements stipulated in Annex 2.

4. The start date of the approved initiative, which determines the beginning of expenditure eligibility, is the date of signature of this Acceptance Agreement. Therefore, expenditure incurred prior to this date shall not be considered eligible.
5. The final date for the material completion and eligibility of expenditure of the approved initiative is _____, in accordance with Annex 1, except for actual expenditure incurred during the final month of implementation, which may be paid up to 30 days thereafter. Under no circumstances may the eligibility period exceed 30 April 2032.

CLAUSE TWO

Payments

1. Payment of the financial support shall be made by means of an advance of _____% of the approved budget, paid in accordance with the following paragraph, [interim payment(s) of _____ %], and a final payment of up to ____%, in accordance with paragraph 3 of this Clause.
2. The advance amount shall be transferred by the [fill in as appropriate] to the bank account indicated by the Promoter of the Bilateral Initiative, with IBAN _____, upon order of the PO, following receipt of the signed Acceptance Agreement, together with the Partnership Agreement(s), proof of ownership of the IBAN referred to in this Clause, and after verification of compliance with tax and social security obligations. The advance amount shall be transferred by the [fill in as appropriate] to the bank account indicated by the Promoter of the Bilateral Initiative, with IBAN _____, upon order of the PO, following receipt of the signed Acceptance Agreement, together with the Partnership Agreement(s), proof of ownership of the IBAN referred to in this Clause, and after verification of compliance with tax and social security obligations.
3. The remaining amounts shall be transferred by [*fill in as appropriate]* to the bank account indicated by the Promoter of the Bilateral Initiative, upon instruction from the PO, which shall occur after verification of the documentation submitted, in accordance with paragraph 2 of Clause Four. The remaining amounts shall be transferred by [*fill in as appropriate]* to the bank account indicated by the Promoter of the Bilateral Initiative, upon instruction from the PO, which shall occur after verification of the documentation submitted, in accordance with paragraph 2 of Clause Four.

CLAUSE THREE

Promoter's obligations

1. The Promoter of the Bilateral Initiative undertakes to:

a) Fully implement the approved Bilateral Initiative in accordance with Annex 1, the respective Partnership Agreement, and Annex 2 concerning the financing conditions of the planned expenditure and activities;

b) Maintain, at all times, the eligibility conditions relating to the approved financial support, including regularised status with the tax authorities and social security, providing evidence thereof to the PO when requested;

c) Allow access to the locations where the elements and documents necessary for monitoring, evaluation, control and audit are held;

d) Provide, within the established deadlines, all information requested by the competent entities and those referred to in Clause Five;

e) Retain all data and documents relating to the implementation of the initiative and the financial support until at least 31 December 2035, in accordance with applicable national and European Union legislation;

f) Ensure that the financial support granted is used in strict compliance with applicable national and EU legal provisions, particularly public procurement rules, as well as the legal framework of the EEA FM 2021–2028, especially its Regulation;

g) Respect the principles of transparency, competition, and sound financial management, in order to prevent situations that may constitute conflicts of interest, particularly in relations with suppliers or service providers;

h) Maintain organised accounting in accordance with the applicable accounting framework;

i) Ensure visible publicity that the Bilateral Initiative is funded by the EEA Grants and comply with the requirements and guidelines of the "Communication and Graphic Standards Manual – EEA Grants Portugal 2021–2028";

j) Grant the right of use and authorise the dissemination of information relating to the bilateral initiative on the EEA Grants Portugal website and in any communication actions promoted by the PO, without prejudice to compliance with legal obligations regarding personal data processing;

k) Immediately inform the PO of any changes, circumstances, events, or occurrences that may affect the conditions of the financial support granted or the implementation of the initiative;

l) Ensure that the expenditure presented is not financed by any other source, national or otherwise, without prejudice to approved co-financing;

m) Submit, whenever requested by the PO, a progress report on the Bilateral Initiative, if an Interim Report has not been submitted within that same period;

n) [*for initiatives above €20,000 or lasting more than 12 months*] Submit an interim report after more than half of the implementation period has elapsed;

o) Via the *Balcão dos Fundos* platform, submit to the PO, together with the final payment request and within 30 days after the final eligibility date, a final report assessing results and demonstrating physical and financial implementation, as well as its contribution to strengthening bilateral relations;

p) Return to the PO the amounts that have been deemed ineligible and the amounts remaining when the final balance of the initiative is calculated, as well as those resulting from non-compliance with this acceptance agreement or that have been unduly received, within 30 days of notification to this effect.

CLAUSE FOUR

Provisions on expenditure implementation

1. The eligible expenditure of the Bilateral Initiative, for the purposes of granting non-repayable financial support, is that which is entered in the plan and budget set out in Annex 1, and implemented in accordance with Annex 2, in what relates to financial support conditions and the activities foreseen for the bilateral initiative. Eligible expenditure must comply with forms of grant agreed and the Bilateral Fund Manual, and fall within the categories of expenditure described in Article 8.2 of the EEAFM 2021-2028 Regulation and relate to the implementation of the approved initiative.

2. [*for initiatives up to €10,000*] For verification of the implementation of activities and expenditure, documentation must be submitted via the *Balcão dos Fundos* platform, according to what was established in Annex 2:
   v. the expenditure submission form made available on the *Balcão dos Fundos* platform;
   vi. copies, in digital format, of supporting documents evidencing the implementation of activities, enabling verification of their effective completion in accordance with the proposed terms;
   vii. reporting on the activities carried out and results achieved, in accordance with point n) [or o)] of Clause Three;
   viii. any other documentation required by the PO and deemed essential for the proper verification of expenditure and/or activities.any other documentation required by the PO and deemed essential for the proper verification of expenditure and/or activities.

3. [*for initiatives over €10,000*] For verification of the implementation of activities and expenditure, documentation must be submitted via the *Balcão dos Fundos* platform, according to what was established in Annex 2:
   i. the expenditure submission form made available on the *Balcão dos Fundos* platform;
   ii. for the actual expenditure submitted, copies in digital format of the supporting expenditure and proof of payment documents (invoices, bank transfers, etc.) shall be provided, evidencing the amounts included in the eligible expenditure submission form as requested by the PO, together with a description of compliance with the applicable procedures relating to public procurement rules and, where applicable, State aid;
   iii. for the simplified costs submitted, copies shall be provided of the supporting documents evidencing all underlying assumptions for the expenditure incurred, in accordance with the provisions set out in Annex 2.
   iv. reporting on the activities carried out and results achieved, in accordance with point n) [or o)] of Clause Three;
   v. any other documentation required by the PO and deemed essential for the proper verification of expenditure and/or activities. Any other documentation required by the PO and deemed essential for the proper verification of expenditure and/or activities.

CLAUSE FIVE

Entities with control function

1. Monitoring, evaluation, and control shall be carried out by the PO, the General Inspectorate of Finance (Audit Authority), the Agency for Development and Cohesion (Certification Authority), the Financial Mechanism Office (FMO), and the EFTA Board of Auditors.

2. The NFP may delegate expenditure verification to a duly certified entity, to which the Promoter must provide all requested information.

CLAUSE SIX

Non-Compliance

1. The Promoter of the Bilateral Initiative is obliged to fulfil all the obligations set out in the Acceptance Agreement under penalty of revocation of the financial support decision.

2. Failure to comply with any of the established obligations, which can be regularised, entitles the PO to suspend payments requested until the situation in question is regularised, within a maximum of 15 working days from the date of the respective notification by the PO, which will list the terms of compliance. Failure to comply with any of the established obligations, which can be regularised, entitles the PO to suspend payments requested until the situation in question is regularised, within a maximum of 15 working days from the date of the respective notification by the PO, which will list the terms of compliance.

3. Failure to regularise the situation within the terms and deadlines set out in the previous paragraph gives the PO the right to revoke the financial support and refund all amounts received by the Promoter, plus interest for late payment at the legal rate in force.

4. Cases that constitute well-founded suspicions of irregularity, fraud and violations of rules expressly provided for in Portuguese law, Community legislation and the Regulation, determine the immediate revocation of financial support and the refund of the amounts that had been received by the Promoter, plus default interest at the statutory rate in force, after 30 days from the notification requesting repayment.

5. Failure to fulfil the repayment obligation in the cases provided for gives rise, under the legal terms, to the issue of an enforceable certificate. The enforceable debt is subject to tax enforcement proceedings, under the terms of article 148(2) of the Portuguese Tax Procedure Code.

CLAUSE SEVEN

Omissions

1. Portuguese law and the legal framework of the EEAFM 2021-2028 shall apply to any cases not covered by this Acceptance Agreement and the Bilateral Fund Manual, pursuant to Article 1.5 of the Regulation.

CLAUSE EIGHT

Jurisdiction

1. The Lisbon Administrative and Fiscal Court shall have jurisdiction to settle any disputes arising between the parties.

Signed on _____

_____

(Signature and Stamp)

ANNEX III

EUROPEAN ECONOMIC AREA FINANCIAL MECHANISM 2021-2028

ACEPTANCE AGREEMENT FOR THE APPROVAL OF FINANCIAL SUPPORT FROM THE BILATERAL FUND AT NATIONAL LEVEL

– BILATERAL FUND OPEN CALL # –

Bilateral Initiative No.:
Bilateral Initiative Title:
Promoter of Bilateral Initiative:

Within the framework of the Bilateral Fund Open Call #[*number*] supported by the Bilateral Fund of the European Economic Area Financial Mechanism 2021–2028 (EEA FM 2021–2028), it is foreseen the implementation of the present Bilateral Initiative, as approved by the Joint Committee for the Bilateral Fund (JCBF).

The Promoter of the Bilateral Initiative, _____, with registered office at _____, tax identification number _____, represented by _____, identification car no. _____, tax identification number _____, who signs in the capacity of _____ and exercising the legal powers for this act, hereby declares that they have taken note of the JCBF decision, for the support of the initiative in question, by the National Focal Point (NFP),

CLAUSE ONE

Subject Matter

1. The purpose of these Acceptance Agreement is to grant financial support for the initiative _____, for which the respective plan and detailed budget were presented with an estimated total cost of _____Euros (_____), as shown in Annex 1, which forms an integral part of these Acceptance Agreement, and which have been accepted in their precise terms by the JCBF.
2. The financial support is provided by the NFP, which acts as the National Focal Point of the EEAFM 2021-2028 and the managing body of the Bilateral Fund at national level, and corresponds to the financing of eligible expenses up to the maximum amount of _____ € approved by the JCBF, as shown in Annex 1, with a financing rate of ___%..
3. The financial support shall be provided in accordance with the budget and funding arrangements stipulated in Annex 2.
4. The start date of the approved initiative, which determines the beginning of expenditure eligibility, is the date of is the date of notification of the final decision approving the

support of the Bilateral Initiative. Therefore, expenditure incurred prior to this date shall not be considered eligible.

5. The final date for the material completion and eligibility of expenditure of the approved initiative is _____, in accordance with Annex 1, except for actual expenditure incurred during the final month of implementation, which may be paid up to 30 days thereafter. Under no circumstances may the eligibility period exceed 30 April 2032.

CLAUSE TWO

Payments

1. Payment of the financial support shall be made by means of an advance of _____% of the approved budget, paid in accordance with the following paragraph, [interim payment(s) of _____ %], and a final payment of up to ____%, in accordance with paragraph 3 of this Clause.

2. The advance amount shall be transferred by the Secretariat-General of the Government (SG Gov.) to the bank account indicated by the Promoter of the Bilateral Initiative, with IBAN _____, upon order of the NFP, following receipt of the signed Acceptance Agreement, together with the Partnership Agreement(s), proof of ownership of the IBAN referred to in this Clause, and after verification of compliance with tax and social security obligations.

3. The remaining amounts shall be transferred by SG Gov. to the bank account indicated by the Promoter of the Bilateral Initiative, upon instruction from the NFP, which shall occur after verification of the documentation submitted, in accordance with paragraph 2 of Clause Four.

CLAUSE THREE

Promoter's obligations

1. The Promoter of the Bilateral Initiative undertakes to:

a) Fully implement the approved Bilateral Initiative in accordance with Annex 1, the respective Partnership Agreement, and Annex 2 concerning the financing conditions of the planned expenditure and activities;

b) Maintain, at all times, the eligibility conditions relating to the approved financial support, including regularised status with the tax authorities and social security, providing evidence thereof to the NFP when requested;

c) Allow access to the locations where the elements and documents necessary for monitoring, evaluation, control and audit are held;

d) Provide, within the established deadlines, all information requested by the competent entities and those referred to in Clause Five;

e) Retain all data and documents relating to the implementation of the initiative and the financial support until at least 31 December 2035, in accordance with applicable national and European Union legislation;

f) Ensure that the financial support granted is used in strict compliance with applicable national and EU legal provisions, particularly public procurement rules, as well as the legal framework of the EEA FM 2021–2028, especially its Regulation;

g) Respect the principles of transparency, competition, and sound financial management, in order to prevent situations that may constitute conflicts of interest, particularly in relations with suppliers or service providers;

h) Maintain organised accounting in accordance with the applicable accounting framework;

i) Ensure visible publicity that the Bilateral Initiative is funded by the EEA Grants and comply with the requirements and guidelines of the "Communication and Graphic Standards Manual – EEA Grants Portugal 2021–2028";

j) Grant the right of use and authorise the dissemination of information relating to the bilateral initiative on the EEA Grants Portugal website and in any communication, actions promoted by the NFP, without prejudice to compliance with legal obligations regarding personal data processing;

k) Immediately inform the NFP of any changes, circumstances, events, or occurrences that may affect the conditions of the financial support granted or the implementation of the initiative;

l) Ensure that the expenditure presented is not financed by any other source, national or otherwise, without prejudice to approved co-financing;

m) Submit, whenever requested by the NFP, a progress report on the Bilateral Initiative, if an Interim Report has not been submitted within that same period;

n) [*for initiatives above €20,000 or lasting more than 12 months*] Submit an interim report after more than half of the implementation period has elapsed;

o) Via the *Balcão dos Fundos* platform, submit to the NFP, together with the final payment request and within 30 days after the final eligibility date, a final report assessing results and demonstrating physical and financial implementation, as well as its contribution to strengthening bilateral relations;

p) Return to the NFP the amounts that have been deemed ineligible and the amounts remaining when the final balance of the initiative is calculated, as well as those resulting from non-compliance with this acceptance agreement or that have been unduly received, within 30 days of notification to this effect.

CLAUSE FOUR

Provisions on expenditure implementation

1. The eligible expenditure of the Bilateral Initiative, for the purposes of granting non-repayable financial support, is that which is entered in the plan and budget set out in Annex 1, and implemented in accordance with Annex 2, in what relates to financial support conditions and the activities foreseen for the bilateral initiative. Eligible expenditure must comply with forms of grant agreed and the Bilateral

Fund Manual, and fall within the categories of expenditure described in Article 8.2 of the EEAFM 2021-2028 Regulation and relate to the implementation of the approved initiative.

2. [*for initiatives up to €10,000*] For verification of the implementation of activities and expenditure, documentation must be submitted via the *Balcão dos Fundos* platform, according to what was established in Annex 2:
   i. the expenditure submission form made available on the *Balcão dos Fundos* platform;
   ii. copies, in digital format, of supporting documents evidencing the implementation of activities, enabling verification of their effective completion in accordance with the proposed terms;
   iii. reporting on the activities carried out and results achieved, in accordance with point n) [or o)] of Clause Three;
   iv. any other documentation required by the NFP and deemed essential for the proper verification of expenditure and/or activities.
3. [*for initiatives over €10,000*] For verification of the implementation of activities and expenditure, documentation must be submitted via the *Balcão dos Fundos* platform, according to what was established in Annex 2:
   i. the expenditure submission form made available on the *Balcão dos Fundos* platform;
   ii. for the actual expenditure submitted, copies in digital format of the supporting expenditure and proof of payment documents (invoices, bank transfers, etc.) shall be provided, evidencing the amounts included in the eligible expenditure submission form as requested by the NFP, together with a description of compliance with the applicable procedures relating to public procurement rules and, where applicable, State aid;
   iii. for the simplified costs submitted, copies shall be provided of the supporting documents evidencing all underlying assumptions for the expenditure incurred, in accordance with the provisions set out in Annex 2.
   iv. reporting on the activities carried out and results achieved, in accordance with point n) [or o)] of Clause Three;
   v. any other documentation required by the NFP and deemed essential for the proper verification of expenditure and/or activities.

CLAUSE FIVE

Entities with control function

1. Monitoring, evaluation, and control shall be carried out by the NFP, the General Inspectorate of Finance (Audit Authority), the Agency for Development and Cohesion (Certification Authority), the Financial Mechanism Office (FMO), and the EFTA Board of Auditors.
2. The NFP may delegate expenditure verification to a duly certified entity, to which the Promoter must provide all requested information.

CLAUSE SIX

Non-Compliance

1. The Promoter of the Bilateral Initiative is obliged to fulfil all the obligations set out in the Acceptance Agreement under penalty of revocation of the financial support decision.
2. Failure to comply with any of the established obligations, which can be regularised, entitles the NFP to suspend payments requested until the situation in question is regularised, within a maximum of 15 working days from the date of the respective notification by the NFP, which will list the terms of compliance.
3. Failure to regularise the situation within the terms and deadlines set out in the previous paragraph gives the NFP the right to revoke the financial support and refund all amounts received by the Promoter, plus interest for late payment at the legal rate in force.
4. Cases that constitute well-founded suspicions of irregularity, fraud and violations of rules expressly provided for in Portuguese law, Community legislation and the Regulation, determine the immediate revocation of financial support and the refund of the amounts that had been received by the Promoter, plus default interest at the statutory rate in force, after 30 days from the notification requesting repayment.
5. Failure to fulfil the repayment obligation in the cases provided for gives rise, under the legal terms, to the issue of an enforceable certificate. The enforceable debt is subject to tax enforcement proceedings, under the terms of article 148(2) of the Portuguese Tax Procedure Code.

CLAUSE SEVEN

Omissions

1. Portuguese law and the legal framework of the EEAFM 2021-2028 shall apply to any cases not covered by this Acceptance Agreement and the Bilateral Fund Manual, pursuant to Article 1.5 of the Regulation.

CLAUSE EIGHT

Jurisdiction

1. The Lisbon Administrative and Fiscal Court shall have jurisdiction to settle any disputes arising between the parties.

Signed on _____

_____

(Signature and Stamp)

ANNEX IV

EUROPEAN ECONOMIC AREA FINANCIAL MECHANISM 2021-2028

ACEPTANCE AGREEMENT FOR THE APPROVAL OF FINANCIAL SUPPORT FROM THE BILATERAL FUND AT [*name*] PROGRAMME LEVEL

– BILATERAL FUND OPEN CALL # [number] –

Bilateral Initiative No.:
Bilateral Initiative Title:
Promoter of Bilateral Initiative:

Within the framework of the Bilateral Fund Open Call #[number] supported by the Bilateral Fund of the European Economic Area Financial Mechanism 2021–2028 (EEA FM 2021–2028), it is foreseen the implementation of the present Bilateral Initiative, as approved by the Programme Operator [*name of Programme Operator*] and the Donor Programme Partner [*name(s)*].

The Promoter of the Bilateral Initiative, _____, with registered office at _____, tax identification number _____, represented by _____, identification car no. _____, tax identification number _____, who signs in the capacity of _____ and exercising the legal powers for this act, hereby declares that they have taken note of the Programme Operator and Donor Programme Partner's (DPP) decision, for the support of the initiative in question, by the Programme Operator (PO).

CLAUSE ONE

Subject Matter

1. The purpose of these Acceptance Agreement is to grant financial support for the initiative _____, for which the respective plan and detailed budget were presented with an estimated total cost of _____Euros (_____), as shown in Annex 1, which forms an integral part of these Acceptance Agreement, and which have been accepted in their precise terms by the PO and the DPP.
2. The financial support is provided by the PO, which acts as the managing body of the Bilateral Fund at [*name of Programme*] Programme level, and corresponds to the financing of eligible expenses up to the maximum amount of _____ € approved by the PO and the DPP, as shown in Annex 1, with a financing rate of ___%..
3. The financial support shall be provided in accordance with the budget and funding arrangements stipulated in Annex 2.
4. The start date of the approved initiative, which determines the beginning of expenditure eligibility, is the date of is the date of notification of the final decision approving the

support of the Bilateral Initiative. Therefore, expenditure incurred prior to this date shall not be considered eligible.

5. The final date for the material completion and eligibility of expenditure of the approved initiative is _____, in accordance with Annex 1, except for actual expenditure incurred during the final month of implementation, which may be paid up to 30 days thereafter. Under no circumstances may the eligibility period exceed 30 April 2032.

CLAUSE TWO

Payments

1. Payment of the financial support shall be made by means of an advance of _____% of the approved budget, paid in accordance with the following paragraph, [interim payment(s) of _____ %], and a final payment of up to ____%, in accordance with paragraph 3 of this Clause.

2. The advance amount shall be transferred by the (fill in) to the bank account indicated by the Promoter of the Bilateral Initiative, with IBAN _____, upon order of the PO, following receipt of the signed Acceptance Agreement, together with the Partnership Agreement(s), proof of ownership of the IBAN referred to in this Clause, and after verification of compliance with tax and social security obligations.

3. The remaining amounts shall be transferred by the (fill in). to the bank account indicated by the Promoter of the Bilateral Initiative, upon instruction from the PO, which shall occur after verification of the documentation submitted, in accordance with paragraph 2 of Clause Four.

CLAUSE THREE

Promoter's obligations

1. The Promoter of the Bilateral Initiative undertakes to:

a) Fully implement the approved Bilateral Initiative in accordance with Annex 1, the respective Partnership Agreement, and Annex 2 concerning the financing conditions of the planned expenditure and activities;

b) Maintain, at all times, the eligibility conditions relating to the approved financial support, including regularised status with the tax authorities and social security, providing evidence thereof to the PO when requested;

c) Allow access to the locations where the elements and documents necessary for monitoring, evaluation, control and audit are held;

d) Provide, within the established deadlines, all information requested by the competent entities and those referred to in Clause Five;

e) Retain all data and documents relating to the implementation of the initiative and the financial support until at least 31 December 2035, in accordance with applicable national and European Union legislation;

f) Ensure that the financial support granted is used in strict compliance with applicable national and EU legal provisions, particularly public procurement rules, as well as the legal framework of the EEA FM 2021–2028, especially its Regulation;

g) Respect the principles of transparency, competition, and sound financial management, in order to prevent situations that may constitute conflicts of interest, particularly in relations with suppliers or service providers;

h) Maintain organised accounting in accordance with the applicable accounting framework;

i) Ensure visible publicity that the Bilateral Initiative is funded by the EEA Grants and comply with the requirements and guidelines of the "Communication and Graphic Standards Manual – EEA Grants Portugal 2021–2028";

j) Grant the right of use and authorise the dissemination of information relating to the bilateral initiative on the EEA Grants Portugal website and in any communication actions promoted by the PO, without prejudice to compliance with legal obligations regarding personal data processing;

k) Immediately inform the PO of any changes, circumstances, events, or occurrences that may affect the conditions of the financial support granted or the implementation of the initiative;

l) Ensure that the expenditure presented is not financed by any other source, national or otherwise, without prejudice to approved co-financing;

m) Submit, whenever requested by the PO, a progress report on the Bilateral Initiative, if an Interim Report has not been submitted within that same period;

n) [*for initiatives above €20,000 or lasting more than 12 months*] Submit an interim report after more than half of the implementation period has elapsed;

o) Via the *Balcão dos Fundos* platform, submit to the PO, together with the final payment request and within 30 days after the final eligibility date, a final report assessing results and demonstrating physical and financial implementation, as well as its contribution to strengthening bilateral relations;

p) Return to the PO the amounts that have been deemed ineligible and the amounts remaining when the final balance of the initiative is calculated, as well as those resulting from non-compliance with this acceptance agreement or that have been unduly received, within 30 days of notification to this effect.

CLAUSE FOUR

Provisions on expenditure implementation

1. The eligible expenditure of the Bilateral Initiative, for the purposes of granting non-repayable financial support, is that which is entered in the plan and budget set out in Annex 1, and implemented in accordance with Annex 2, in what relates to financial support conditions and the activities foreseen for the bilateral initiative. Eligible expenditure must comply with forms of grant agreed and the Bilateral

Fund Manual, and fall within the categories of expenditure described in Article 8.2 of the EEAFM 2021-2028 Regulation and relate to the implementation of the approved initiative.

2. [*for initiatives up to €10,000*] For verification of the implementation of activities and expenditure, documentation must be submitted via the *Balcão dos Fundos* platform, according to what was established in Annex 2:
   v. the expenditure submission form made available on the *Balcão dos Fundos* platform;
   vi. copies, in digital format, of supporting documents evidencing the implementation of activities, enabling verification of their effective completion in accordance with the proposed terms;
   vii. reporting on the activities carried out and results achieved, in accordance with point n) [or o)] of Clause Three;
   viii. any other documentation required by the PO and deemed essential for the proper verification of expenditure and/or activities.
3. [*for initiatives over €10,000*] For verification of the implementation of activities and expenditure, documentation must be submitted via the *Balcão dos Fundos* platform, according to what was established in Annex 2:
   i. the expenditure submission form made available on the *Balcão dos Fundos* platform;
   ii. for the actual expenditure submitted, copies in digital format of the supporting expenditure and proof of payment documents (invoices, bank transfers, etc.) shall be provided, evidencing the amounts included in the eligible expenditure submission form as requested by the PO, together with a description of compliance with the applicable procedures relating to public procurement rules and, where applicable, State aid;
   iii. for the simplified costs submitted, copies shall be provided of the supporting documents evidencing all underlying assumptions for the expenditure incurred, in accordance with the provisions set out in Annex 2.
   iv. reporting on the activities carried out and results achieved, in accordance with point n) [or o)] of Clause Three;
   v. any other documentation required by the PO and deemed essential for the proper verification of expenditure and/or activities.

CLAUSE FIVE

Entities with control function

1. Monitoring, evaluation, and control shall be carried out by the PO, the General Inspectorate of Finance (Audit Authority), the Agency for Development and Cohesion (Certification Authority), the Financial Mechanism Office (FMO), and the EFTA Board of Auditors.
2. The NFP may delegate expenditure verification to a duly certified entity, to which the Promoter must provide all requested information.

CLAUSE SIX

Non-Compliance

1. The Promoter of the Bilateral Initiative is obliged to fulfil all the obligations set out in the Acceptance Agreement under penalty of revocation of the financial support decision.
2. Failure to comply with any of the established obligations, which can be regularised, entitles the PO to suspend payments requested until the situation in question is regularised, within a maximum of 15 working days from the date of the respective notification by the PO, which will list the terms of compliance.
3. Failure to regularise the situation within the terms and deadlines set out in the previous paragraph gives the PO the right to revoke the financial support and refund all amounts received by the Promoter, plus interest for late payment at the legal rate in force.
4. Cases that constitute well-founded suspicions of irregularity, fraud and violations of rules expressly provided for in Portuguese law, Community legislation and the Regulation, determine the immediate revocation of financial support and the refund of the amounts that had been received by the Promoter, plus default interest at the statutory rate in force, after 30 days from the notification requesting repayment.
5. Failure to fulfil the repayment obligation in the cases provided for gives rise, under the legal terms, to the issue of an enforceable certificate. The enforceable debt is subject to tax enforcement proceedings, under the terms of article 148(2) of the Portuguese Tax Procedure Code.

CLAUSE SEVEN

Omissions

1. Portuguese law and the legal framework of the EEAFM 2021-2028 shall apply to any cases not covered by this Acceptance Agreement and the Bilateral Fund Manual, pursuant to Article 1.5 of the Regulation.

CLAUSE EIGHT

Jurisdiction

1. The Lisbon Administrative and Fiscal Court shall have jurisdiction to settle any disputes arising between the parties.

Signed on _____

_____

(Signature and Stamp)

ANNEX V

Template Partnership Agreement

Between

[*Name*]

[*Full address, tax ID number or other*]

[*Represented by*]

hereinafter referred to as the “Initiative Promoter”

and

[*Name*]

[*Full address, tax ID number or other*]

[*Represented by*]

hereinafter referred to as the “Initiative Partner”

[*include as applicable*]

And

[*Name*]

[*Full address, tax ID number or other*]

[*Represented by*]

hereinafter referred to as the “Initiative Partner”

hereinafter referred to individually as a “Party” and collectively as the “Parties”

for the implementation of the Bilateral Initiative

[“*Name of the Bilateral Initiative”*]

funded under the EEA Financial Mechanism Programme Bilateral Fund [*if applicable: Call identification*]

Disclaimer:

This template Partnership Agreement aims at assisting Initiative Promoters and Partners in the preparation of their partnership agreements required under Article 7.10 of the Regulations on the implementation of the EEA Financial Mechanisms 2021-2028. The use of the template is mandatory in Donor partnership projects. The template shall be used as a basis for a Partnership Agreement and as such contains the minimum requirements of what a Partnership Agreement should entail. The template’s contents are not intended to replace consultation of any applicable legal sources or the necessary advice of a legal expert, where appropriate. It is the responsibility of the Parties to ensure compliance of the provisions of this Partnership Agreement with the Project Contract and the applicable legal framework. Neither the NFP or Programme Operator nor any person acting on its behalf can be held responsible in connection with any use or re-use made of this template Partnership Agreement.

PREAMBLE:

In general terms, it is recommended to include introductory provisions referring to the scope and objectives of the EEA/Norwegian Financial Mechanism Programme as well as the general aims of the Project, highlighting, if deemed appropriate, any background information that might be relevant to the partnership.

Since several provisions of the Partnership Agreement will make reference to the Programme (as defined and agreed upon in the Programme Agreement entered into between the National Focal Point and the Donor(s)) as well as to the Project (as agreed between the Programme Operator and the Project Promoter in the framework of the Project Contract), a definition of what is meant by both the Programme and the Project should be foreseen so as to ensure clear cross-references throughout the Partnership Agreement.

IT IS AGREED AS FOLLOWS:

Article 1 – Scope and objectives

1. This Partnership Agreement (hereinafter referred to as the "Agreement") defines the rights and obligations of the Parties and sets forth the terms and conditions of their cooperation in the implementation of the Bilateral Initiative in accordance with Annex 1 (Approved Application Form), and contains detailed information about tasks and dates of implementation, as well as information about the budget and its implementation.

2. The Parties shall act in accordance with the legal framework of the EEA Financial Mechanism 2021-2028, namely with the Regulation on the implementation of the EEA Financial Mechanism 2021-2028 (hereinafter referred to as the "Regulation"). The Parties expressly acknowledge to have access to and to be familiar with the content of the Regulation and the Bilateral Fund Manual available at https://eeagrants.org/pt/portugal.

3. Any Annexes to this Agreement constitute an integral part of the Agreement. In case of inconsistencies between the Annexes and the Agreement, the latter shall prevail.

Article 2 – Entry into force and duration

1. This Agreement shall enter into force on the date of the last signature by the Parties. It shall remain in force until the Partner has discharged in full its obligations towards the Initiative Promoter as defined in this Agreement.

Article 3 – Main roles and responsibilities of the Parties

[*These provisions will vary depending on the precise involvement of the Project Partner. The aim is to ensure that the parties are aware of what is expected of each other, by when and the corresponding costs/budgets.*

They should include general provisions about the relations between the parties but should also, to the extent possible, identify the main activities to be carried out, in particular by the partner, including any activities of the promoter that the partner is dependent on for the performance of its tasks.

The below provisions are examples of provisions that can be included under this Article.]

1. The Parties shall take all appropriate and necessary measures to ensure fulfilment of the obligations and objectives arising out of this Agreement.

2. The Parties shall carry out their respective obligations with efficiency, transparency and diligence. They shall keep each other informed about all matters of importance to the overall cooperation and the implementation of the activities to be performed. They shall act in good faith in all matters and shall, at all times, act in the interest of the Programme and the Project.

3. The Parties shall make available sufficient and qualified personnel, which shall carry out their work with the highest professional standard. While carrying out the assignment under this Agreement, the personnel and entities engaged by either Party shall comply with the laws of the respective countries.

4. Whenever in the performance of their assignments under this Agreement the Parties' personnel are on the premises of the other Party, or at any other location in the other Party's country on request of such Party, that Party shall ensure, where possible, that such premises and locations comply with all applicable national health, safety and environmental laws and standards. The Parties shall take all necessary precautions to prevent the occurrence of any injury to persons or damage to the property of the other Party in connection with the implementation of the Initiative. [*Further provisions on safety and other relevant personnel-related issues may be included here*]

5. The Bilateral Initiative's managers in each institution will be:

[*Each Party shall appoint a Manager who shall have operational responsibility for the implementation of the Bilateral Initiative as well as serve as contact point for all exchanges of communication, documentation and materials between the Parties*].

Article 4 – Obligations of the Initiative Promoter

1. The Initiative Promoter is responsible for the overall coordination, management and implementation of the Bilateral Initiative in accordance with the regulatory and contractual framework specified herein and as set in the **Annex 1 (Approved Application Form)**. It assumes sole responsibility for the successful implementation of the Project towards the National Focal Point/Programme Operator.

2. The Initiative Promoter undertakes to:

[*detail the activities for which the Initiative Promoter is responsible in accordance with the approved application*]

3. The Initiative Promoter undertakes to, *inter alia*:

(a) ensure the correct and timely implementation of the Bilateral Initiative's activities;

(b) promptly inform the Partner(s) about all circumstances that may have an impact on the correct and timely implementation of any of the Bilateral Initiative's activities, and of any event that could lead to a temporary or final discontinuation or any other deviation of the Bilateral Initiative;
(c) provide the Partner(s) with access to all available documents, data, and information in its possession that may be necessary or useful for the Partner(s) to fulfil its obligations; in cases where such documents, data and information are not in English, it shall provide an English translation thereof when so requested by the Partner(s);
(d) provide the Partner(s) with a copy of the signed Acceptance Agreement, including any subsequent amendments thereof as of their entry into force;
(e) ensure that the Partner(s) is informed sufficiently in advance of all provisions of the Acceptance Agreement that are relevant for them and of all modifications to the project that affect them;
(f) consult the Partner(s) before submission of any request for amendment of the Acceptance Agreement that may affect or be of interest for the Project Partner's role, rights and obligations hereunder;
(g) prepare and submit in a timely manner at Balcão dos Fundos platform interim and/or final reports in connection with the payment claims, in compliance with the Acceptance Agreement so as to meet the payment deadlines towards the Project Partner as stipulated in this Agreement;
(h) transfer to the Partner'(s) nominated bank account all payments due by the set deadlines;
(i) ensure that the Partner(s) promptly receives all assistance it may require for the performance of its tasks;
(j) [*list other obligations, if applicable*].

Article 5 – Obligations of the Partner(s)

1. The Partner(s) is/are responsible for the performance of the activities and tasks assigned to it in accordance with this Agreement **Annex 1 (Approved Application Form)**.

2. The Partner (s) undertakes to:

[*detail the activities each Partner is/are responsible for in accordance with the approved application*]

3. In addition to the above obligations, the Partner(s) shall:

(a) promptly inform the Initiative Promoter on relevant circumstances that may have an impact on the correctness, timeliness and completeness of its performance;
(b) provide the Initiative Promoter with all information necessary for the preparation of any reports due by the Initiative Promoter at Balcão dos Fundos platform within the deadlines and according to the reporting forms set by the Initiative Promoter;
(c) immediately inform the Initiative Promoter of any cases of suspected or actual fraud, corruption or other irregularity within the meaning of Article 12.2 of the

Regulation that come to its attention, at any level or any stage of implementation of the Bilateral Initiative;

(d) keep all supporting documents regarding the Bilateral Initiative, including the incurred expenditure, either in the form of originals or in versions certified to be in conformity with the originals on commonly accepted data carriers, for at least until 31st December 2035;

(e) provide any bodies carrying out mid-term or ex-post evaluations of the Bilateral Fund, as well as any monitoring, audits and on the spot verifications on behalf of the EEA Financial Mechanism any document or information necessary to assist with the performance of that task;

(f) effectively participate in promoting the objectives, achievements and results of the Financial Mechanism, as well as raising awareness of the support from the Financial Mechanism(s) and the contribution of the Donor(s) to reduce economic and social disparities in the European Economic Area;

(g) [*list other obligations, if applicable*].

Article 6 – Project budget and eligibility of expenditures

1. The detailed total Bilateral Initiative budget, the budget share of the Partner(s) as well as the allocation of the budget between the activities to be performed by the/each Partner is fixed in Annex[*es*] [*number*] [*specify the relevant documents*].

[*Financial arrangements are a crucial element to agree upon in the Partnership Agreement. These must include the total amount that the partner may claim from the project budget, the forms of grants used for all cost categories and, where possible, the allocation of the total amount between the activities to be performed by the partner.*]

2. Expenditures declared by the Project Partner must be in line with the rules on eligibility of expenditures as defined in Chapter 8 of the Regulation.

[*The Partnership Agreement can either mirror the relevant provisions in Chapter 8 of the Regulation, with the appropriate adaptations, or incorporate them by reference. The following provisions can be relevant to Project Partners: 8.2, 8.3, 8.4, 8.5, 8.6, 8.7, 8.8, 8.9, 8.12, 8.13, 8.14, 8.15, 8.16 and 8.17*]

3. The following additional rules on eligibility of expenditures apply:

4. Eligible expenditure by the Project Partner shall take the following form(s):

[specify the form of grants for each cost category and, where relevant, the corresponding calculation method.]

Article 7 – Financial management and payment arrangements

1. Payment of the project grant share to the Partner(s) shall take the form of [*specify the applicable forms of payments: advance payments, reimbursement of declared expenditures (interim payments) and payment of the final balance*].

2. [*If an advance payment is foreseen, its maximum amount and the off-set mechanism with interim and final payments should be specified here*].

3. [*If applicable*] The advance payment to the Project Partner shall be up to _____% or _____ EUR made no later than [*number of working days*] of the crediting of the advance payment to the Initiative Promoter's bank account.

4. Interim payments and final payments shall be paid based on t[*specify details*] along with a confirmation from [*responsible person within the Partner, e.g. Initiative Manager*] that the claimed expenditures are in accordance with the principles and rules set forth in this Agreement.

5. Payment of the final balance shall be made [*specify details*].

6. All amounts shall be denominated in Euros.

7. Payments to the Partner(s) shall be made to the Project Partner's bank account denominated in euros, identified as follows:

[*specify bank account details of the Project Partner: name of bank, address of branch in full, exact designation of account holder, full account number including IBAN and BIC/Swift codes*].

9. Payments shall be deemed to have been made on the date on which the Promoter's account is debited.

Article 8 – Proof of expenditure and/or proof of conditions fulfilled

1. Receipted invoices or accounting documents of equivalent probative value shall be maintained by the Partner for all costs actually incurred.

2. Proof of expenditure shall be provided by the Partner(s) to the Promoter(s) to the extent necessary for the Promoter to comply with its obligations to the Managing Entity. The Promoter shall communicate in full all proof of expenditure requirements to the Partner(s) as soon as possible after the start of the project and provide any guidance or clarification required, including facilitating direct contract with the Managing Entity where necessary.

[*The requirements for submission of proof of expenditure are proportional to the total grant allocation to each Promoter and Partner and are based on the total grant allocation to each entity. The thresholds are based on the initial allocation and not the final incurred amount.*

When the total grant allocation to a Project Partner within a project does not exceed EUR 10,000 – no proof of expenditure shall be submitted.]

3. When required, proof of expenditure shall take the form of a report by an independent auditor or by a competent and independent public officer certifying that the claimed costs are incurred in accordance with the Regulation, the Bilateral Fund Manual, the relevant law and relevant national accounting practices (Article 8.12.3 of the Regulation).

4. For expenditure covered by simplified cost options, proof of conditions fulfilled shall be provided by the Partner to the Promoter to the extent necessary for the Promoter to comply with its obligations to the Managing Entity.

Article 9 – Progress and financial reports

[This provision should outline the reporting obligations of the Partner(s), including content and frequency of such reports, as well as a reference to templates, if any.]

Article 10 – Audits

[Provisions on the arrangements for audits on the Project Partners should be established. It is sufficient to refer to Audits to be carried out in line with Chapter 11 of the Regulation. Where the partner is providing proof of expenditure in line with points (b) and (c) of Article 8.12.3 of the Regulation, it should be clarified that presentation of the audit report is sufficient for the purpose of financial audits.

Underlying expenditure covered by simplified cost options shall not be part of audits.]

Article 11 – Procurement

1. Applicable national and EU law on public procurement, as well as Article 8.16 of the Regulations, shall be complied with by the Parties at any level in the implementation of the Bilateral Initiative.

2. The applicable procurement law is the law of the country in which the procurement is being carried out.

Article 12 - Conflict of interest

1. The Parties shall take all necessary measures to prevent any situation where a person or entity involved in the implementation of the Agreement has direct or indirect interests that are or appear to be incompatible with the impartial and/or objective exercise of their function(s). Such interests may be related to economic interests, political or national affinities, family or emotional ties, or any other shared interests. Any conflict of interest which could arise during the performance of the Agreement must be notified to the other Party in writing without delay. In the event of such conflict, the Party concerned shall immediately take all necessary steps to resolve it.

2. Each Party reserves the right to verify that such measures are adequate and may require additional measures to be taken, if necessary, within a time limit which it shall set. The Parties shall ensure that their staff, board and directors are not placed in a situation which could give rise to a conflict of interest. Each Party shall immediately replace any member of its staff exposed to such a situation.

Article 13 - Confidentiality

[*Please include appropriate provisions addressing protection and disclosure of any confidential information disclosed by the Parties in connection with the partnership agreement.*]

Article 14 - Intellectual property rights

[*Provisions on the ownership of work, materials or other results produced under the Agreement and the use thereof by the other Party should be included here.]*

Article 15 –Liability

[*Provisions on liability and limitations thereof (including cases of force majeure) should be mentioned here, as appropriate and taking into account the nature of the activities to be performed.]*.

Article 16 – Irregularities

1. Irregularities are defined in accordance with Article 12.2 of the Regulation.

2. In case an irregularity has come to the attention of one Party, that Party shall immediately inform the other Party thereof in writing.

3. In cases where measures to remedy any such irregularity are taken by the competent bodies referred to in Chapter 12 of the Regulation, including measures to recover funds, the Party concerned shall be solely responsible for complying with such measures and returning such funds to the Bilateral Fund. Where the Partner is required to return recovered funds to the Bilateral Fund, it shall return the recovered funds through the Promoter.

Article 17 – Suspension of payments and reimbursement

1. In cases where a decision to suspend payments and/or request reimbursement from the Bilateral Initiative is taken by the Programme Operator, the National Focal Point or the Donor State[*s*], the Partner shall take such measures as are necessary to comply with the decision.

2. For the purposes of the previous paragraph, the Promoter shall, without delay, submit a copy of the decision referred to in the previous paragraph to the Partner(s).

Article 18 – Termination

1. Termination for convenience by either Party [*insert procedures and requirements for termination for convenience by either party, in case this possibility is deemed appropriate]*.

2. Either Party may terminate this Agreement in the event of a breach by the other Party of its obligations [*insert procedures and requirements for termination for breach by either party]*.

3. Furthermore, in case of termination of the Acceptance Agreement for any reason whatsoever, the Promoter may terminate this Agreement with immediate effect.

4. [*Consequences of termination*]

Article 19 - Assignment

1. Neither Party shall have the right to transfer their rights and obligations under this Agreement without the prior consent of the other Party.

2. The Parties acknowledge that all assignment, re-assignment and termination of rights and obligations under this Agreement is dependent upon the prior consent of the body that approved the Bilateral Initiative in accordance with the provisions of the Acceptance Agreement.

Article 20 – Amendments

1. Any amendment to this Agreement, including its Annexes, shall be the subject of a written agreement concluded by the Parties.

Article 21 – Severability

1. If any provision of this Agreement (or part of any provision) is found by any court, tribunal or other authority of competent jurisdiction to be invalid, illegal or unenforceable, that provision or part-provision shall, to the extent required, be deemed not to form part of the Agreement, and the validity and enforceability of the other provisions of the Agreement shall not be affected.

2. If a provision of this Agreement (or part of any provision) is found illegal, invalid or unenforceable, the Parties shall negotiate in good faith to amend such provision such that, as amended, it is legal, valid and enforceable and, to the greatest extent possible, achieves the Parties' original intent.

Article 22 – Notices and language

1. All notices and other communications between the Parties shall be made in writing and be sent to the following addresses:

For the Project Promoter:

[*include contact details*]

For the Project Partner:

[*include contact details*]

2. The language governing the execution of this Agreement is English. All documents, notices and other communications foreseen in the framework of this Agreement shall be in English.

Article 23 – Governing law and settlement of disputes

1. The construction, validity and performance of this Agreement shall be governed by the laws of the Portuguese Republic.

2. Any dispute relating to the conclusion, validity, interpretation or performance of this Agreement shall be resolved amicably through consultation between the Parties.

This Agreement has been prepared in two originals, of which each Party has received one.

For the Initiative Promoter

Signed in…… on ……..….
[Name]
[Title]
Legal Representative
[Name]
[Title]
Manager

For the Partner(s)

Signed in…… on ……..….
[Name]
[Title]
Legal Representative
[Name]
[Title]
Manager

[as applicable]

Signed in…… on ……..….
[Name]
[Title]
Legal Representative
[Name]
[Title]
Manager

Annex 1 (Approved Application Form and Budget)

ANNEX VI

Certification of costs claimed by donor initiative partner

This is issued for the certification purposes as required by Article 8.12.4 of the Regulations on the implementation of the EEA Financial Mechanism 2021-2028.

We confirm that procedures have been performed to provide assurance as to the relevance and conformity with the Regulations, national law and relevant national accounting practices of the costs declared by the Donor project partner.

Initiative reference:	*Fill in*
Initiative title:	*Fill in*
Donor initiative partner:	*Name of project partner*
Entity responsible for the certification:	*Name of entity*
Type of entity:	*Auditor or Competent Public Officer*
Start date of incurred expenditure:	*DD.MM.YYYY*
End date of incurred expenditure:	*DD.MM.YYYY*
Expenditure declared[5] this period	*Fill in amount [EUR]*

The [Auditor[6]/ Competent and independent public officer9[7]] hereby certifies that:

i The costs declared by the Donor project partner are in accordance with the Regulations on the EEA/ Norwegian Financial Mechanisms 2021-2028[8].

ii The costs declared are in accordance with the relevant law and national accounting practices.

iii The [Auditor/ Competent and independent public officer] has not been involved in the preparation of the relevant financial statements and is independent from the Donor initiative partner.

[5] Breakdown of costs certified (per cost category) must be provided in the annex to the certificate.

[6] An auditor (in Norway, "statsautorisert revisor") shall be qualified to carry out statutory audits of accounting documents.

[7] For organisations having public entity status, the audit report can be issued by an employee who holds the responsibility of verification of the organisation's expenditure. For example, in Norway this can be a "regnskapsrapport" issued by a qualified employee. For organisations who do not have the status as a public entity, an external audit report is required (in Norwegian this is equivalent to a "revisorrapport").

[8] Provisions on eligibility of expenditure are specified in Chapter 8 of the Regulation for the Implementation of the European Economic Area Financial Mechanism 2021-2028.

	Auditor/ Competent and independent public officer	**Optional second signature**
Name		
Signature		
Position		
Date		

Annex: List of claimed costs

Annex

List of claimed costs

Activity	Supplier Name	Expenditure Description	Invoice Number	Invoice Date	Invoice Amount *(euros)*
				TOTAL	0,00€

(add rows if necessary)

Caption:

Activity - Activity of the Bilateral Initiative under which the expenditure was incurred

Supplier Name – Identification of the supplier of the good or service purchased, as shown in the invoice

Expenditure Description - Nature of the expenditure incurred (e.g. acquisition of catering, fees, translation service, …)

Invoice Number - Number that identifies the invoice

Invoice Date - Date of issue of the invoice

Invoice Amount - Total value of the document, converted into euros

Signed in …… on …. /…. /….

[Name]

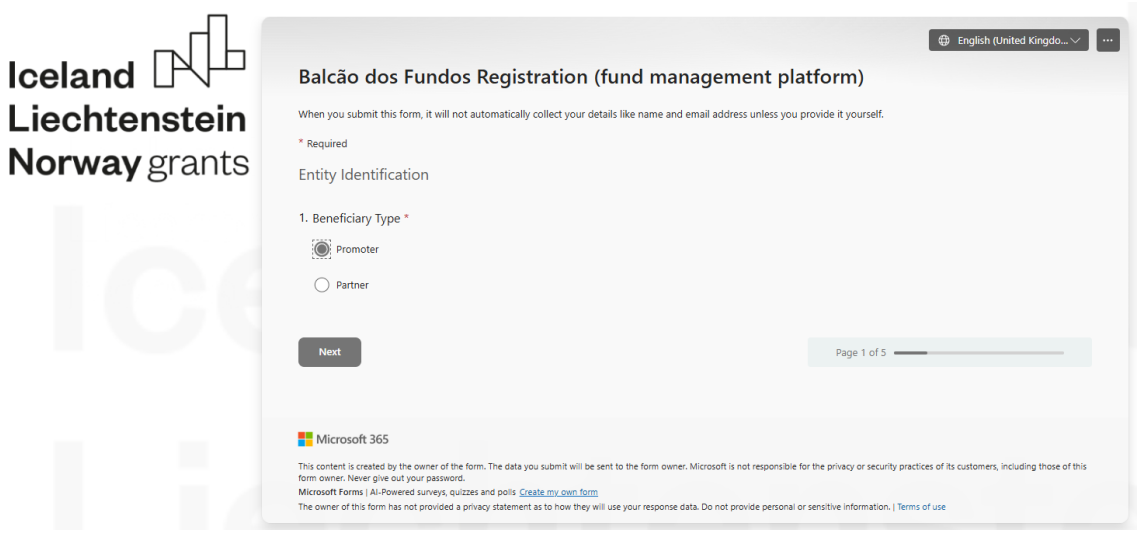
[Signature]

[Position]

ANNEX VII

Balcão dos Fundos registration form for donor country entity (Promoter)

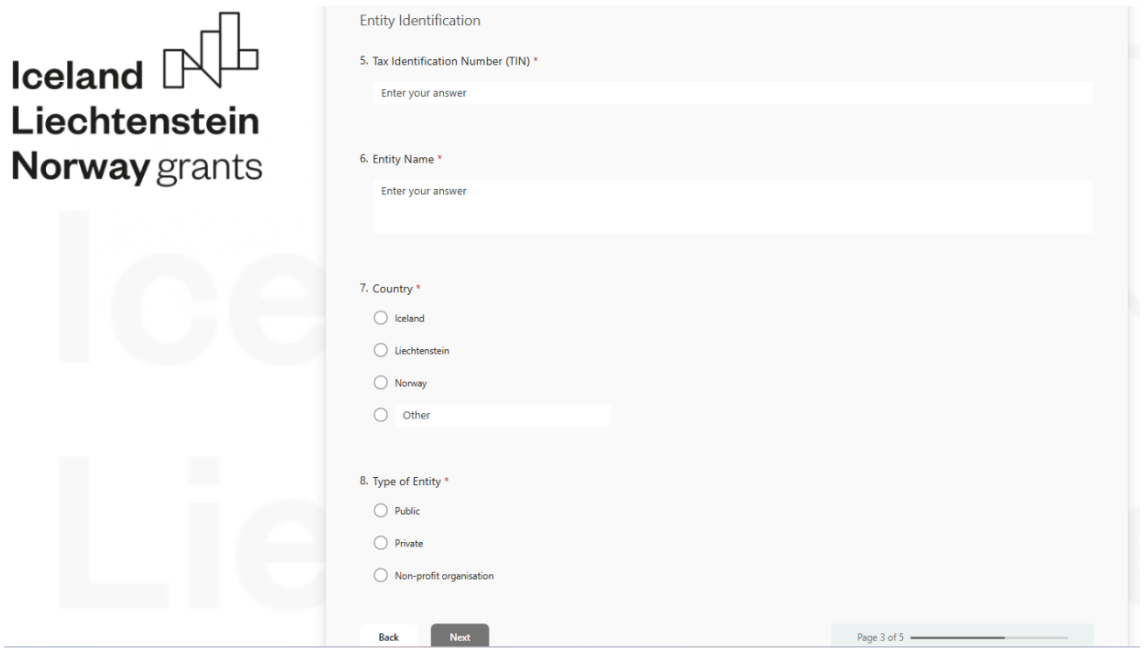
1/5



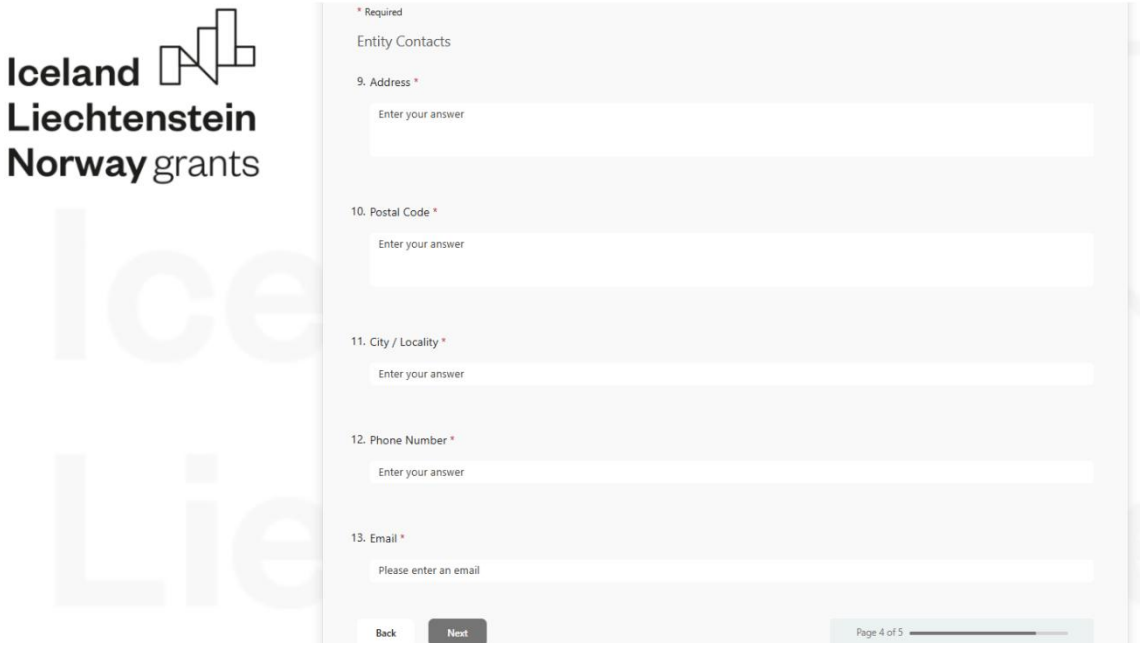
2/5



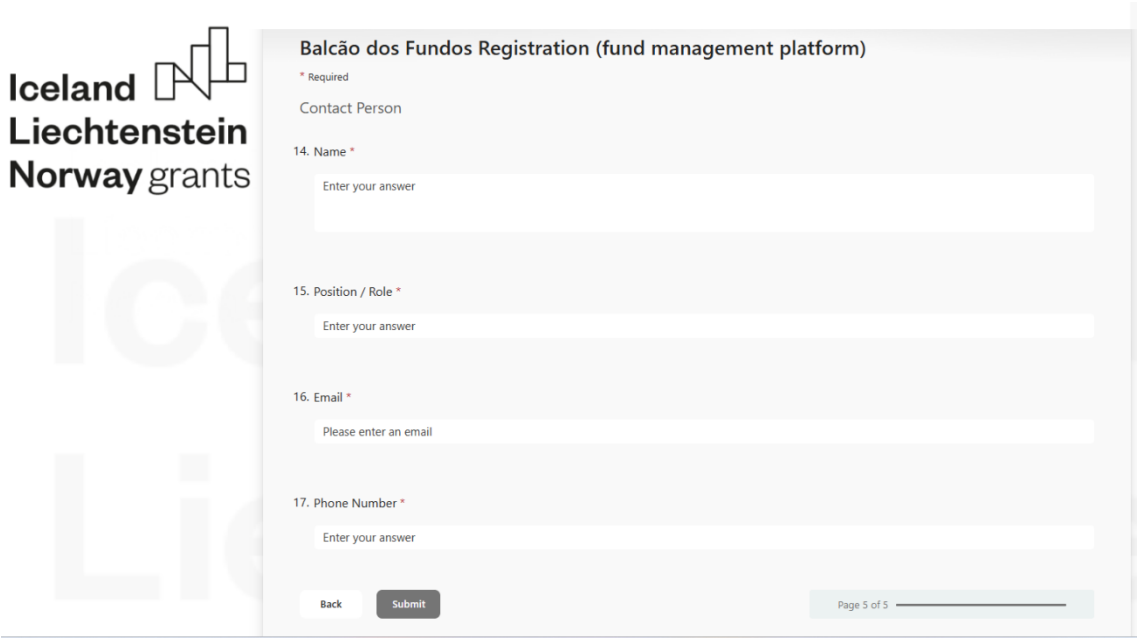
3/5


Iceland Liechtenstein Norway grants
Entity Identification
5. Tax Identification Number (TIN) *
Enter your answer
6. Entity Name *
Enter your answer
7. Country *
Iceland
Liechtenstein
Norway
Other
8. Type of Entity *
Public
Private
Non-profit organisation
Back
Next
Page 3 of 5

4/5

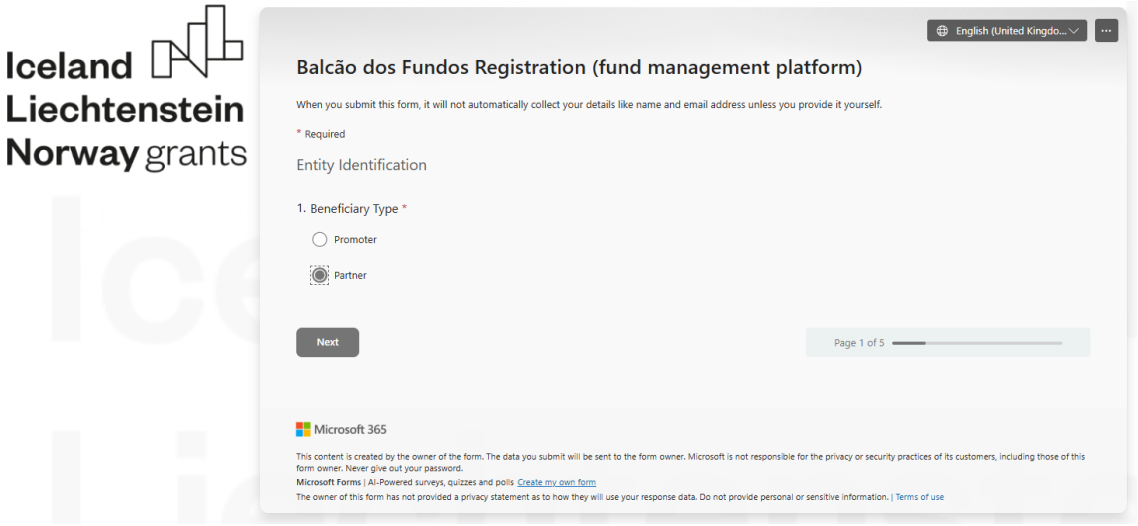

Iceland Liechtenstein Norway grants
* Required
Entity Contacts
9. Address *
Enter your answer
10. Postal Code *
Enter your answer
11. City / Locality *
Enter your answer
12. Phone Number *
Enter your answer
13. Email *
Please enter an email
Back
Next
Page 4 of 5

5/5

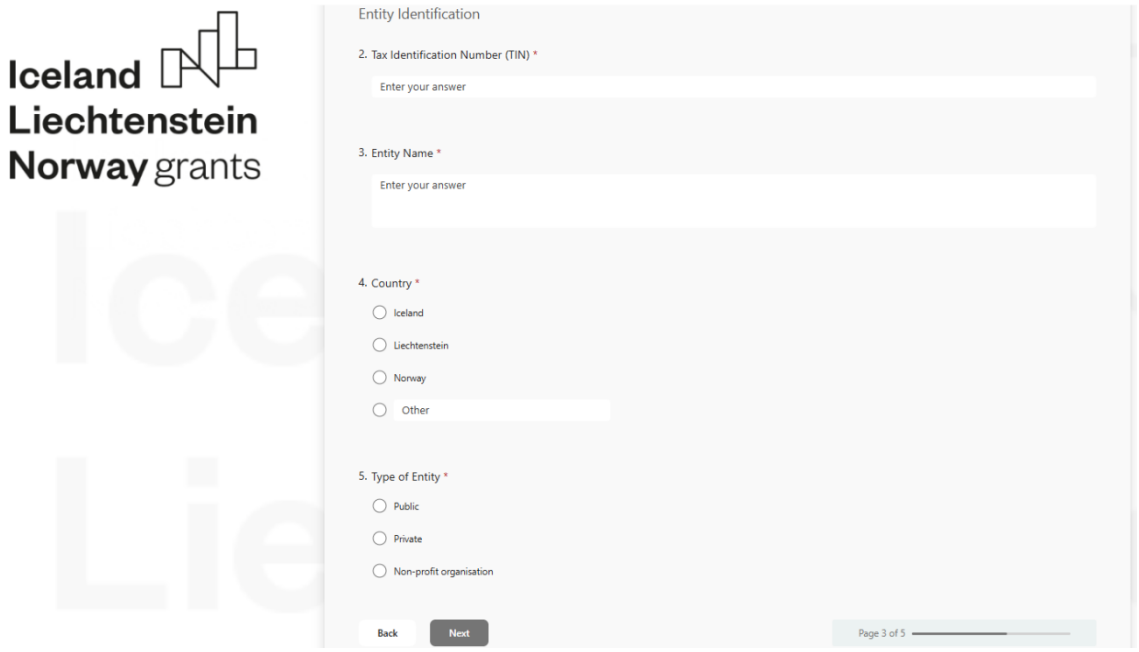


***Balcão dos Fundos* registration form for donor country entity (Partner)**

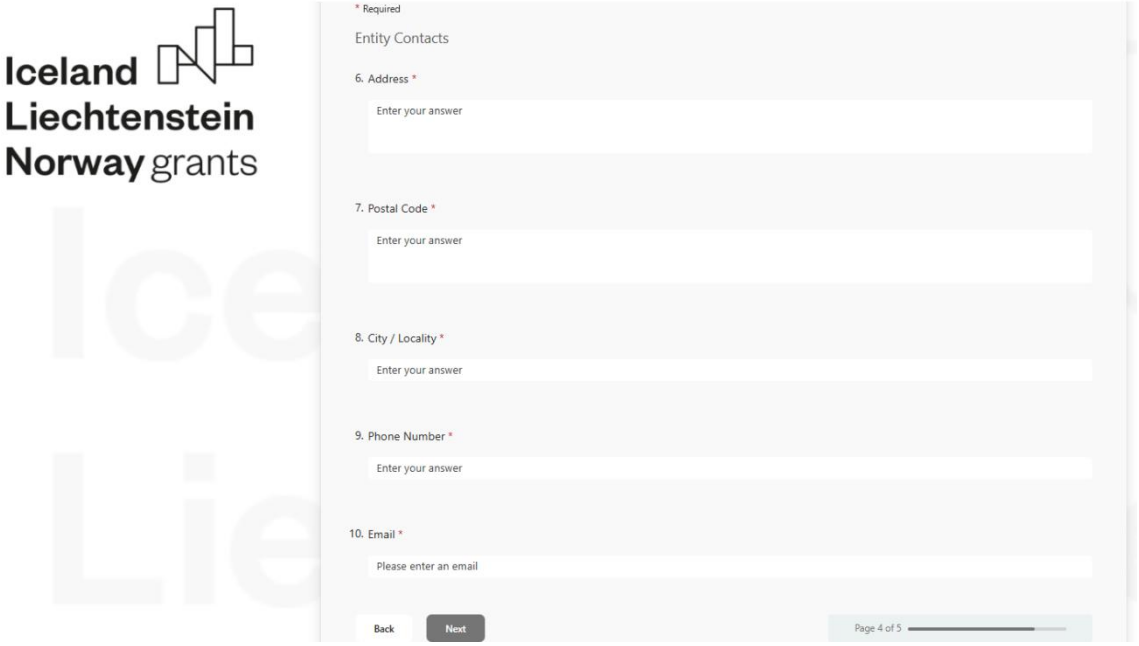
1/4



2/4


Iceland
Liechtenstein
Norway grants
Entity Identification
2. Tax Identification Number (TIN) *
Enter your answer
3. Entity Name *
Enter your answer
4. Country *
Iceland
Liechtenstein
Norway
Other
5. Type of Entity *
Public
Private
Non-profit organisation
Back
Next
Page 3 of 5

3/4


Iceland
Liechtenstein
Norway grants
* Required
Entity Contacts
6. Address *
Enter your answer
7. Postal Code *
Enter your answer
8. City / Locality *
Enter your answer
9. Phone Number *
Enter your answer
10. Email *
Please enter an email
Back
Next
Page 4 of 5

4/4

Iceland Liechtenstein Norway grants

