Iceland
Liechtenstein
Norway
Civil Society Fund

CIVIL SOCIETY FUND RULES 2026

FUNDAÇÃO CALOUSTE GULBENKIAN

FUNDAÇÃO BISSAYA BARRETO

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Preamble

The EEA Civil Society Fund is part of Iceland, Liechtenstein, and Norway's contribution to 15 European Union (EU) Member States under the European Economic Area (EEA) Grants, including Portugal. The aims of the EEA Grants are to reduce social and economic disparities in the EEA and to strengthen bilateral relations between the Donor States and Beneficiary States.

The Civil Society Fund aims to support a vibrant and resilient civil society protecting and promoting democracy, the rule of law, and human rights.

The Calouste Gulbenkian Foundation (CGF), in consortium with the Bissaya Barreto Foundation (BBF), has been selected as the Fund Operator of the EEA Civil Society Fund in Portugal, following an open and public tender procedure launched for that purpose.

The allocation for the EEA Civil Society Fund in Portugal is €11.3 million. Its implementation period begins in 2026 and runs until 2031. Open calls will be launched to select the supported projects. An overview of all open calls, as well as other activities supported by the Fund, can be found on the website of the EEA Civil Society Fund in Portugal. The Fund uses a results-based management approach. This means it is designed and managed with a focus on achieving results.

The present rules govern the Civil Society Fund, in Portugal, in accordance with the Programme Implementation Agreement, signed on 26 June 2026, between the Calouste Gulbenkian Foundation and the Financial Mechanism O ice (FMO) of the EEA Grants.

Chapter I
Scope

ARTICLE 1. GOAL

This regulation defines the rules for Civil Society Organisations (CSOs) and their partners to access funding granted by the Civil Society Fund, hereinafter called "Fund", managed by the Calouste Gulbenkian Foundation in consortium with the Bissaya Barreto Foundation, and funded by the EEA Grants.

ARTICLE 2. VALUES AND PRINCIPLES

1. The EEA Grants are based on the common values of respect for human dignity, freedom, democracy, equality, the rule of law, and respect for human rights, including the rights of persons belonging to minorities.

2. Within the scope of the supported projects, the promoter and partner entities commit to refrain from any form of discrimination prohibited by law, whether by action or omission. This commitment includes, in particular, discrimination based on sex, sexual orientation, racial or ethnic origin, skin colour, nationality, ancestry, territory of origin, or age. The entities also commit to not allowing, in the activities developed within the scope of the supported projects, the dissemination of messages of a partisan or party-political nature.

3. The Fund shall follow the principles of good governance, participation, inclusion, accountability, transparency, responsiveness, effectiveness and efficiency. There shall be zero tolerance for corruption.

4. The Programme shall be consistent with sustainable development, long-term economic growth, social cohesion and environmental protection.

5. The Fund and all activities funded by it shall be consistent with respect for these values and principles.

ARTICLE 3. OBJECTIVES

1. The Fund's objective is to contribute to a vibrant and resilient civil society that protects and promotes democracy, the rule of law, and human rights by supporting civil society organisations aligned with the values of the EEA Grants.

2. To achieve the above, the Fund aims to cover six areas of support:

   a. → Democratic values, civic engagement, information integrity, and media literacy

   b. → Civil society participation in democratic processes

   c. → Human rights, anti-discrimination, and social justice

   d. → Gender equality, including sexual and reproductive health and rights, and LGBTIQ+ rights

   e. → Climate action, environmental protection, and a just green transition

   f. → Organisational development and an enabling environment for civil society.

3. The Fund shall also contribute to the overall objectives of the EEA Grants in Portugal and to the accomplishment of good governance and sustainable development.

4. The Fund also aims to encourage the establishment of partnerships between Portuguese CSOs and with public and private entities located in Portugal, the Donor States or international organisations or bodies or agencies thereof.

ARTICLE 4. INTERVENTION PRIORITIES

1. The implementation of the Fund in Portugal is structured in three Outcomes and eight Outputs, aligned with its priorities and expected results:

   a. → Outcome 1 — Democratic values and rule of law strengthened

      i. → Output 1.1: CSO participation in democratic processes increased

      ii. → Output 1.2: Civic engagement increased

      iii. → Output 1.3: Information integrity and media literacy increased

   b. → Outcome 2 — Human rights strengthened

      i. → Output 2.1: Human rights, including anti-discrimination, and social justice supported

      ii. → Output 2.2: Gender equality, including sexual and reproductive health rights, and LGBTIQ+ rights supported

      iii. → Output 2.3: Climate action, environmental protection, and a just green transition

   c. → Outcome 3 — Civil society organisations that promote democracy, the rule of law, and human rights, strengthened

      i. → Output 3.1: Organisational development supported

      ii. → Output 3.2: An enabling environment for civil society supported

2. The Fund also intends to address the two country-specific focus areas: "Countering gender-based violence" and "Inclusion and empowerment of refugees and migrants", through projects supported under any of the three outcomes, in accordance with the objectives and the type of actions eligible under each outcome. Gender equality shall also mainstreamed for all projects.

3. The Fund will include measures to reach out to underserved geographic areas and target groups that are marginalised.

4. The provision of social services will not be supported unless these services are strictly necessary for enhancing advocacy, community participation, and/or civic engagement.

ARTICLE 5. TARGET GROUPS AND ACTIVITIES

1. Projects under *Outcome 1 — "Democratic values and rule of law strengthened"* shall target CSOs, decision-makers, local communities and community members, educational institutions (including schools and universities), teachers and students, media organisations and journalists, as well as other relevant groups and the general public. Projects under this Outcome may include, for example, the following activities:

   a. → Advocacy and public policy initiatives aimed at influencing national legislation and regulatory frameworks, including the monitoring and revising of local, national, or international recommendations.

   b. → Activities promoting citizens' engagement and active participation in decision-making processes and other democratic mechanisms, including engagement with local decision-makers and influencing public, or private, policies or strategies.

   c. → Awareness-raising campaigns and outreach initiatives to inform citizens about the importance of participating actively in democratic processes and community life.

   d. → Activities promoting the use of digital technologies to enhance civic participation, including digital inclusion and equitable access to opportunities for civic engagement, with particular attention to vulnerable and underserved populations.

e. → Activities promoting democratic literacy, citizenship education, and informed participation through training, non-formal education, and public debates, targeting young people as well as older persons, rural populations, and marginalised groups, among others.

f. → Promotion of volunteering and solidarity, including the development of local volunteering opportunities.

g. → Activities promoting social cohesion, diversity, dialogue, empathy, and mutual understanding, through community-based cultural, artistic, sports, and environmental programmes in order to strengthen the social bonds among diverse groups, CSOs, and the wider public.

h. → Media literacy and information integrity training programmes and sessions for different audiences, including educators, civil society actors, other relevant professional groups, and citizens in general, with a focus on combating disinformation and hate speech.

i. → Initiatives supporting the development and use of fact-checking actions, digital platforms, and AI tools to detect, monitor, and respond to disinformation and misleading narratives.

j. → Activities strengthening the connection between civil society and the media, enhancing journalists' proximity to communities, and amplifying the voices of local populations in public debate.

k. → Activities aimed at strengthening CSOs' capacity to respond to disinformation, demagogy, and extremist or populist narratives, including the development of rapid response fact-checking tools, mechanisms and training for civil society staff in countering misinformation.

2. Projects under *Outcome 2 — "Human rights strengthened"* shall target CSOs, grassroots organisations, organisations led by historically marginalised communities, advocacy groups, human rights defenders, and other civic actors working to protect fundamental freedoms, as well as decision-makers, judges, security forces, health professionals, educators, media organisations, marginalised communities, women, LGBTIQ+ persons, and the public in general. Projects under this Outcome may include, for example, the following activities:

   a. → Initiatives promoting intergroup dialogue, learning, and mutual understanding, including community based gatherings and activities that strengthen social capital, increase community participation, and foster engagement between marginalised communities, migrants and refugees, CSOs, and the wider public.

   b. → Public awareness raising campaigns and advocacy initiatives highlighting specific human rights violations and promoting respect for fundamental freedoms, with outreach to decision-makers, media, and the public.

   c. → Training for CSOs, grassroots organisations, organisations led by historically marginalised communities, advocacy groups and human rights defenders in fact-checking, counter-narrative development and response to disinformation and false and hate narratives affecting human rights and specific vulnerable groups.

   d. → Activities fostering collaborative initiatives between CSOs to develop collective rapid responses, such as joint disinformation monitoring platforms, rapid response networks, coordinated actions across social media and traditional media, and partnerships with journalists and media outlets.

   e. → Training for judges, security forces, lawyers, prison officers, public officials, and health professionals, among others, on gender-sensitive and victim-centred approaches in cases of domestic and gender-based violence.

f. → Initiatives promoting women's access to leadership and decision-making positions, inclusive public policies and services.

g. → Public awareness-raising activities on gender norms, gender and cultural stereotypes, reporting mechanisms, and the protection of sexual and reproductive health rights for women and LGBTIQ+ persons.

h. → Activities or programmes promoting comprehensive sexual and reproductive health education for young people in formal and non-formal education settings, including initiatives on reproductive health rights and gender equality.

i. → Activities promoting advocacy on environmental and climate issues, including campaigns, policy dialogue, and public initiatives to influence public and private decision-makers.

j. → Collaborative initiatives aimed at enhancing environmental civil society organisations' ability to work together, share knowledge and best practices, such as joint research, networks, and partnerships.

k. → Activities supporting the active participation of communities in sustainable practices and local climate action, including initiatives to promote environmental literacy, educational workshops, and community events.

3. Projects under *Outcome 3 — "Civil society organisations promoting democracy, the rule of law, and human rights strengthened"* shall target CSOs, CSO staff, partners, volunteers, umbrella organisations, and the public. Projects under this Outcome may include, for example, the following activities:

a. → Cross-cutting training, mentoring or consulting activities for CSOs' staff and volunteers in key areas such as strategic planning, fundraising, marketing and communication, advocacy, citizens' engagement, impact evaluation, and governance.

b. → Tools and mechanisms to improve CSOs' internal processes and systems, transparent financial management, governance structures, accountability and evaluation, strategic planning, institutional communication, human resources management, and other areas.

c. → Capacity-building activities for strengthening volunteer management practices, including recruitment, retention, and active engagement of volunteers, as well as recognition and support initiatives.

d. → Support for diversifying CSOs' funding sources through improved fundraising strategies, social entrepreneurship initiatives, and strengthened partnerships.

e. → Initiatives to promote recognition of the Civil Society sector and its contribution to society.

f. → Activities promoting a more enabling legal and regulatory framework for CSOs, including advocacy for regulatory improvements, reduction of bureaucratic barriers, and strengthening of legal protections.

g. → Capacity-building for umbrella organisations to enhance operational capacity, financial resilience, and strategic positioning, enabling them to better support their members and advocate for the interests of the sector.

h. → Creation of new collaborative platforms and structures that facilitate cooperation among CSOs, advocacy groups, and other stakeholders, promote complementarity and collective impact.

i. → Support knowledge production and dissemination through research, guides, toolkits, and reports to strengthen sector-wide expertise and share best practices.

ARTICLE 6. TERRITORIAL SCOPE

The Fund aims to support Portuguese CSOs' projects in mainland Portugal and the Autonomous Regions of the Azores and Madeira, without prejudice to actions that are carried out elsewhere under partnerships created to implement the selected projects.

Chapter II
Eligible Applicants and Partners

ARTICLE 7. PROJECT PROMOTER

1. Project promoters are CSOs established in Portugal that meet the definition referred to in number 4 and are responsible for submitting an application to the Fund and for the implementation of the project in case funding is approved.

2. The promoter is the entity which signs the grant contract with the Fund Operator and bears all responsibility for implementing the project according to the contract and for achieving the set objectives and targets.

3. Promoters shall abide by the principles of democratic values and human rights and the Fund's values and principles according to Article 2, shall demonstrate that they have sufficient administrative and financial capacity to implement the projects and must have an organised accounting system or equivalent that can respond to provisions of Article 38.

4. For the purposes of the Fund, a Civil Society Organisation (CSO) is a non-profit voluntary private entity, irrespective of its legal form, which at the time of submission complies with the following requirements:

   a. → is established as a legal entity;

   b. → pursues the general interest or common good and has a non-commercial purpose;

   c. → is independent of local, regional and central government, public entities, political parties and commercial organisations;

   d. → is not a partisan organisation or a political party;

   e. → is not a religious institution.

5. Within the scope of the 'large projects' mentioned in paragraph b) of number 1 of Article 10, the project promoter must have an average annual turnover of at least 20,000 euros, calculated over the most recent three financial years for which information is available, or a shorter period, if the entity is more recent.

6. Organisations that have previously received funding under the EEA Grants, who have failed to reimburse funds following a formal request or have unilaterally terminated a project, shall not be eligible for funding. Organisations who have failed to reimburse funds following a formal request or have unilaterally terminated a project under another funding scheme than the EEA Grants, may be deemed ineligible for funding based on a review and decision made by the Fund Operator.

ARTICLE 8. PROJECT PARTNERS

1. A partnership shall be understood as a collaborative arrangement for the implementation of project activities between two or more civil society organisations (CSOs), or between CSOs and other partner entities.

2. Any entity, public or private, commercial or non-commercial, as well as civil society organisations, established as a legal person in Portugal, the Beneficiary States or the Donor States, as well as international organisations or bodies or agencies thereof, actively involved in and effectively contributing to the implementation of a project, is considered an eligible project partner. The project partner shall share with the Project Promoter a common goal which is to be realised through the implementation of the project.

3. No more than 20% of the project budget shall be allocated to project partners that are not civil society organisations in line with the requirements referred to in number 4 of Article 7.

4. Eligible entities shall abide by the principles of democratic values and human rights and the Fund's values and principles according to Article 2 and must have an organised accounting system or equivalent that can respond to provisions of Article 38.

5. Informal, ad hoc, and self-help organisations, including grassroots organisations, that are not registered legal entities can be considered eligible project partners, provided that their members are legal residents or based in a country referred to in number 2; they are not established or operating with the purpose of personal profit; membership in the group is voluntary and non-discriminatory; their purpose aligns with the objective of the EEA Civil Society Fund; they are independent of local, regional and national government and other public authorities, as well as of political parties, religious institutions and commercial organisations; and they are represented by one single person, with legal residency in the Beneficiary State, who signs the partnership agreement on behalf of the group.

6. The informal groups referred to in the previous number cannot be a direct recipient of the project grant, and the expenditure related to the involvement of the informal group must be borne by the project promoter.

7. For application purposes, partnerships are established between all partners through a Partnership Commitment Declaration.

8. Once the project is selected, the partnership is formalised through a Partnership Agreement to be signed by the project promoter with each of the project partners.

9. The leader of the partnership is the promoter, who is responsible for the overall coordination of the partnership, for submitting reports and payment claims related to eligible costs of the partners, for transferring the amounts to the partners and for ensuring all communication with the Fund on any matter relating to the project.

Chapter III
Fund Conditions

ARTICLE 9. GRANT RATE

Approved projects and grants, across all Outcomes and call notices, shall be funded at a rate of 100% of their respective eligible costs.

ARTICLE 10. PROJECT SIZE

1. The Fund supports the following types of projects:

   a. → "Small projects": projects with a total cost above 25,000 euros and up to 37,500 euros;

   b. → "Large projects": projects with a total cost above 37,500 euros and up to 62,500 euros.

2. The amounts indicated in the previous number include capacity-building allocations, in the applicable cases, as defined in Article 12.

3. The duration of projects is as follows:

   a. → "Small projects": between 6 and 18 months;

   b. → "Large projects": between 12 and 24 months.

4. If indicated in the respective call notice, the size and duration of projects may differ from those established in the previous numbers.

5. Regardless of the duration referred to in number 3, the projects' final date of eligibility shall be no later than 30 April 2031.

ARTICLE 11. ORGANISATIONAL GRANTS

1. In addition to the support referred to in Article 10, the Fund will also provide Organisational Grants.

2. Organisational Grants are financial support provided by the Fund to a civil society umbrella organisation, according to the definition set in the respective call notice, over a longer period, with the purpose of enabling it to pursue long-term goals.

3. Organisational grants have a total cost of 150,000 euros and a duration of 36 or 48 months.

4. If indicated in the respective call notice, the size and duration of projects may differ from those established in the previous number.

5. Regardless of the duration referred to in number 3, the projects' final date of eligibility shall be no later than 30 April 2031.

ARTICLE 12. CAPACITY-BUILDING ALLOCATION

1. Since one of the Fund's priorities is to strengthen civil society, the capacity-building of CSOs plays a central role in the Fund's implementation, as a way to reinforce CSOs' capacity to intervene in society and ensure greater effectiveness. To this end, in addition to the support foreseen under *Outcome 3 — Civil society organisations that promote democracy, the rule of law, and human rights, strengthened*, which aims to strengthen CSOs, all projects will have funds allocated to capacity-building and organisational development.

2. The capacity-building activities, implemented with the allocation referred to in the previous number, do not need to be directly linked to the specific activities of the project proposal. It may include any initiative that demonstrably contributes to strengthening the organisation in the areas referred to in number 3 of Article 5, including, but not limited to: strategic planning, fundraising, marketing and communication, financial management, governance structures, accountability, and evaluation.

3. The maximum allocation that may be used for capacity-building in projects supported under Outcomes 1 and 2 is EUR 2,500 per project, unless another amount is stated in the respective call notice.

4. The capacity-building allocation's purpose is to support formative consultancy for the organisation's development. For this reason, the capacity-building allocation may only be used for costs of services provided to the project.

5. The promoter is not required to use the full amount allocated to the capacity-building. However, any unused amount may not be reallocated or transferred to other project activities. The capacity-building allocation may also not be supplemented with the project's budget.

6. If the promoter decides not to make use of this allocation, it should, at the application stage, provide a duly substantiated justification.

ARTICLE 13. PROJECT MANAGER

1. Selected projects shall designate a project manager who is responsible for the technical, administrative, and financial implementation of the project.

2. The Project Manager is the focal point of all relations and contacts with the Fund Operator during the implementation stage.

3. The Project Manager must not be a member of the statutory or governing bodies of the promoter organisation.

4. The Project Manager must have a formal commitment with the promoter at the time of the signature of the grant agreement.

Chapter IV
Applications and Selection Process

ARTICLE 14. CALL NOTICES

1. Applications are submitted in response to call notices advertised on the Fund's website and other channels.
2. The call notices specify the terms of the call for applications, including the opening and closing dates of the call, the available budget, the Fund Outcome under which applications may be submitted, the eligible types of projects, the selection criteria and respective weights, as well as other specific information required to formalise the application.
3. An indicative timeframe of all calls for applications to be open over the Fund period shall be published on the Fund's website and updated when necessary.

ARTICLE 15. LIMITS TO APPLICATION SUBMISSION

1. Each eligible entity may submit three applications per call. However, an applicant may only have one project approved as a project promoter per call.
2. In derogation of the previous number, no such limitation applies to a project partner.

ARTICLE 16. SUBMISSION OF APPLICATIONS

1. Applications can only be submitted through the MyGulbenkian application form, available through eeagrants.org/pt/eea-civil-society-fund-portugal, within the timeframe specified in the call notice.
2. Applications must be prepared and submitted exclusively by the project promoter and its partners. External consultants are prohibited from designing or submitting applications on behalf of others. Any consultant found advertising or providing such services will be disqualified from participating in or delivering services for supported projects.

3. Applications will be submitted through a two-phase process, designed to increase accessibility for smaller and less experienced CSOs. This structure aims to reduce entry barriers.

4. The first phase shall consist of the submission of a short, well-structured concept proposal, which includes the project's total estimated budget.

5. Applicants who advance to the second phase shall be individually notified and invited to submit a detailed project structure, detailing the components that integrate the respective budget, targets, indicators and schedule. From the notification of advancement to the second phase, the process should take an estimated three months to a final decision on applications. Specific timings shall be communicated to the advancing applicants.

6. In the second phase application, the following documents shall be attached:

   a. → Updated statutes, minutes of the election of the governing bodies currently in office, and other supporting documentation that ensure compliance with Articles 7 and 8 regarding entities applying for funding, as defined in the respective call notice;

   b. → Three latest annual reports and financial statements, when applicable;

   c. → Detailed budget and project timeline;

   d. → Project Manager's CV;

   e. → Joint Partnership Commitment Declaration, when applicable, signed by the respective legal representatives.

   f. → Other attachments indicated in the respective call notice.

7. The two-phase application process mentioned in number 3 does not apply to Organisational Grants.

8. For the cases mentioned in the previous number, applications are submitted in one phase, requiring the full proposal, the eligibility documents described in number 6, as well as any others defined in the respective call notice.

ARTICLE 17. SUPPORT TO APPLICANTS

1. In order to support the submission of applications aligned with the objectives of the Fund, ensure equal opportunities to all applicants and to improve chances of success, the Fund will implement the following actions:

   a. → A manual containing all relevant information and required documentation;

   b. → A set of dissemination workshops across the country to mobilise local organisations and stakeholders, explain the calls and support the preparation of projects and applications, clarify available support and capacity-building facilities;

   c. → A helpline, via e-mail and phone, for the clarification of queries;

   d. → Online information through FAQ published on the Fund's website;

   e. → A specific mechanism with individual support on project preparation, provided by external experts, made available to applicants selected to proceed to the second phase of the application process mentioned in Article 16. This mechanism will consist of two different facilities:

      i. → Revision of application form draft, providing advice on what should be improved;

      ii. → Consultancy to support applicants in turning their idea into a project.

2. The typology of eligible applicants for the specific mechanism mentioned in paragraph e) of number 1 is small organisations, up to a predefined ceiling of annual expenditure, located outside the Greater Lisbon and Porto Metropolitan Areas, or belonging to designated target groups, as described in each call notice.

3. The experts mentioned in paragraph e) of number 1 are entirely distinct from the external evaluators. Only their training may take place simultaneously.

4. The specific mechanism mentioned in paragraph e) of number 1 shall be detailed in the manual referenced in paragraph a) of number 1.

ARTICLE 18. ADMINISTRATIVE AND ELIGIBILITY CRITERIA

1. In the first phase, applicants will only be required to declare that the entity complies with the eligibility requirements stipulated in Articles 7 and 8.

2. The Fund will make some verifications of compliance with the formal and administrative requirements of eligibility of the applications in the first phase, particularly regarding:

   a. → Scope of the application falling within the scope of the call notice;

   b. → Respect for the maximum number of applications each entity (as a promoter) may submit pursuant to number 1 of Article 15;

   c. → Non-applicability of paragraph 6 of Article 7;

   d. → Qualification of the promoter as CSO under Article 7 for cases where the statutes aren't necessary to issue an opinion.

3. For those who advance to the second phase of applications, the Fund will verify the compliance with the formal and administrative requirements of eligibility of applications, particularly regarding:

   a. → Submission of applications with the attachments referred to in number 6 of Article 16 within the defined deadline;

   b. → Full completion of the application form and of the detailed budget;

c. → Qualification of the promoter as a CSO under Article 7 and compliance of partners applying for funding with Article 8;

d. → Eligibility in terms of size and duration of the proposed project pursuant to Article 10, and compliance with the number 5 of Article 7 for large projects.

4. Should clerical errors be made during the online submission of the administrative documents in the second phase, the promoter may correct them within two working days. In this context, "clerical errors" is reffering to errors in supporting documents that were not created specifically for the application, for example, statutes or minutes of the election of the governing bodies currently in office.

5. In cases where the administrative and eligibility criteria are not met under the procedure foreseen in number 2, the Fund Operator may proceed with a preliminary exclusion of applications in the first phase, before their evaluation. In these cases, the Fund notifies the promoters of applications not considered eligible, explaining the reasons for the rejection.

6. After the submission of the applications in phase two, the Fund notifies the promoters of applications that are not considered eligible, explaining the reasons for the rejection.

7. The promoters of applications referred to in the numbers 5 and 6 have a period of 10 days to appeal, by email to fsc@gulbenkian.pt counted from the day after the notification.

8. Appeals submitted according to the previous number are analysed and sent to the Fund's Steering Committee for a final decision, together with a reasoned opinion from the Fund's Director.

9. The final decision of the Fund's Steering Committee shall be conveyed to the promoter.

ARTICLE 19. SELECTION CRITERIA

1. The evaluation and selection of applications is based on the criteria defined in the respective call notices.

2. Different selection criteria may be used to evaluate each phase of applications.

ARTICLE 20. EVALUATION OF APPLICATIONS

1. The evaluation of the applications is made by five impartial experts based on the criteria set in the respective call notice, with at least four being independent from the Fund Operator. The experts score the projects independently.

2. Applications are assessed according to their merit and ranked on a scale of 0 to 100 points. In both phases, only applications with a score of 60 or higher may be selected.

3. Each application receives five scores. The highest and lowest scores for each application are excluded, and the final score is calculated from the average of the remaining three scores.

ARTICLE 21. SELECTION COMMITTEE

1. The role of the Selection Committee is to recommend to the Fund Operator which projects to fund.

2. The Selection Committee is composed of three persons with the relevant sector expertise and experience of working on or with civil society. One member is external to the Fund Operator.

3. Representatives of the National Focal Point of the EEA Grants in Portugal, the Financial Mechanism Office (FMO) of the EEA Grants and the Embassies of the Donor States to Portugal may participate in the Selection Committee meetings as observers.

4. The Selection Committee may invite other individuals, notably application evaluators, to participate in the meetings without voting rights.

ARTICLE 22. STEERING COMMITTEE

1. Steering Committee

2. The Steering Committee is the governing body of the Fund Operator Consortium, providing high-level guidance and strategic direction for the consortium.

3. The Steering Committee, based on the recommendation of the Selection Committee, makes a decision on which projects to support. The Steering Committee of the Fund Operator shall take the final decision regarding which projects to support and may modify the Selection Committee's decision in justified cases.

4. Upon request, the FMO may participate in the meetings of the Steering Committee where decisions on project selection are taken as an observer.

ARTICLE 23. PROJECT SELECTION

1. With the exception of organisational grants, the selection of projects shall be conducted in accordance with the two-phase procedure set forth in Article 16.

2. Following the evaluation and scoring of the first phase applications, the applications are organised into a ranked list with the requested amounts, where the highest-scoring applications within the call allocation are eligible for the second phase, as long as the application score is above 60 out of 100 points.

3. To ensure competition in the second phase, in addition to the applications referred to in the previous number, additional applications corresponding to up to 100% of the call's allocation may advance to the second phase, following the ranking of the highest-scoring applications, as long as the application score is above 60 out of 100 points.

4. The maximum percentage of additional applications approved for the second phase referred in the previous number shall be established in each call notice.

5. The ranked list of applications from the first phase is reviewed by the Fund Operator to ensure correct alignment with the Fund's objectives, in a process which is duly documented for the information of the Selection Committee about the process.

6. After the evaluation and scoring of all applications in the second phase, a ranked list is submitted to the Selection Committee for review and for a recommendation to the Steering Committee.

7. Upon review, the Selection Committee may decide to amend the rating of projects and the ranking of applications resulting from the evaluation mentioned in Article 20.

8. Whenever appropriate, the Selection Committee establishes a reserve list associated with the list of applications selected for approval, to be used in case of withdrawals or savings, composed of the highest-scoring not-selected applications for lack of available budget. The reserve list can only include applications with a score above 60 out of 100 points.

9. The Selection Committee draws up a proposal for the final decision by the Fund's Steering Committee, containing the proposed decisions on:

   a. → List of selected applications and respective grants;

   b. → Reserve list, as described in number 8;

   c. → List of not-selected applications;

   d. → List of not-admitted applications.

10. The final decision concerning the selection of applications and all other Selection Committee proposals is made by the Fund's Steering Committee.

ARTICLE 24. COMMUNICATION OF THE CALL RESULTS

1. Decisions on the applications are communicated individually to the respective promoters.

2. The final list of selected projects and promoters is advertised on the Fund's website after all grant contracts have been signed.

Chapter V
Contracting

ARTICLE 25. GRANT CONTRACT PREPARATION

1. Following the communication of a project approval, the Fund shall invite the promoter for bilateral meetings to refine the project, to clarify possible unclear elements, to settle the final budget and to agree on the final version of the project to be contracted.

2. The Fund carries out due diligence procedures designed to ensure knowledge and prior assessment of its counterparties, verifying, in particular, compliance with obligations to the Tax Authority and Social Security, their exposure to the risk of money laundering, terrorist financing and/or corruption and related offenses, the absence of application of sanctions or corrective measures by national and international authorities.

3. For the purposes of the previous number, the selected candidates are required to submit the following documents and information:

   a. → Proof of no liability towards the Tax Administration and Social Security;

   b. → Proof of ownership of a bank account to be used within the scope of this support;

   c. → Permanent Certificate of the Commercial Registry or registration in the Central File of Legal Entities, as applicable;

   d. → Declaration from the Central Register of Actual Beneficiaries;

   e. → Copy of the identification document of the members of the management body or equivalent body, as well as other relevant senior executives with management powers;

   f. → Last approved Report and Accounts and Management Report, with information on the entity's management bodies.

4. If deemed relevant or necessary for the purposes of verifying the suitability of the candidate and/or compliance with their legal obligations, the Fund may, at any time, request additional information from the candidate, namely, and as appropriate, regarding their identity, professional experience, reputation, as well as their actual beneficiaries and/or those responsible for their management.

5. Following the agreement mentioned in number 1 and due diligence mentioned in number 2, a proposal for a contract is sent to the promoter, where all terms and conditions of the approved funding are specified.

6. Upon obtaining the promoter's agreement, the Fund shall issue the signed contract for subsequent signature by those responsible under the law on the promoter's side.

7. The promoter has 10 days from the date of receipt to sign the grant contract, at the risk of having the decision revoked.

8. If a promoter resigns from signing the contract, before or after the meetings provided for above, the Fund shall contact the next project on the reserve list approved by the Steering Committee for contracting purposes.

ARTICLE 26. PROJECT COMPONENTS

1. A project component is a coherent and aggregated subset of actions in which project activities are organised and programmed, according to a time horizon, with a view to achieving a specific partial or interim result of the project.

2. All projects, apart from predefined projects and organisational grants, shall be broken down into two to four components.

3. Project components shall have defined budgets, schedules and activities. Those activities shall have defined their expected quality, outputs and contribute to intended outcomes.

4. The description of project components defined in the previous number requires the agreement of the Fund Operator and shall be inscribed into the grant contract.

ARTICLE 27. GRANT CONTRACT

1. Support to projects is formalised through grant contracts signed between the Fund Operator and the promoters.

2. The grant contract sets out the terms and conditions of grant assistance as well as the roles and responsibilities of the parties.

3. Grant contracts necessarily include the following elements:

   a. → Identification of the parties;

   b. → Description of the project, objectives, expected results, indicators and targets;

   c. → The maximum amount of the project grant in euros and the maximum project grant rate;

   d. → Eligible expenditures;

   e. → The forms of grants for all costs in the project and their calculation method;

   f. → The description of the project's components, as foreseen in Article 26;

   g. → The first and final dates of eligibility of expenditures;

   h. → Reference to partnership agreements or partnership declarations, when applicable;

   i. → Provisions that require the project promoter to inform the project partners of all provisions of the project contract that are relevant for them, and equally, sufficiently in advance, of modifications to the project that affect them;

   j. → Requirements for the submission of proof of expenditure and of conditions fulfilled;

   k. → Provisions on procurement in accordance with Article 42;

l. → Obligations regarding financial and quantitative and qualitative results reporting that enable the Fund Operator to monitor the technical and financial implementation of the project, and to evaluate its results;

m. → Provisions on modifications of the project;

n. → Provisions that ensure that obligations regarding record keeping are complied with;

o. → Provisions that ensure timely and unrestricted access for the purposes of monitoring, audits and evaluations;

p. → Provisions that ensure that obligations regarding information and communication are complied with;

q. → The conditions under which the Fund may suspend payments and request reimbursement from the project promoter;

r. → Resolution of disputes and jurisdiction;

s. → Detailed budget;

t. → Waiver of responsibility of the FMO; and

u. → Provisions about the consequences to the grant contract in case of an eventual termination of the agreement between the FMO and the Calouste Gulbenkian Foundation.

4. For the organisational grants referred to in Article 11, the project contract shall additionally include provisions on:

a. → the intermediate and final reporting on the organisation's multiannual organisational work plan or strategy, including baseline and endline self-assessments of organisational strength according with the methodology and questionnaire provided by the Fund Operator;

b. → the size and frequency of the payment of the tranches;

c. → the right of the Fund Operator and the FMO to commission audits of the entire organisational accounts of the Project Promoter; and

d. → the right of the Fund Operator to cancel or proportionately reduce the grant paid to the Promoter in the case of evident non-satisfactory performance.

5. The official start and final dates of the project are established in the grant contract:

   a. → Projects' start date shall be set no later than up to three months after the date of notification of the grant decision otherwise the decision may be revoked.

   b. → The final date of the project cannot exceed the duration set for the project, counted from the start date indicated in the grant contract.

6. In derogation of paragraph a) of number 5, later starts may be required due to possible demands of the methodology used for the project's evaluation, in which case the Fund Operator will notify the project promoter.

7. Promoters are required to execute all approved projects in a timely and diligent manner under the terms and conditions agreed in the grant contract.

ARTICLE 28. PARTNERSHIP AGREEMENT

1. Partnerships are formalised through a contract celebrated between the promoter and each of the eligible partner organisations approved for funding, as established in number 8 of Article 8.

2. Partnership agreements necessarily include the following elements:

   a. → Provisions on the roles and responsibilities of the parties;

   b. → Provisions on the financial arrangements between the parties, including, but not limited to, financial reporting obligations, means for proof of expenditure, payment flows, and the expenditure for which project partners can be reimbursed from the project budget;

c. → Currency exchange rules for such expenditure and reimbursement;

d. → Provisions on the forms of grants for all costs in the project and their calculation method;

e. → Requirements for the submission of proof of expenditure and proof of conditions fulfilled;

f. → Provisions on audits of the project;

g. → A detailed budget; and

h. → Provisions on dispute resolution.

3. Partnership agreements are written in English when partner organisations of Donor States are involved.

4. Partnership agreements are sent to the Fund Operator for verification before the grant contract signature. Any amendments to those agreements should be communicated to the Fund Operator in a timely manner.

5. The Fund provides promoters with templates which may be used as a basis for partnership agreements.

Chapter VI
Implementation, Communication and Reporting

ARTICLE 29. SUPPORT TO PROMOTERS

1. In order to improve the chances of success of supported projects, especially those from underserved geographic areas and target groups, the Fund will implement the following actions:

   a. → A manual providing guidance on all areas related to project management and implementation;

   b. → A set of workshops to support the promoters to soundly carry out their projects according to the Fund's rules and procedures;

   c. → Workshops and other initiatives to promote sharing and learning, and foster networking and partnerships between project promoters;

   d. → A specific mechanism with individual support, consisting of short-term on-site coaching, consultancy or mentorship, provided by external experts.

2. The typology of eligible applicants for the specific mechanism mentioned in paragraph d) of number 1 is small organisations, located outside the Greater Lisbon and Porto Metropolitan Areas, or belonging to designated target groups, as described in the Manual referred to in paragraph a) of number 1.

3. The specific mechanism mentioned in paragraph d) of number 1 shall be detailed in the manual referenced in paragraph a) of number 1.

ARTICLE 30. PROJECT FOLDER

1. The promoter must maintain an updated project folder containing all evidence related to the project and consisting of the following original (if applicable) documents:

   a. → Application form and respective annexes;

   b. → Notification of the approved grant decision;

c. → Grant contract;

d. → Partnership agreement, where applicable;

e. → Project and contract amendments, where applicable;

f. → Document certifying VAT status;

g. → roof of no outstanding liabilities to the Tax Administration and Social Security;

h. → Expenditure supporting documents (invoices, receipts, or equivalent documents) for real costs as described in paragraph a) of number 1 of Article 40, including project of costs supported by project partners, where applicable;

i. → Bank transfers within partnerships, where applicable.

j. → Submitted component, progress, final and follow-up reports.

k. → Evidence of activities carried out and achieved results (e.g., attendance sheets, photographs, evaluation questionnaires).

l. → Communication materials referencing the support received.

m. → Documentation supporting the application of public procurement rules, where applicable.

n. → Documentation related to project visits.

o. → Documentation related to audit and project monitoring findings.

2. The promoter must keep the project folder updated, where delays exceeding 60 days are under penalty of suspension of payments.

3. Upon completion of the project, the respective folder must be archived and be available for auditing until the end of 2037.

ARTICLE 31. PROJECT AMENDMENTS AND REVISIONS

1. Changes to projects that involve modifications to the results, the approved financial plan, or the schedule defined in the project contract are subject to prior approval by the Fund Operator.

2. Once lump sums, as explained in Article 40, are established, they should not be changed to compensate for an increase in costs or underutilisation of the available budget during the project implementation.

3. Any request for changes must be formalised in writing.

4. Promoters are notified of the Fund Operator's decision regarding the request for an amendment to the project within 15 days from the date the request is validated.

5. In the period between the request for amendment and the decision, the payments are suspended.

6. The last request to amend the project must be submitted up to two months before the completion of the project.

ARTICLE 32. COMPONENT REPORTS

1. Following the conclusion of the activities planned in a component, as defined in Article 26, the project promoter must submit a report with a description of its implementation, achieved results and the evidence proving the fulfilment of the previously established conditions.

2. Component reports have no fixed periodicity, as they are project-specific, but shall be submitted no later than 60 days after the conclusion of the related activities.

3. Component reports are submitted whenever a component is concluded, except for those concluded in the final month of the project. In these cases, the evidence for this conclusion shall be submitted with the project's final report.

4. The component reports must be submitted through the Fund's project management system.

ARTICLE 33. PROGRESS REPORTS

1. Project Promoters receiving organisational grants shall submit a yearly narrative and financial report, describing the progress of the implementation of the workplan, the achievement of quantitative and qualitative results', and justifying any major shifts in strategic priorities.

2. The Fund Operator shall organise an annual meeting with every promoter of an organisational grant to review the progress of implementation.

ARTICLE 34. FINAL REPORT

1. The promoter must submit the project's final report within 60 days after the date of its completion.

2. The final report shall describe the physical implementation and the quantitative and qualitative results achieved for the whole project, and of the components which are concluded within the project's final month, in accordance with number 3 of Article 32. The final report shall include the evidence proving the fulfilment of the previously established conditions that haven't yet been submitted.

3. The final report must be submitted through the Fund's project management system.

ARTICLE 35. INFORMATION AND COMMUNICATION

1. Information and communication activities relating to the Fund shall aim to:

   a. → Increase awareness and inform relevant audiences about the contribution and role played by the Donor States;

   b. → Strengthen awareness of and engagement with the objective and activities of the Fund and the issues it addresses;

   c. → Ensure broad visibility and communication of results and achievements at programme and project levels;

   d. → Inform potential and actual beneficiaries and partners about the opportunities offered under the Fund; and

   e. → Ensure transparency about how the funding is used.

2. In addition to the rules contained in this Agreement, the Fund Operator shall provide additional guidance and rules on communication in the manual mentioned in paragraph a) of number 1 of Article 29 regarding:

   a. → The design and correct usage of logos;

   b. → Visual identity;

   c. → Branding and key messages; and

   d. → Websites and social media requirements.

3. All communication and information activities and physical or digital communication materials relating to the implementation of the Fund shall comply with the rules set in the manual mentioned in paragraph a) of number 1 of Article 29.

ARTICLE 36. DATA PROTECTION

1. All personal data provided during the application process or throughout the implementation of the Fund shall be processed exclusively for the purposes of evaluating applications, managing and monitoring, fulfilling contractual and legal obligations, and ensuring compliance with audit and reporting requirements. CGF and BBF act as joint controllers for these processing activities, in accordance with Article 26 of Regulation (EU) 2016/679 (General Data Protection Regulation — GDPR). Processing is carried out under Articles 6(1)(a), 6(1)(b), 6(1)(c) and 6(1)(e) of the GDPR.

2. The CGF and BBF may be contacted regarding any questions related to data processing carried out in this context and for these purposes through privacidade@gulbenkian.pt or privacidade@fbb.pt.

3. Personal data shall be kept for the period of time necessary to fulfil the purposes described above, unless a longer retention period is required by applicable law or audit obligations. Certain data (including the subject's name, date of application, terms and duration of the grant, and personal data contained in works or final publications) may be kept indefinitely by CGF for purposes of preserving cultural, historical or institutional records, in accordance with Article 5(1)(b) and (e) of the GDPR.

4. Where specific processing activities rely on consent, the data subject may withdraw such consent at any time. This withdrawal does not affect the lawfulness of processing carried out prior to the withdrawal. However, withdrawing consent may prevent the joint controllers from performing certain operations and may result in the applicant or promoter being unable to continue their participation in the Fund. Processing activities essential to the management of the Fund, as described in number 1, do not rely on consent.

5. As certain personal data are indispensable for the evaluation and implementation of the Fund, failure to provide such data may render it impossible to assess an application or permit participation. This necessity arises from the performance of contractual and legal duties rather than from consent.

6. The joint controllers guarantee the exercise of all rights provided under the GDPR, such as the right of access, rectification, erasure, opposition, limitation of treatment, portability and consent withdrawal (where applicable). These rights may be exercised by contacting the joint controllers at the addresses provided in number 2.

7. The joint controllers shall implement appropriate technical and organisational measures to ensure the security and confidentiality of personal data, whether processed directly or via processors, in compliance with Articles 24, 25, and 32 of the GDPR.

8. Personal data may be processed by the joint controllers or by duly appointed processors. In all such cases, data processing agreements (DPAs) shall be concluded in accordance with Article 28 of the GDPR to ensure that processors act solely on the controllers' instructions.

9. In the scope and for purposes of Fund management, institutional communication, or publication, personal data may be shared with partner entities. These entities may be located within the European Union or in third countries, and in the latter case, appropriate mechanisms under the applicable legislation to safeguard the security of personal data processed shall be used at all times.

10. Data subjects have the right to lodge a complaint with the Portuguese Data Protection Authority (*Comissão Nacional de Proteção de Dados — CNPD*) if they consider that the processing of their personal data infringes the GDPR or other applicable legislation.

Chapter VII
Monitoring, Control and Evaluation

ARTICLE 37. MONITORING

1. Project implementation is subject to monitoring by the Fund Operator to verify progress towards agreed results. This includes identifying potential problems in a timely manner to allow for corrective action and ensuring that agreed procedures are followed.

2. The monitoring referred to in the previous number is done through the analysis of the data recorded in the Fund's project management system and in the reports mentioned in Chapter VI. The Fund Operator may engage with project promoters through email, telephone calls, online meetings, and reviewing reports and communication materials.

3. On-site monitoring is also performed by the Fund Operator, as an opportunity to gain insight into project implementation progress, risks to successful project completion and possible consideration of adaptations to the approach. It allows for visual observation of progress and verification of results. It should also be an opportunity to speak to people involved in the project who are not the project promoter, such as technical experts or beneficiaries. This on-site monitoring can also be combined with other activities, such as training, community activities, or events.

4. The promoter should expect three meetings with the Fund Operator per year (approximately once every four months), either online or in-person. The objectives of these meetings include:

   a. → Discussing issues: analysing the causes of any delays or difficulties regarding agreed objectives and expected results in terms of both quantity and quality, and identifying potential solutions in collaboration with promoters and partners to ensure project success;

   b. → Risk management: identifying expected or potential risks in subsequent stages and agreeing upon appropriate mitigation measures;

c. → Stakeholder engagement: reviewing the interaction and collaboration between promoters, partners, and other stakeholders, including target groups.

d. → Assessing progress: reviewing physical and financial implementation and gathering feedback on the reporting system to facilitate continuous improvement.

5. Monitoring efforts may be increased based on the risk profile of the project, as assessed by the Fund Operator.

6. Lack of cooperation by promoters or partner entities, or a refusal to grant access to the Fund Operator or its designated representatives, constitutes a serious breach of contractual obligations. Such a breach may result in the termination of the grant contract and the mandatory restitution of all funding disbursed to date.

ARTICLE 38. AUDIT AND CONTROL

1. Without prejudice to any other control mechanisms that may be adopted, projects are always subject to financial, physical and technical verification actions directly conducted by the Fund Operator or by those designated by it.

2. Simplified cost options (SCOs), as the one in paragraph b), number 1 of Article 40, do not lift or cancel eligibility rules as defined in Article 41. However, the audit and control work for simplified cost options is very different from that for incurred expenditure (real costs), as foreseen in paragraph a), number 1, of Article 40. For lump sums, checks are limited to the verification that the pre-defined outputs/deliverables have been delivered by the Project Promoter/ partner as agreed upon in the project contract and are supported by relevant documentation, and of the correct establishment and application of the method, including the verification that costs covered by the lump sum are not reported under other cost categories or covered by other SCOs.

3. For simplified cost options, verifications do not cover individual invoices of underlying expenditure reimbursed on the basis of SCOs, as is the case for real costs. Where SCOs are used, there is no need to justify the real costs of the categories of expenditure covered by the SCOs or specific procedures underlying the expenditure based on SCOs.

4. The financial verification of the project is based on the documentation submitted by the promoter through payment claims and is carried out based on samples. It can be complemented by an on-site verification.

5. Verifications and audits serve to establish:

   a. → The existence of the necessary evidence of delivery of the pre-defined outputs/activities, as agreed upon in the project contract;

   b. → The correct establishment and application of the applicable simplified cost option methods;

   c. → The compliance of the actions carried out with the objectives established in the grant contract, including approved project modifications, and with applicable eligibility rules and dates;

   d. → The legality of the supporting documents;

   e. → Compliance with public procurement principles, including evidence that prices from at least three suppliers were compared for the purchase of goods and services above EUR 15,000 (including VAT), when these are presented as real costs;

   f. → Full compliance with payment procedures, including proof of financial flows and the validity of receipts, when related to real costs;

   g. → The proper accounting of project expenses in accordance with applicable accounting standards, when related to real costs;

   h. → The existence of a project folder, as foreseen in Article 30.

6. The FMO, the EFTA Board of Auditors and the Office of the Auditor General in Norway may arrange audits and on-the-spot verifications of both the Fund and the projects.

7. If promoters or partner entities fail to cooperate or refuse access to the Fund Operator, the FMO, or their authorised representatives, it will be considered a serious breach of contract. This may lead to the termination of the grant and a requirement to repay all previously transferred funds.

ARTICLE 39. PROJECT EVALUATION

1. The evaluation of the Fund will be contracted to an independent external entity responsible for assessing the results of the Fund.

2. The promoters shall cooperate with the external evaluation process whenever requested. This may include providing timely and unrestricted access to information, documents, persons, locations, and facilities, as well as participating in interviews, surveys, meetings, or other evaluation activities considered necessary.

3. The promoters may be requested to contribute to the external evaluation before, during, or after the implementation of the project, and up to the end of the current funding cycle.

4. For the purposes of the external evaluation, promoter entities shall maintain adequate records of the project activities and results, ensuring that such records are available for consultation and reference whenever required, until the end of 2037.

Chapter VIII
Payment System and Cost Elegibility

ARTICLE 40. FORMS OF GRANTS

1. Grants provided by the Fund Operator to beneficiaries will take the following forms:

   a. → Real costs, i.e., eligible costs actually incurred by a project promoter or project partner;

   b. → Lump sums;

   c. → A combination of the forms referred to in points a) and b), each covering different categories of costs.

2. All projects, apart from predefined projects and organisational grants, shall establish a draft budget to be converted into lump sums. The amounts for the lump sums shall be established ex ante, through a draft budget developed on a case-by-case basis and agreed by the Fund Operator before the signature of the grant contract.

3. The lump sums are based on the project's components, defined in Article 26.

4. The approval of a lump sum is based on reaching pre-agreed milestones or the delivery of the pre-agreed outputs. There is no partial achievement of lump sums. The outputs need to be delivered in full.

5. With the exception of Organisational Grants, foreseen in Article 11, the costs associated with service provision, i.e., those foreseen in paragraphs e) and f) of number 5 and on number 6 of Article 41, shall be excluded from the lump sum and considered as real costs, established in paragraph a) of number 1.

6. Capacity-building allocations, as defined in Article 12, are limited to service provision costs, as established in number 4 of Article 12, and shall always be considered as real costs actually incurred by a project promoter or project partner, according to paragraph a) of number 1.

7. When defining the draft budget, indirect costs shall represent 10% of the eligible direct personnel costs.

8. The use of lump sums, their amount and the way they are established shall be described in the project contract. The use of lump sums, their amount and the way they are calculated for a project partner shall also be stipulated in the partnership agreement between the project promoter and the project partner.

ARTICLE 41. COST ELIGIBILITY

1. Eligible expenditures of projects are those actually incurred by the project promoter or the project partner, as well as expenditure covered by simplified cost options.

2. For real costs foreseen in paragraph a) of number 1 of Article 40, as well as for the calculation of the project's draft budget, mentioned in number 2 of Article 40, the expenditures to consider shall meet the following criteria:

   a. → They are incurred between the first and final dates of eligibility of a project as specified in the project contract. For costs pursuant to paragraph b) of number 1 of Article 40, the actions constituting the basis for payment shall be carried out between the first and final dates of eligibility of a project as specified in the project contract;

   b. → They are connected with the subject of the project contract, and are included in the detailed budget of the project;

   c. → They are proportionate and necessary for the implementation of the project;

   d. → They are used for the sole purpose of achieving the objective of the project and its expected outcomes, in a manner consistent with the principles of economy, efficiency and effectiveness;

e. → They are identifiable and verifiable, in particular through being recorded in the accounting records of the Project Promoter or project partner and determined according to the applicable accounting standards and generally accepted accounting principles; and

f. → They comply with the requirements of applicable tax and social legislation.

3. Expenditures pursuant to paragraph a) of number 1 of Article 40 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). Exceptionally, costs in respect of which an invoice has been issued in the final month of eligibility are also deemed to be incurred within the dates of eligibility if the costs are paid by the end of the next month after the final date of eligibility. Overheads and depreciation of equipment are considered to have been incurred when they are recorded on the accounts of the project promoter and/or project partner.

4. The project contract shall establish that the internal accounting and auditing procedures of the project promoter and project partners permit direct reconciliation of the expenditures and revenue declared in respect of the project with the corresponding accounting statements and supporting documents.

5. The eligible direct expenditures for a project are those expenditures which are directly linked to the implementation of the project. The following direct expenditures are eligible, provided that they satisfy the criteria set out in number 2:

a. → The cost of personnel assigned to the project, comprising actual remuneration, including social security charges and other statutory costs as applicable, provided that this corresponds to the Project Promoter's and project partner's usual policy on remuneration;

b. → Travel and subsistence allowances for personnel and participants in the project, provided that this corresponds to the project promoter's and project partner's usual practices on travel costs;

c. → The full purchase price of new or second-hand equipment, provided that it is proportionate and necessary for the implementation of the project;

d. → Costs of consumables and supplies, provided that they are identifiable and assigned to the project;

e. → Costs entailed by other contracts awarded by a project promoter or project partner for the purposes of carrying out the project, provided that the awarding complies with the applicable rules on procurement; and

f. → Costs arising directly from requirements imposed by the project contract for each project.

6. Costs related to reconstruction, renovation, or refurbishment of real estate shall not exceed 50% of the eligible direct cost of the project. When these costs are foreseen, the project contract shall contain provisions requiring the project promoter to make all reasonable arrangements to ensure that the real estate in question is used for the benefit of the overall objectives of the project for at least three years following the completion of the project.

7. Indirect costs are all eligible costs that cannot be directly attributed to the project. Project promoters and project partners may opt to include this type of expenditure, which shall represent 10% of the respective eligible direct personnel costs.

8. The method of calculating the indirect costs shall be determined in the project contract. The method of calculation of indirect costs of a project partner shall be stipulated in the partnership agreement between the project promoter and the project partner.

9. Cost with payment of VAT is eligible when it is incurred and not refundable.

10. The following costs shall not be considered eligible:

    a. → Interest on debt, debt service charges and late payment charges;

    b. → Charges for financial transactions and other purely financial costs, except costs related to accounts and financial services imposed by the project contract;

    c. → Costs related to the purchase of land or real estate;

    d. → Provisions for losses or potential future liabilities;

    e. → Exchange losses;

    f. → Recoverable VAT;

    g. → Costs that are covered by other sources;

    h. → Fines, penalties and costs of litigation, except where litigation is an integral and necessary component for achieving the outcomes of the project; and

    i. → Excessive or reckless expenditure.

11. Costs within projects may be eligible from the date on which the grant is awarded or at a later date set in the project contract. The project contract shall set the final date of eligibility of costs, which shall not be later than 30 April 2031.

ARTICLE 42. PROCUREMENT LEGAL FRAMEWORK

1. The implementation of the Fund and all related projects shall comply with applicable national legislation and relevant European Union rules governing public procurement. The relevant procurement rules should be respected and followed by the projects, irrespective of whether simplified cost options or actually incurred costs are used.

2. Sub-contracting refers to contracts concluded for the externalisation of specific tasks or activities which form part of the project as described in the proposal. Project partners declare costs on the same basis as project promoters. Costs incurred by a project partner, therefore, cannot be considered as sub-contracting.

3. For purchases and contracts awarded in the framework of the projects:

   a. → For all contracts, regardless of value, project promoters shall ensure that terms and conditions align with best economic practices, including the principles of accountability, proportionality, and the optimal use of EEA Grants resources.

   b. → National and European Union legislation on public procurement shall be complied with.

   c. → In case the national law exempts the entity from the public procurement, any procurement procedures related to amounts above the European Union thresholds for procurement shall comply with the following:

      i. → Conduct an open procurement procedure, including the publication of the invitation to tender on the Project website and other relevant media, ensuring that any economic operator may submit a tender;

      ii. → Establish clear, precise, and non-discriminatory exclusion, selection, and award criteria;

iii. → Duly document the entire selection and evaluation process; and

iv. → Provide a minimum of 35 days for the submission of tenders, calculated from the date of publication of the contract notice.

d. → In the absence of stricter national laws, for all purchases totalling more than 15,000 euros (including VAT), a procedure allowing for fair competition between potential providers, for example, by way of effective price comparison, must be followed. The selection of the provider may take into account social, environmental and/or sustainability criteria.

4. If procurement procedures aren't followed, the Fund Operator may require the recovery of the funds.

5. The highest ethical standards, as well as the avoidance of any conflict of interest, shall be observed during the procurement and execution of all contracts. No offer, gifts, payments or benefits of any kind, which would or could, either directly or indirectly, be construed as an illegal or corrupt practice, e.g. as an inducement or reward for the award or execution of procurement contracts, shall be accepted.

ARTICLE 43. PAYMENT SCHEDULE

1. The project promoter will receive an initial advance payment of up to 30% of the total grant within 15 working days following the signature of the grant contract.

2. Following the advance payment, interim payments to the projects will be made within 15 working days after the date of approval of the interim narrative reports and/or interim financial reports. Interim narrative reports shall take the form of component reports or progress reports, as explained in Articles 32 and 33. Interim financial reports shall take the form of payment claims.

3. Lump sums foreseen in paragraph b) of number 1 of Article 40 are paid upon reaching pre-agreed milestones or the delivery of the pre-agreed outputs. Evidence of this achievement is submitted through interim component reports, as explained in Article 32.

4. The approval of a lump sum is based on reaching pre-agreed milestones or the delivery of the pre-agreed outputs. There is no partial achievement of lump sums. The outputs need to be delivered in full.

5. The amount of the lump sum shall correspond to the cost of the respective project component, deducted from the percentages of the initial advance payment and the final payment, as well as the same percentage of the associated real costs, with the exception foreseen in number 5 of Article 40.

6. Regarding costs actually incurred (paragraph a) of number 1 of Article 40):

   a. → Where the total grant allocation for the respective project promoter or project partner does not exceed 50,000 euros, proof of expenditure shall be submitted once, at the end of the project, through a payment claim;

   b. → Where the total grant allocation for the respective project promoter or project partner within a project exceeds 50,000 euros, proof of expenditure shall be submitted no more than once per year, through a payment claim.

7. Without prejudice to the previous number, if necessary, the project promoter may request additional payment claims to improve the project's cash-flow.

8. The amount to be considered for transfer of the payment claim shall correspond to the amount considered eligible, deducted from the percentages of the initial advance payment and the final payment.

9. The sum of the initial advance payment together with interim payments will be up to 90% of the total grant. The remaining amount, a minimum of 10%, is paid within 15 working days after the date of acceptance of the project's final narrative report and/or the final financial report.

10. The project grant for organisational grants shall take the form of a lump sum to be disbursed in accordance with the project contract. The payment shall be contingent on the submission of the financial and narrative reporting and the annual meetings described in Article 33.

11. Transfers to the project promoter shall be paid within 15 working days after the date of approval of the interim narrative report or payment claim.

12. Payments to the promoter are conditioned on the available funds of the European Economic Area Financial Mechanism.

ARTICLE 44. PAYMENTS WITHIN THE SCOPE OF PARTNERSHIPS

1. The forms of grants and payments system shall also apply to the costs of partner organisations.

2. The project promoter is responsible for budgeting the agreed-upon costs with the partner organisations.

3. The project promoter is responsible for submitting the evidence of the implementation of all activities, including the activities the partner organisations may be in charge of.

4. The project promoter is responsible for submitting the expense documents regarding the real costs of partner organisations through payment claims.

5. In derogation of the previous paragraph:

   a. → Proof of expenditure shall not be submitted by a donor state entity where the total grant allocation to the entity within a project does not exceed 5,000 euros.

b. → When the total grant allocation for a donor state entity exceeds 5,000 euros and for grants for international organisations, the real costs incurred shall be justified by accounting documents certified by a statutory auditor external and independent from the partner organisations or by whom, in the country of origin, has equivalent powers to do so.

6. Payments to partner organisations are made by the promoter, obeying the rules defined in the partnership agreement, mandatorily via bank transfer.

7. The promoter and partner entities are required to keep records and evidence of bank transfers related to the implementation of partnership agreements.

8. The eligibility of expenditures declared by a project partner is subject to the same rules as would apply if the expenditures were incurred by the project promoter.

Chapter IX
Irregularities and Complaints

ARTICLE 45. IRREGULARITIES

1. If an irregularity is detected during verifications or audits, all payments shall be suspended immediately. Payments will only resume once a final decision regarding the situation has been reached.

2. An irregularity is any breach of:

   a. → These Fund rules;

   b. → The grant contract;

   c. → Applicable Portuguese and/or European Union law;

   which affects or prejudices the implementation of the project and/or the Fund, or the financial interests of the EEA Grants, for instance, by unjustified or disproportionate expenditure, false statements, non-existence or corruption of elements in the project folder, or presentation of expenditure to more than one financing entity.

3. The Fund Operator shall determine the appropriate consequences in the event of an irregularity. Depending on its severity, the decision may include:

   a. → Determination of the amount unduly paid and its reimbursement to the Fund by the project promoter within a specified deadline. In this case, the reimbursed amount shall be deducted from the grant and the contract amended accordingly; or

   b. → Revocation of funding, termination of the grant contract, and a request for the promoter to return all amounts already paid, including those related to partnership activities.

4. The refusal by the promoter to sign a contract amendment under paragraph a) of number 3 represents a serious irregularity and gives rise to the termination of financing and repayment of all amounts already received by the promoter, including advances and expenses associated with partner organisations.

5. In case of failure to reimburse the amounts referred to in number 3, the Fund Operator shall, on its own initiative or based on instructions by the FMO, take all reasonable and proportionate measures to recover any amount unduly paid to a project promoter, including using any available judicial or administrative remedies. Until the promoter fulfils this obligation, it shall be ineligible to apply for any further support under the Fund and the Calouste Gulbenkian Foundation.

ARTICLE 46. COMPLAINTS COMMITTEE

1. A Complaints Committee is established and is composed of at least one member external to the Fund Operator and its Boards, one member representing its Steering Committee, and one member who is a senior manager of the Calouste Gulbenkian unrelated to the team managing the Fund.

2. The role of the Complaints Committee is to:

   a. → Maintain an accessible process for reporting potential mismanagement of the Fund;

   b. → Review all complaints in a timely and effective manner;

   c. → Provide guidance and recommendations regarding necessary corrective actions; and

   d. → Inform the complainant (and the FMO, upon request) of any actions taken to address substantiated issues.

3. Complaints might be submitted directly to the FMO. If the Fund Operator is the subject of the complaint, the FMO will investigate the case and may ask the Fund's Complaints Committee to provide a response, ensuring the complainant's confidentiality.

4. Any suspected failure to adhere to the principles of good governance in the implementation of the Fund may be the subject of a complaint.

5. Without prejudice to number 4, complaints may not be used to challenge the results of project selection processes. This includes evaluation criteria, scoring, ratings, and decisions made by the selection panels, the Selection Committee and the Steering Committee. These decisions are final and fall outside the mandate of the Complaints Committee.

6. Complaints must be submitted via the dedicated email address published on the Fund's official website.

7. Relevant complaints are submitted by the Complaints Committee to the Fund's management team for analysis and follow-up, ensuring the complainant's confidentiality as much as possible. If the complainant is not satisfied with the Fund's management team's initial conclusion, they may refer the matter to the Complaints Committee for further review. Then the Complaints Committee will again assess the complaint and conclude on the case.

8. Should the Complaints Committee determine that a complaint involves an irregularity, it shall report the case to the FMO in accordance with standard irregularity procedures

Chapter X
Integrity, Ethics and Sustainability

ARTICLE 47. PREVENTION OF CORRUPTION AND RELATED OFFENCES

1. The Fund, through the Calouste Gulbenkian Foundation, adopts and maintains in force internal measures and procedures aimed at preventing, detecting, remedying and sanctioning acts of corruption and related offenses carried out against or through it, as well as collecting and storing, in electronic format and for the necessary period, all the information necessary for the proper fulfilment of the applicable obligations in this area, all in accordance with and in compliance with the provisions of the applicable legislation and regulations.

2. To this end, and without prejudice to other measures and procedures in force and which may be applicable, the Fund proceeds, under the terms of Article 25, to the prior assessment of its counterparties and their exposure to the risk of corruption and related offenses, proceeding, in particular, and where applicable, to the identification of the beneficial owners, the risks in terms of image and reputation, as well as commercial relationships with third parties, in order to identify possible conflicts of interest.

3. Both foundations that compose the Fund's Consortium have publicly available Codes of Conduct, which form an integral part of these regulations. It establishes the set of rules and general principles of ethics and professional conduct that apply to the members of its governing bodies and all its employees, in their relationships with each other and with third parties, constituting a reference for the standard of conduct required of the Fund in its relations with third parties.

ARTICLE 48. PREVENTION OF MONEY LAUNDERING AND TERRORISM FINANCING

1. The Fund adopts and maintains in force internal control measures, procedures and systems aimed at preventing and combating money laundering and the financing of terrorism, as well as collecting and storing, in electronic format and for the legal period, all the information necessary for the proper fulfilment of the applicable obligations regarding the fight against money laundering and the financing of terrorism, all in accordance with and in observance of the provisions of the applicable legislation and regulations.

2. Without prejudice to other measures and procedures in force and which may be applicable, the Calouste Gulbenkian Foundation (CGF) keeps a record, in electronic format, of all transactions and transfers carried out by it within the scope of the support granted under this regulation.

3. The CGF proceeds, under the terms provided for in Chapters VI, VII and VIII, to the regular monitoring and follow-up of the activities actually carried out and the manner in which the support is used, in order to ensure that they fall within the object and purpose underlying their allocation, and may request all the information necessary to carry out the aforementioned monitoring and follow-up, as well as the respective supporting documents.

4. If the CGF has any suspicions that certain funds may originate from criminal activities or be related to the financing of terrorism, it immediately informs the DCIAP and the Financial Information Unit under the terms provided for in the law and applicable regulations, keeping secret the communications made and the identity of those who made them, as well as promptly collaborating with the relevant authorities in this matter, namely in compliance with the applicable communication and information duties.

5. CGF adopts and maintains in force internal control measures, procedures and systems designed to ensure full compliance with sanctions and restrictive measures approved by the European Union and/or the United Nations, as well as to comply with its legal duties and obligations in this matter, including, without limitation, its duties to comply with the sanctions and restrictive measures applied, to cooperate with the authorities, to communicate and inform them, to report and to maintain confidentiality.

ARTICLE 49. HARASSMENT PREVENTION

1. The Fund promotes and adopts non-discriminatory behaviours, whether based on nationality, ethnicity, sex, age, physical disability, religion, sexual orientation, opinion or political affiliation, condemning any form of moral or sexual harassment, verbal or physical humiliation, coercion or threat, as well as sexual abuse and exploitation.

2. The CGF has implemented measures to prevent and combat any and all behaviour of exploitation, abuse and/or sexual harassment, which respect the principles set forth in the Code of Good Conduct for the Prevention and Combat of Harassment at Work and in the Policy for the Prevention of Sexual Exploitation and Abuse, available on the Foundation's website.

ARTICLE 50. ENVIRONMENTAL SUSTAINABILITY

The Fund is committed to the path to sustainability, seeking to comply with current environmental legislation and implement best environmental management practices across production processes and processes associated with the execution of the Fund, through a product or project lifecycle approach and its value chain.

Chapter XI
Final and Transitional Provisions

ARTICLE 51. QUESTIONS AND OMITTED CASES

1. In case of discrepancies between these Fund Rules and the Programme Implementation Agreement between the FMO and the Fund Operator, the Programme Implementation Agreement shall prevail.

2. Omissions and everything that is not explicitly covered in these rules will be decided by the Fund's Steering Committee, based on the grant contract, regulations and supplementary requirements related to the European Economic Area Financial Mechanism, as well as applicable national legislation.

3. Decisions made under the preceding number shall be advertised on the Fund's website.

ARTICLE 52. APPLICABILITY

These rules apply to all calls launched by the Fund during its term, and may be amended as per decision of the Steering Committee, without prejudice to any additional specifications that may result from call notices.

Iceland
Liechtenstein
Norway

Civil Society Fund