MEMORANDUM OF UNDERSTANDING
ON THE IMPLEMENTATION OF THE EEA FINANCIAL MECHANISM
2021-2028

between

ICELAND,

THE PRINCIPALITY OF LIECHTENSTEIN,

THE KINGDOM OF NORWAY,

hereinafter referred to as the "Donor States"

and

HUNGARY,

hereinafter referred to as the "Beneficiary State"

together hereinafter referred to as the "Parties",

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

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

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

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

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

HAVE AGREED on the following:

Article 1
Objectives

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

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

European green transition;

Democracy, rule of law and human rights;

Social inclusion and resilience.

Article 2
Legal framework

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

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

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

the programme agreements that will be concluded for each programme; and

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

Article 3
Financial framework

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

2. In accordance with Article 6 of Protocol 38d, a total of € 116,616,598 shall be made available to the Beneficiary State over the period referred to in Paragraph 1.

3. In accordance with Article 9.7 of Protocol 38d and Article 1.9 of the Regulation, the management costs of the Donor States shall be covered by the overall amount referred to above. Further provisions to this effect are set out in the Regulation. The net amount of the allocation to be made available to the Beneficiary State is € 108,453,436.

Article 4
Roles and responsibilities

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

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

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

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

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

Article 5
Designation of authorities

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

Article 6
Multi-annual programming framework

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

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

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

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

identification of Donor Programme Partners, as appropriate;

identification of International Partner Organisations, as appropriate; and

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

2. The implementation framework is outlined in Annex B.

Article 7
Funds for bilateral relations

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

Article 8
Country Report

In accordance with Article 2.6 of the Regulation, the National Focal Point shall submit to the FMC an annual Country Report on the implementation of the EEA Financial Mechanism 2021-2028 in the Beneficiary State. The Country Report shall be submitted to the FMC not later than 10 March each year.

Article 9
Annual meetings

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

Article 10
Modification of the annexes

1. Annex A and B may be amended through an exchange of letters between the FMC and the National Focal Point.

2. Cumulative transfers up to 10% of the total eligible expenditure of a programme may be made between programmes without a modification of the Annexes to this Memorandum of Understanding, provided that the change has been agreed by the FMC through modifications of the relevant Programme Agreements.

3. In addition, cost savings and amounts not committed to projects may be transferred to the funds for bilateral relations without a modification of the Annexes to this Memorandum of Understanding or the approval of the FMC, provided that the transfer has been the subject of prior consultation with the Cooperation Committee of the concerned programme. Any such transfer of funds from a programme shall not affect the objectives or outcomes of the Programme. The National Focal Point shall notify the FMC of such transfers without delay and the FMC shall update the concerned Programme Agreements and the Bilateral Funds Agreement, as relevant.

4. All transfers made in accordance with paragraphs 2 and 3 shall not affect any specific concerns, conditions, objectives or other priorities referred to in this Memorandum of Understanding and shall be in accordance with the provisions of the legal framework.

Article 11
Control and access to information

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

Article 12
Governing principles

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

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

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

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

Article 13
Entry into force

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

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

Signed in …… on …….
For Iceland

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Signed in……on… ……
For Hungary

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Signed in ……..….. on …….
For the Principality of Liechtenstein

…….

Signed in ……...… on …….
For the Kingdom of Norway

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ANNEX A

National management and control structures

1. National Focal Point

The Ministry of Rural and Urban Development (hereinafter referred to as the "MRUD") shall act as the National Focal Point.

The MRUD is an independent, central state administration body within the Hungarian Government. It was established in May 2026 as the legal successor to the Ministry of Public Administration and Regional Development. The MRUD is responsible for comprehensive regional and territorial development and its key focus areas include managing European Union and other national and international funds.

The Minister for Rural and Urban Development appoints the State Secretary responsible for Rural and Regional Development as the Head of the National Focal Point.

The Department for Implementation of International Cooperation Programmes within the State Secretariat responsible for Rural and Regional Development shall be responsible for implementing the tasks of the National Focal Point.

The roles and responsibilities of the National Focal Point and those of the Programme Operator shall be performed by different units within the Department to ensure the appropriate separation of tasks.

The roles and responsibilities of the National Focal Point are stipulated in the Regulation, in particular Article 5.3 thereof. In addition, the National Focal Point shall act as the Programme Operator for the programmes.

The National Focal Point shall ensure that the Audit Authority has the necessary financial and human resources.

The National Focal Point shall ensure that the necessary financial and human resources are made available to the Audit Authority from the Technical Assistance allocation, to safeguard its independence and enable it to carry out its tasks, as described in the Regulation and in this MoU, in an effective and timely manner.

2. Certifying Authority

The Hungarian State Treasury (hereinafter referred to as the "Treasury") shall act as the Certifying Authority.

The Treasury is an independent legal entity within the central state administration, established by legal act. The Treasury is responsible for keeping a register of the implementation of the State Budget Act and exercises financial control.

The Vice President of the Treasury shall act as the Head of the Certifying Authority. Within the Treasury, the Compliance Department and the Financial Department operating under the supervision of the Vice President of the Treasury shall be responsible for implementing the tasks of the Certifying Authority.

The Vice President of the Treasury in general reports to the President of the Treasury, but in connection with the tasks of the Certifying Authority, shall act independently and cannot be instructed by the President of the Treasury.

The Treasury is administratively subordinated to the Ministry of Finance but cannot be instructed in its role as Certifying Authority.

The roles and responsibilities of the Certifying Authority are stipulated in the Regulation, in particular Article 5.4 thereof. In addition, the Certifying Authority shall be responsible for the preparation and submission of irregularities reports on behalf of the Beneficiary State.

3. Audit Authority

The Directorate General for Audit of European Funds (hereinafter referred to as the "DGAEF") shall act as the Audit Authority and the Director General of the DGAEF shall act as the Head of the Audit Authority.

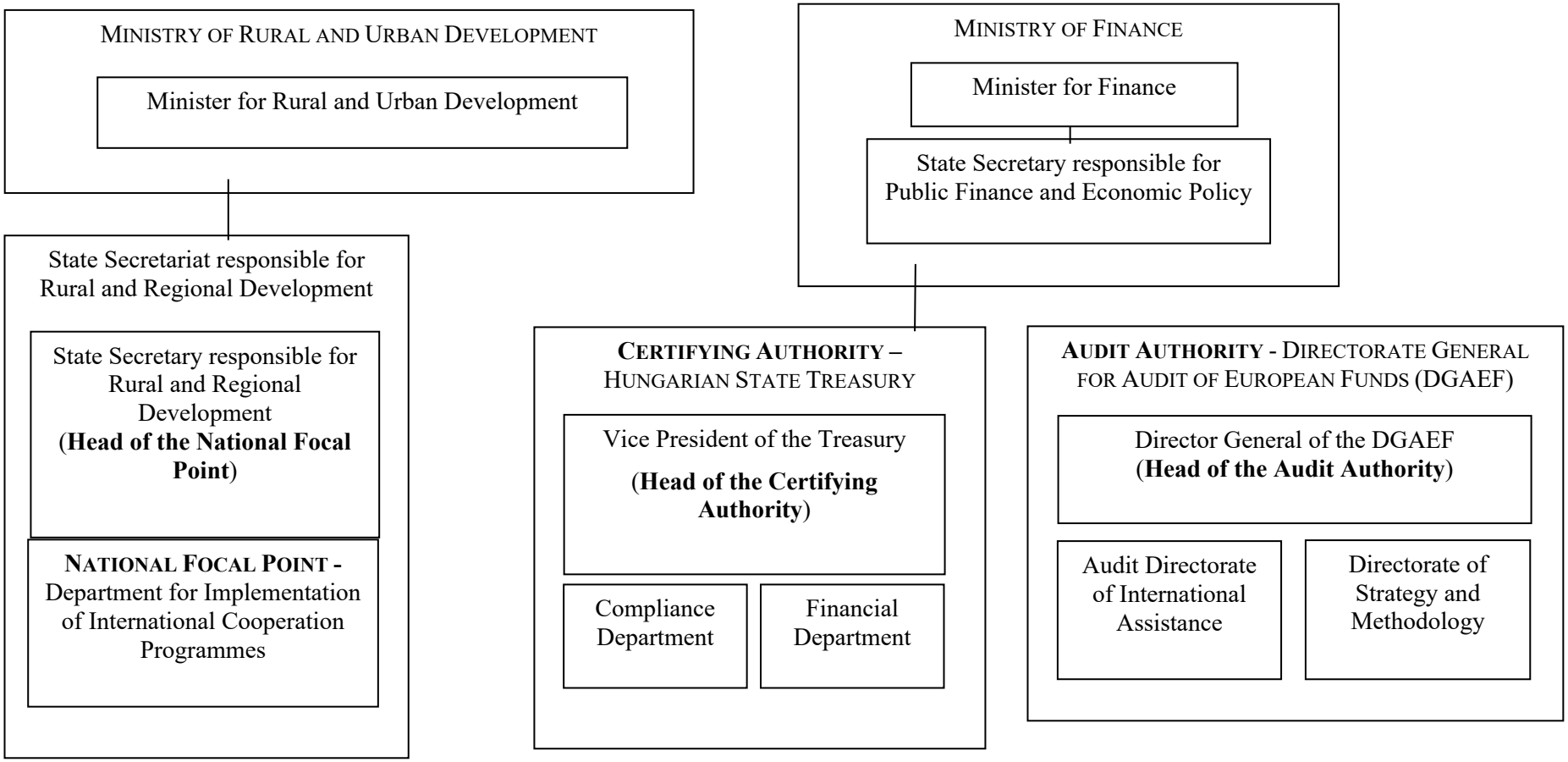
The DGAEF is an autonomous state administration body. The detailed provisions concerning its legal status, organisation, leaders and the appointment order of the leaders, the audit scope and procedures are established by law.

Within the Audit Authority, tasks relating to the EEA and Norwegian Financial Mechanisms 2021-2028 are divided between the Audit Directorate of International Assistance and the Directorate of Strategy and Methodology, according to the nature of the activities.

The roles and responsibilities of the Audit Authority are stipulated in the Regulation, in particular Article 5.5 thereof. In addition, the Audit Authority shall apply an enhanced, risk-based audit approach for the implementation of the EEA Financial Mechanism, including mandatory systems audits of all programmes. Specific focus shall be given to the area of public procurement, including audit controls targeting higher-risk procurement practices, verification of compliance with conflict-of-interest rules, transparency, and verification of the legality of the procedures chosen. The necessary human resources for developing the audit strategy, methodology and audit plan, for performing audit tasks, the audit of the annual accounts, and for reporting are ensured within the Audit Authority and may be covered by the technical assistance allocation to Hungary.

The Audit Authority shall be functionally independent of the National Focal Point, the Certifying Authority, the Programme Operator and the auditees.

4. Organigram



ANNEX B

Implementation framework

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

1. Financial parameters of the implementation framework

	Hungary	**EEA FM contribution**	**National contribution**
	Programmes		
1	Green Transition	€ 69,200,000	€ 12,211,765
2	Culture	€ 16,000,000	€ 2,823,529
3	Roma Inclusion and Empowerment	€ 16,000,000	€ 2,823,529
	Other allocations		
	Technical assistance to the Beneficiary State (Art. 1.10)	€ 1,753,436	N/A
	Funds for bilateral relations at national level (Art. 4.7)	€ 4,850,000	N/A
	Funds for bilateral relations at programme level (Art. 4.10)	€ 650,000	N/A
	Net allocation to Hungary	€ 108,453,436	€ 17,858,823

2. Conditions

Having regard to any measures taken by the European Commission or the Council in the context of the implementation of European Funds in Hungary, the Donor States may, when approving programmes, impose equivalent measures, including conditions on the eligibility of expenditures, in programmes where the circumstances forming the basis of the European Union measures are equally applicable to the EEA Financial Mechanism.

The involvement of relevant stakeholders, including civil society organisations, in the development, implementation and monitoring of the programmes (including in project selection), shall be defined by the Donor States in the Programme Agreements.

The Donor States may, in the Programme Agreements, set further requirements on the selection of projects, including, but not limited to, the composition of Selection Committees and the appointment of independent experts.

3. Specific concerns

The Parties shall promote engagement and cooperation with International Partner Organisations within the EEA Financial Mechanism.

Bilateral relations between the Donor States and Hungary shall be strengthened with the aim of stimulating and developing long-term cooperation. It is an ambition to strengthen bilateral cooperation at political level and European level in areas of common interest.

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

The agreed allocations to the programmes and bilateral funds include the EEA Financial Mechanism contribution to Hungary related to the challenges experienced as a result of the invasion of Ukraine, which amounts to € 6,460,753. The funding shall primarily be made available through projects under the Green Transition and Culture Programmes, where the planned use of these funds shall be described in the respective Concept Notes.

Gender equality and digitalisation will be mainstreamed and form part of all relevant programme areas. The Concept Notes shall describe how this shall be achieved.

4. Substantive parameters of the implementation framework

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

A. Green Transition

Programme objective(s):	Acceleration of the green transition towards a more sustainable society
Programme grant:	€ 69,200,000
Programme co-financing:	€ 12,211,765
Programme Operator:	Ministry of Rural and Urban Development
Donor Programme Partner(s):	Norwegian Environment Agency (TBC) Norwegian Water Resources and Energy Directorate (TBC)
International Partner Organisation(s):	OECD
Programme area(s):	Green Transition
Programme specific conditions:	N/A

Programme specific concerns:	The programme shall support the green transition with the following priorities: energy diversification, clean energy transition, circular economy and green governance. Support for wind power shall be limited to capacity building, studies and innovative projects. Support for the development of renewable energy communities shall be explored. Support for the clean energy transition in the field of geothermal energy of up to € 10,000,000 shall be explored. Cooperation with donor project partner(s) shall be mandatory. The programme shall prioritise strengthening institutional capacity for green governance in all areas of support. Support to address air, water and soil pollution can be explored. Support for biodiversity and ecosystems can be explored, with the aim to support nature restoration in line with EU regulations. Support for climate change adaptation shall prioritise innovative nature-based solutions. Support for circular economy shall implement relevant recommendations of the OECD report "Towards a National Circular Economy Strategy for Hungary" (April 2023). A pre-defined project contributing to the area of support green governance with the OECD as project partner shall be developed in the Concept Note. The possibility of pre-defining a project in the area of green procurement that contributes to green governance in partnership with donor project partner(s) shall be explored in the Concept Note. A pre-defined project to strengthen information integrity in the green transition with donor project partner(s) shall be developed in the Concept Note. Consultation with relevant stakeholders shall be carried out in the development of the Concept Note. The programme shall support measures that are complementary to other funding sources, including relevant EU funding. The Ministry of Economy and Energy, as well as the Ministry for the Living Environment, shall act as Programme Partners and be actively involved in the preparation and implementation of the programme to ensure the alignment of the programme with national policies and the implementation of the EU Green Deal. This also includes participation in Cooperation Committee meetings, alongside the Donor Programme Partner(s).
Bilateral ambitions:	N/A
Pre-defined projects:	N/A

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

B. Culture

Programme objective(s):	Increased participation, sustainability and diversity in arts, culture and cultural heritage
Programme grant:	€ 16,000,000
Programme co-financing:	€ 2,823,529
Programme Operator:	Ministry of Rural and Urban Development
Donor Programme Partner(s):	Norwegian Directorate for Cultural Heritage Arts and Culture Norway
International Partner Organisation(s):	N/A
Programme area(s):	Culture
Programme specific conditions:	N/A
Programme specific concerns:	The programme shall strengthen the capacity of art, culture and cultural heritage to drive sustainable local development, resilience and social cohesion. It shall contribute to strengthening democracy, human rights and artistic freedom, increasing resilience to disinformation, hate speech and extremism and promoting participation and community engagement. The programme shall foster respect, diversity, inclusion, the freedom of cultural expression and open dialogue. The programme shall enhance the participation and artistic and cultural self-expression of minorities, and groups in vulnerable situations. The programme shall support the sustainable revitalisation of cultural heritage, including through capacity building, reflecting the local identity, responding to local needs and harnessing the economic potential of local cultural resources. Cooperation and exchange between cultural operators, civil society organisations and relevant stakeholders in Hungary and the Donor States shall be encouraged. Consultation with relevant stakeholders shall be carried out in the development of the Concept Note. At least 45% of the total eligible expenditure of the programme shall be made available to support artistic and cultural creation, with specific regard to cultural diversity. The maximum level of funding for investment in infrastructure and equipment (hard measures) shall be 50% of the total eligible expenditure of the programme. The Ministry for Community Relations and Culture shall act as Programme Partner and be actively involved in the preparation and implementation of the programme, also as a member of the Cooperation Committee.
Bilateral ambitions:	N/A
Pre-defined projects:	N/A

C. Roma Inclusion and Empowerment

Programme objective(s):	Enhanced inclusion and empowerment of Roma
Programme grant:	€ 16,000,000
Programme co-financing:	€ 2,823,529
Programme Operator:	Ministry of Rural and Urban Development
Donor Programme Partner(s):	N/A
International Partner Organisation(s):	Council of Europe
Programme area(s):	Roma Inclusion and Empowerment
Programme specific conditions:	N/A

Programme specific concerns:	The programme shall support the social inclusion of marginalised Roma communities. Special attention shall be given to women and children. Particular emphasis shall be put on empowerment and community-led development based on participation. The programme shall support an integrated approach responding to the needs of marginalised Roma communities, including measures to combat discrimination and strengthen access to mainstreamed, non-segregated, public services and justice. Particular attention should be paid to desegregation in education and housing. The programme shall be carried out through local partnerships between municipalities, Roma communities and civil society organisations. The capacity of Roma civil society organisations shall be strengthened. Consultation with relevant stakeholders, including relevant Roma and pro-Roma organisations, shall be carried out in the development of the Concept Note. The maximum level of funding for investment in infrastructure and equipment (hard measures) shall be 60% of the total eligible expenditure of the programme. The Ministry of Social and Family Affairs shall act as Programme Partner and be actively involved in the preparation and implementation of the programme, also as a member of the Cooperation Committee.
Bilateral ambitions:	N/A
Pre-defined projects:	N/A

A. Green Transition

Programme objective(s):	Acceleration of the green transition towards a more sustainable society
Programme grant:	€ 69,200,000
Programme co-financing:	€ 12,211,765
Programme Operator:	Ministry of Rural and Urban Development
Donor Programme Partner(s):	Norwegian Environment Agency (TBC) Norwegian Water Resources and Energy Directorate (TBC)
International Partner Organisation(s):	OECD
Programme area(s):	Green Transition
Programme specific conditions:	N/A

Programme specific concerns:	The programme shall support the green transition with the following priorities: energy diversification, clean energy transition, circular economy and green governance. Support for wind power shall be limited to capacity building, studies and innovative projects. Support for the development of renewable energy communities shall be explored. Support for the clean energy transition in the field of geothermal energy of up to € 10,000,000 shall be explored. Cooperation with donor project partner(s) shall be mandatory. The programme shall prioritise strengthening institutional capacity for green governance in all areas of support. Support to address air, water and soil pollution can be explored. Support for biodiversity and ecosystems can be explored, with the aim to support nature restoration in line with EU regulations. Support for climate change adaptation shall prioritise innovative nature-based solutions. Support for circular economy shall implement relevant recommendations of the OECD report "Towards a National Circular Economy Strategy for Hungary" (April 2023). A pre-defined project contributing to the area of support green governance with the OECD as project partner shall be developed in the Concept Note. The possibility of pre-defining a project in the area of green procurement that contributes to green governance in partnership with donor project partner(s) shall be explored in the Concept Note. A pre-defined project to strengthen information integrity in the green transition with donor project partner(s) shall be developed in the Concept Note. Consultation with relevant stakeholders shall be carried out in the development of the Concept Note. The programme shall support measures that are complementary to other funding sources, including relevant EU funding. The Ministry of Economy and Energy, as well as the Ministry for the Living Environment, shall act as Programme Partners and be actively involved in the preparation and implementation of the programme to ensure the alignment of the programme with national policies and the implementation of the EU Green Deal. This also includes participation in Cooperation Committee meetings, alongside the Donor Programme Partner(s).
Bilateral ambitions:	N/A
Pre-defined projects:	N/A

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

B. Culture

Programme objective(s):	Increased participation, sustainability and diversity in arts, culture and cultural heritage
Programme grant:	€ 16,000,000
Programme co-financing:	€ 2,823,529
Programme Operator:	Ministry of Rural and Urban Development
Donor Programme Partner(s):	Norwegian Directorate for Cultural Heritage Arts and Culture Norway
International Partner Organisation(s):	N/A
Programme area(s):	Culture
Programme specific conditions:	N/A
Programme specific concerns:	The programme shall strengthen the capacity of art, culture and cultural heritage to drive sustainable local development, resilience and social cohesion. It shall contribute to strengthening democracy, human rights and artistic freedom, increasing resilience to disinformation, hate speech and extremism and promoting participation and community engagement. The programme shall foster respect, diversity, inclusion, the freedom of cultural expression and open dialogue. The programme shall enhance the participation and artistic and cultural self-expression of minorities, and groups in vulnerable situations. The programme shall support the sustainable revitalisation of cultural heritage, including through capacity building, reflecting the local identity, responding to local needs and harnessing the economic potential of local cultural resources. Cooperation and exchange between cultural operators, civil society organisations and relevant stakeholders in Hungary and the Donor States shall be encouraged. Consultation with relevant stakeholders shall be carried out in the development of the Concept Note. At least 45% of the total eligible expenditure of the programme shall be made available to support artistic and cultural creation, with specific regard to cultural diversity. The maximum level of funding for investment in infrastructure and equipment (hard measures) shall be 50% of the total eligible expenditure of the programme. The Ministry for Community Relations and Culture shall act as Programme Partner and be actively involved in the preparation and implementation of the programme, also as a member of the Cooperation Committee.
Bilateral ambitions:	N/A
Pre-defined projects:	N/A

C. Roma Inclusion and Empowerment

Programme objective(s):	Enhanced inclusion and empowerment of Roma
Programme grant:	€ 16,000,000
Programme co-financing:	€ 2,823,529
Programme Operator:	Ministry of Rural and Urban Development
Donor Programme Partner(s):	N/A
International Partner Organisation(s):	Council of Europe
Programme area(s):	Roma Inclusion and Empowerment
Programme specific conditions:	N/A

Programme specific concerns:	The programme shall support the social inclusion of marginalised Roma communities. Special attention shall be given to women and children. Particular emphasis shall be put on empowerment and community-led development based on participation. The programme shall support an integrated approach responding to the needs of marginalised Roma communities, including measures to combat discrimination and strengthen access to mainstreamed, non-segregated, public services and justice. Particular attention should be paid to desegregation in education and housing. The programme shall be carried out through local partnerships between municipalities, Roma communities and civil society organisations. The capacity of Roma civil society organisations shall be strengthened. Consultation with relevant stakeholders, including relevant Roma and pro-Roma organisations, shall be carried out in the development of the Concept Note. The maximum level of funding for investment in infrastructure and equipment (hard measures) shall be 60% of the total eligible expenditure of the programme. The Ministry of Social and Family Affairs shall act as Programme Partner and be actively involved in the preparation and implementation of the programme, also as a member of the Cooperation Committee.
Bilateral ambitions:	N/A
Pre-defined projects:	N/A

A. Green Transition

Programme objective(s):	Acceleration of the green transition towards a more sustainable society
Programme grant:	€ 69,200,000
Programme co-financing:	€ 12,211,765
Programme Operator:	Ministry of Rural and Urban Development
Donor Programme Partner(s):	Norwegian Environment Agency (TBC) Norwegian Water Resources and Energy Directorate (TBC)
International Partner Organisation(s):	OECD
Programme area(s):	Green Transition
Programme specific conditions:	N/A

Programme specific concerns:	The programme shall support the green transition with the following priorities: energy diversification, clean energy transition, circular economy and green governance. Support for wind power shall be limited to capacity building, studies and innovative projects. Support for the development of renewable energy communities shall be explored. Support for the clean energy transition in the field of geothermal energy of up to € 10,000,000 shall be explored. Cooperation with donor project partner(s) shall be mandatory. The programme shall prioritise strengthening institutional capacity for green governance in all areas of support. Support to address air, water and soil pollution can be explored. Support for biodiversity and ecosystems can be explored, with the aim to support nature restoration in line with EU regulations. Support for climate change adaptation shall prioritise innovative nature-based solutions. Support for circular economy shall implement relevant recommendations of the OECD report "Towards a National Circular Economy Strategy for Hungary" (April 2023). A pre-defined project contributing to the area of support green governance with the OECD as project partner shall be developed in the Concept Note. The possibility of pre-defining a project in the area of green procurement that contributes to green governance in partnership with donor project partner(s) shall be explored in the Concept Note. A pre-defined project to strengthen information integrity in the green transition with donor project partner(s) shall be developed in the Concept Note. Consultation with relevant stakeholders shall be carried out in the development of the Concept Note. The programme shall support measures that are complementary to other funding sources, including relevant EU funding. The Ministry of Economy and Energy, as well as the Ministry for the Living Environment, shall act as Programme Partners and be actively involved in the preparation and implementation of the programme to ensure the alignment of the programme with national policies and the implementation of the EU Green Deal. This also includes participation in Cooperation Committee meetings, alongside the Donor Programme Partner(s).

Bilateral ambitions:	N/A
Pre-defined projects:	N/A

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

B. Culture

Programme objective(s):	Increased participation, sustainability and diversity in arts, culture and cultural heritage
Programme grant:	€ 16,000,000
Programme co-financing:	€ 2,823,529
Programme Operator:	Ministry of Rural and Urban Development
Donor Programme Partner(s):	Norwegian Directorate for Cultural Heritage Arts and Culture Norway
International Partner Organisation(s):	N/A
Programme area(s):	Culture
Programme specific conditions:	N/A
Programme specific concerns:	The programme shall strengthen the capacity of art, culture and cultural heritage to drive sustainable local development, resilience and social cohesion. It shall contribute to strengthening democracy, human rights and artistic freedom, increasing resilience to disinformation, hate speech and extremism and promoting participation and community engagement. The programme shall foster respect, diversity, inclusion, the freedom of cultural expression and open dialogue. The programme shall enhance the participation and artistic and cultural self-expression of minorities, and groups in vulnerable situations. The programme shall support the sustainable revitalisation of cultural heritage, including through capacity building, reflecting the local identity, responding to local needs and harnessing the economic potential of local cultural resources. Cooperation and exchange between cultural operators, civil society organisations and relevant stakeholders in Hungary and the Donor States shall be encouraged. Consultation with relevant stakeholders shall be carried out in the development of the Concept Note. At least 45% of the total eligible expenditure of the programme shall be made available to support artistic and cultural creation, with specific regard to cultural diversity. The maximum level of funding for investment in infrastructure and equipment (hard measures) shall be 50% of the total eligible expenditure of the programme. The Ministry for Community Relations and Culture shall act as Programme Partner and be actively involved in the preparation and implementation of the programme, also as a member of the Cooperation Committee.
Bilateral ambitions:	N/A
Pre-defined projects:	N/A

C. Roma Inclusion and Empowerment

Programme objective(s):	Enhanced inclusion and empowerment of Roma
Programme grant:	€ 16,000,000
Programme co-financing:	€ 2,823,529
Programme Operator:	Ministry of Rural and Urban Development
Donor Programme Partner(s):	N/A
International Partner Organisation(s):	Council of Europe
Programme area(s):	Roma Inclusion and Empowerment
Programme specific conditions:	N/A

Programme specific concerns:	The programme shall support the social inclusion of marginalised Roma communities. Special attention shall be given to women and children. Particular emphasis shall be put on empowerment and community-led development based on participation. The programme shall support an integrated approach responding to the needs of marginalised Roma communities, including measures to combat discrimination and strengthen access to mainstreamed, non-segregated, public services and justice. Particular attention should be paid to desegregation in education and housing. The programme shall be carried out through local partnerships between municipalities, Roma communities and civil society organisations. The capacity of Roma civil society organisations shall be strengthened. Consultation with relevant stakeholders, including relevant Roma and pro-Roma organisations, shall be carried out in the development of the Concept Note. The maximum level of funding for investment in infrastructure and equipment (hard measures) shall be 60% of the total eligible expenditure of the programme. The Ministry of Social and Family Affairs shall act as Programme Partner and be actively involved in the preparation and implementation of the programme, also as a member of the Cooperation Committee.
Bilateral ambitions:	N/A
Pre-defined projects:	N/A