MEMORANDUM OF UNDERSTANDING

ON THE IMPLEMENTATION OF THE EEA FINANCIAL MECHANISM

2014-2021

Between

ICELAND,

THE PRINCIPALITY OF LIECHTENSTEIN,

THE KINGDOM OF NORWAY,

hereinafter referred to as the “Donor States”

and

THE HELLENIC REPUBLIC,

hereinafter referred to as the “Beneficiary State”

together hereinafter referred to as the “Parties”,

WHEREAS Protocol 38c 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 2014-2021, establishes a financial mechanism (hereinafter referred to as the "EEA Financial Mechanism 2014-2021") 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 2014-2021 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. 2/2016/SC of 2 June 2016 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 2014-2021;

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 2014-2021;

HAVE AGREED on the following:

Article 1
Objectives

1. The overall objectives of the EEA Financial Mechanism 2014-2021 are to contribute to the reduction of economic and social disparities in the European Economic Area and to the strengthening of bilateral relations between the Donor States and the Beneficiary States through financial contributions in the priority sectors listed in paragraph 2. Accordingly, the Parties to this Memorandum of Understanding shall endeavour to select for funding programmes that contribute to the achievement of these objectives.

2. The financial contributions shall be available in the following priority sectors:

(a) Innovation, research, education and competitiveness;

(b) Social inclusion, youth employment and poverty reduction;

(c) Environment, energy, climate change and low carbon economy;

(d) Culture, civil society, good governance, fundamental rights and freedoms; and

(e) Justice and home affairs.

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 2014-2021:

(a) Protocol 38c to the EEA Agreement on the EEA Financial Mechanism 2014-2021;

(b) the Regulation on the implementation of the EEA Financial Mechanism 2014-2021 (hereinafter referred to as the "Regulation") issued by the Donor States in accordance with Article 10.5 of Protocol 38c;

(c) the programme agreements that will be concluded for each programme; and

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

Article 3
Financial Framework

1. In accordance with Article 2.1 of Protocol 38c, the total amount of the financial contribution is € 1,548,150,000 in annual tranches of € 221,160,000 over the period running from 01/05/2014 to 30/04/2021, inclusive.

2. In accordance with Article 6 of Protocol 38c, a total of € 116,700,000 shall be made available to the Beneficiary State over the period referred to in Paragraph 1.

3. In accordance with Article 3.2.b) of Protocol 38c, 10.00 % of the total amount referred to in paragraph 2 shall be set aside for a fund for civil society.

4. In accordance with Article 10.4 of Protocol 38c 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 € 107,947,500.

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 priority sectors listed in Article 3.1 of Protocol 38c and the programme areas listed in the Annex to Protocol 38c. 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 2014-2021 in accordance with Annex B and the programme agreements.

3. The Financial Mechanism Committee shall manage the EEA Financial Mechanism 2014-2021 and take decisions on the granting of financial assistance in accordance with the Regulation.

4. The Committee shall be assisted by the Financial Mechanism Office (hereinafter referred to as the "FMO"). The FMO shall be responsible for the day-to-day operations of the EEA Financial Mechanism 2014-2021 and shall serve as a contact point.

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 2014-2021 as well as for the implementation of the EEA Financial Mechanism 2014-2021 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, the Audit Authority, and the Irregularities 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) a list of agreed programmes and the financial contribution from the EEA Financial Mechanism 2014-2021 by programme;

(b) identification of programmes, their objective, their main focus, as appropriate, the grant rate by programme, the bilateral ambitions as well as any specific concerns relating to target groups, geographical areas or other issues;

(c) identification of programme operators, as appropriate;

(d) identification of Donor Programme Partners, as appropriate;

(e) identification of International Partner Organisations, as appropriate;

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

2. The implementation framework is outlined in Annex B.

Article 7

Fund for bilateral relations

In accordance with Article 4.6 of the Regulation the Beneficiary State shall set aside funds to strengthen bilateral relations between the Donor States and the Beneficiary State. The National Focal Point shall manage the use of the fund for bilateral relations and shall establish a Joint Committee for Bilateral Funds in accordance with Article 4.2 of the Regulation.

Article 8
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 period and agree on any necessary measures to be taken. The annual meeting shall provide a forum for discussion of issues of bilateral interest.

Article 9
Modification of the annexes

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

Article 10
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 11
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 2014-2021 shall be pursued in the framework of close co-operation between the Donor States and the Beneficiary State. 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 equal opportunities in all implementation phases of the EEA Financial Mechanism 2014-2021.

3. The Beneficiary State shall take proactive steps in order to ensure adherence to these principles at all levels involved in the implementation of the EEA Financial Mechanism 2014-2021.

4. No later than 31/12/2020, the Parties to this Memorandum of Understanding shall review progress in the implementation of this Memorandum of Understanding and thereafter agree on reallocations within and between the programmes, where appropriate. The conclusion of this review shall be taken into account by the National Focal Point when submitting the proposal on the reallocation of the reserve referred to in Article 1.11 of the Regulation.

Article 12
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 Brussels on 27/10/2017
For Iceland

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Signed in Athens on 31/10/2017
For the Hellenic Republic

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Signed in Brussels on 27/10/2017
For the Principality of Liechtenstein

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Signed in Athens on 31/10/2017
For the Kingdom of Norway

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ANNEX A

National management and control structures

1. National Focal Point

The Special Service of Planning, Coordination and Monitoring of the Implementation of Financial Mechanisms of the European Economic Area' shall act as the National Focal Point.

The 'Special Service of Planning, Coordination & Monitoring of the Implementation of Financial Mechanisms of the European Economic Area' is a Directorate level entity dedicated exclusively to the EEA Grants within the General Secretariat for Public Investments and the National Strategic Reference Framework (NSRF), within the Ministry of Economy and Finance.

The Head of the National Focal Point reports to the Secretary General for Public Investments and the NSRF of the Ministry of Economy and Finance.

The roles and responsibilities of the National Focal Point are stipulated in the Regulation, in particular Article 5.3 thereof.

2. Certifying Authority

The 'Special Service Certifying and Verifying Authority of co-financed programmes' shall act as the Certifying Authority.

The Special Service Certifying and Verifying Authority is a Directorate level entity within the General Secretariat for Public Investments and the NSRF, within the Ministry of Economy and Finance.

The Head of the Certifying Authority reports to the Secretary General for Public Investments and the NSRF of the Ministry of Economy and Finance.

The Certifying Authority is functionally independent of the Audit Authority, the Programme Operators and the National Focal Point.

The roles and responsibilities of the Certifying Authority are stipulated in the Regulation, in particular Article 5.4 thereof.

3. Audit Authority

The Financial Audit Committee (hereafter EDEL) shall act as the Audit Authority.

EDEL is an entity at General Directorate level within the General Secretariat of Fiscal Policy, within the Ministry of Economy and Finance. EDEL is supported by two Directorates: the Audit of Co-financed Programmes Directorate and the Audit Planning and Evaluation Directorate.

The Head of the Audit Authority reports to the Secretary General of Fiscal Policy of the Ministry of Economy and Finance.

The Audit Authority is functionally independent of the National Focal Point, the Certifying Authority and the Programme Operators.

The roles and responsibilities of the Audit Authority are stipulated in the Regulation, in particular Article 5.5 thereof.

4. Irregularities Authority

The National Focal Point shall be responsible for the preparation and submission of irregularities reports.

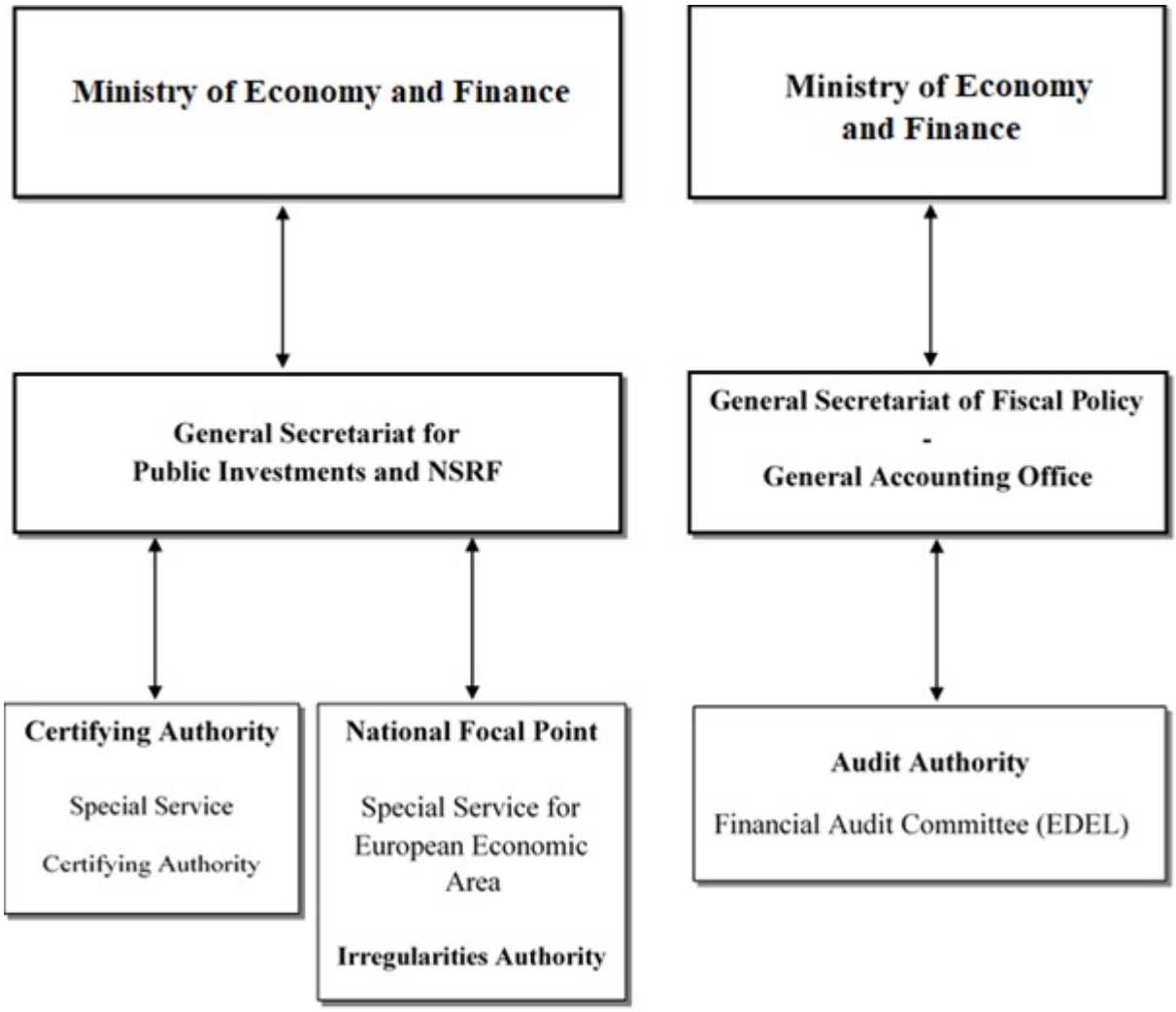
The roles and responsibilities of the Irregularities Authority are stipulated in the Regulation, in particular Article 12.3 thereof.

5. Strategic Report

In accordance with Article 2.6 of the Regulation, the National Focal Point shall annually submit to the FMC a Strategic Report on the implementation of the EEA Financial Mechanism 2014-2021 in the Beneficiary State. The Strategic Report shall be submitted to the FMC at least two months before the annual meeting unless otherwise agreed.

6. Organigram

The organisation chart of the key public authorities at national level for the EEA Financial Mechanism 2014-2021 in the Hellenic Republic is presented below:


Ministry of Economy and Finance
Ministry of Economy and Finance
General Secretariat for Public Investments and NSRF
General Secretariat of Fiscal Policy - General Accounting Office
Certifying Authority
Special Service
Certifying Authority
National Focal Point
Special Service for European Economic Area
Irregularities Authority
Audit Authority
Financial Audit Committee (EDEL)

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

	Greece	EEA Grants contribution	National contribution
	Programmes		
1	Innovation, Business Development and SMEs	€ 20,500,000	N/A
2	Roma Inclusion and Empowerment	€ 3,974,188	€ 1,514,210
3	Local Development and Poverty Reduction	€ 7,000,000	N/A
4	Water Management	€ 5,200,000	€ 1,950,000
5	Renewable Energy, Energy Efficiency	€ 11,933,068	€ 3,977,689
6	Good Governance, Accountable Institutions, Transparency	€ 6,066,932	€ 1,070,635
7	Asylum and Migration (Capacity building of national asylum and migration management systems)	€ 14,425,812	€ 2,545,732
8	Asylum and Migration (Addressing urgent needs for the reception and screening of asylum seekers and for the accommodation of vulnerable groups)	€ 16,479,000	N/A
9	Civil Society	€ 14,946,115	N/A
	Other allocations		
	Technical Assistance to the Beneficiary states	€ 2,050,500	N/A
	Reserve	N/A	N/A
	Reserve for completing projects under previous FM	€ 1,216,885	N/A
	Fund for bilateral relations	€ 4,155,000	N/A
	Net allocation to Greece	**€ 107,947,500**	**€ 11,058,266**

2. Specific concerns

Bilateral relations between the Donor States and the Hellenic Republic shall be strengthened with the aim of stimulating and developing long-term cooperation within all areas listed in the Annex to Protocol 38c. It is also an ambition to strengthen bilateral cooperation at political level and European level in areas of common interest.

3. 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. Programme Innovation, Business Development and SMEs

Programme objective: Increased value creation and sustainable growth
Programme grant: € 20,500,000
Programme co-financing: Not-applicable
Programme Operator: FMO in accordance with Article 6.13 of the Regulation. Innovation Norway is appointed Fund Operator in accordance with paragraph 4 of Article 6.13 of the Regulation.

Programme area(s): Business Development, Innovation and SMEs

Special-concerns:	In order to leverage synergies with other available funding mechanisms and facilitate capacity building and transfer of knowledge, the Hellenic Fund for Entrepreneurship and Development (ETEAN SA) shall be actively involved in the programme development and implementation as a National Programme Partner, including as a member of the Cooperation Committee. With the aim of leveraging the programme grant and contributing to the co-financing at project level, ETEAN shall endeavour to make available up to 100% of the total contribution to the programme from the EEA FM, through already existing financial instruments, loans and/or guarantees to the funded projects. The programme shall address the following main focus areas: Green Industry Innovation, Blue Growth and ICT. The allocation to "Green Industry Innovation" shall be specified in the concept note.
Bilateral ambitions:	€150,000 shall be allocated to the programme from the fund for bilateral relations. This does not prevent the Joint Committee for Bilateral Funds from allocating additional funds to the programme.

B. Programme Roma Inclusion and Empowerment

Programme objective:	Enhanced inclusion and empowerment of Roma
Programme grant:	€ 3,974,188
Programme co-financing:	€ 1,514,210
Programme Operator:	Ministry of Labour and Social Affairs - Executive Authority (“Special Service - Executive Structure NSRF”) (Ministry of Labour)
International Partner Organisation(s):	European Union Agency for Fundamental Rights (FRA)
Programme area(s):	Roma Inclusion and Empowerment
Special-concerns:	The programme shall contribute to the development of a strategy to address the most acute housing challenges of the Roma communities in Greece, including through social housing measures. A pre-defined project for this purpose, to be implemented by the General Secretariat for Social Solidarity and fight against Poverty, addressing also other elements of Roma inclusion, shall be considered in the concept note development stage. A potential pre-defined project on the establishment of a 'Task Force Unit for Inclusion and Empowerment of Roma', within the Ministry of Labour and Social Affairs, shall be considered. This project will aim to assist the Roma community to participate actively in the planning, monitoring and implementation of policies that affect them. Up to €2 million of the total eligible expenditure of the programme shall be allocated to an open call or a small grant scheme, with the aim of empowering the most deprived Roma communities, mainly through soft measures.
Bilateral ambitions:	€50,000 shall be allocated to the programme from the fund for bilateral relations. This does not prevent the Joint Committee for Bilateral Funds from allocating additional funds to the programme.

C. Programme Local Development and Poverty Reduction

Programme objective:	Strengthened social and economic cohesion
Programme grant:	€ 7,000,000
Programme co-financing:	Not-applicable
Programme Operator:	The Financial Mechanism Office in accordance with Article 6.13 of the Regulation.
Programme area(s):	Local Development and Poverty Reduction
Special-concerns:	The programme shall build on the activities implemented and results achieved under the GR08 programme of the EEA Financial Mechanism 2009-2014. Pre-defined projects, to be implemented by Solidarity Now and Athens Municipality with these objectives, shall be elaborated in the concept note. A grant of up to €1.5 million from the programme shall be set aside for a project addressing refugee children, anti-discrimination and combatting hate speech in the education system, implemented in co-operation between the Hellenic Ministry of Education and the European Wergeland Centre.
Bilateral ambitions:	€50,000 shall be allocated to the programme from the fund for bilateral relations. This does not prevent the Joint Committee for Bilateral Funds from allocating additional funds to the programme.

D. Programme Water Management

Programme objective:	Improved environmental status in ecosystems and reduced adverse effects of pollution and other human activities
Programme grant:	€ 5,200,000
Programme co-financing:	€ 1,950,000
Programme Operator:	Ministry of Environment and Energy, Executive Authority of the Partnership Agreement, Environmental Sector
Programme area(s):	Environment and Ecosystems
Special-concerns:	The programme shall address the water management needs of particularly vulnerable areas and islands, including through support to projects aiming at water saving and desalination. The programme shall encourage the increased exploitation of innovative technologies, including renewable energy solutions, and this objective shall be clearly reflected in the concept note. Awareness-raising activities shall be supported through a small grant scheme.
Bilateral ambitions:	€50,000 shall be allocated to the programme from the fund for bilateral relations. This does not prevent the Joint Committee for Bilateral Funds from allocating additional funds to the programme.

E. Programme Renewable Energy, Energy Efficiency

Programme objective:	Less carbon intensive energy and increased security of supply

Programme grant:	€ 11,933,068
Programme co-financing:	€ 3,977,689
Programme Operator:	Centre for Renewable Energy Source and Saving (CRES)
Programme area(s):	Renewable Energy, Energy Efficiency, Energy Security
Special-concerns:	The programme shall support the implementation of innovative solutions to increase renewable energy production and energy efficiency, including in public social infrastructure. The specific target groups and supported measures shall be further elaborated in the concept note.
Bilateral ambitions:	€50,000 shall be allocated to the programme from the fund for bilateral relations. This does not prevent the Joint Committee for Bilateral Funds from allocating additional funds to the programme.

F. Programme Good Governance, Accountable Institutions, Transparency

Programme objective:	Integrity and accountability of public administration improved
Programme grant:	€ 6,066,932
Programme co-financing:	€ 1,070,635
Programme Operator:	Managing Authority of the Programme “Digital Transfomation”
International Partner Organisation(s):	Organisation for Economic Co-operation and Development (OECD)
Programme area(s):	Good Governance, Accountable Institutions, Transparency
Special-concerns:	The programme shall support the intervention areas to increase the transparency of the Greek public sector: 1. Measures contributing to the digitalisation of Greek public Institutions, following key efficiency and reform and administration, including the increased provision of e-government services through the development of the Citizen Service Centres Network (KEP); 2. Measures implemented by the National Transparency Authority, in cooperation with the OECD, with the aim of following up the National Anti-Corruption Action Plan; 3. Measures reinforcing the Greek Ombudsman's Office, in cooperation with the EU Agency for Fundamental Rights (EU ERA). The specific allocations and activities under the abovementioned measures shall be elaborated in the concept note.
Bilateral ambitions:	€100,000 shall be allocated to the programme from the fund for bilateral relations. This does not prevent the Joint Committee for Bilateral Funds from allocating additional funds to the programme. Efforts shall be made to involve Norwegian partners in a bilateral initiative in the area of e-governance.

G. Programme Asylum and Migration (Capacity building of national asylum and migration management systems)

Programme objective:	Functioning national asylum and migration management systems ensured and the right to seek asylum safeguarded
Programme grant:	€ 14,425,812
Programme co-financing:	€ 2,545,732
Programme Operator:	Ministry of Citizen Protection (European and Development Programmes Management Agency, EDPMA)
Donor Programme Partners(s):	Norwegian Directorate of Immigration (UDI)
Programme area(s):	Asylum and Migration
Special-concerns:	Building on the results achieved in the GR06 programme implemented under the EEA Financial Mechanism 2009-2014, the programme will assist the capacity building of the national asylum and migration management system. Special attention and priority shall be given to ensuring legal protection and care for the most vulnerable groups of asylum seekers, in particular unaccompanied children. The programme shall contribute to a well-functioning asylum system, enabling asylum-seekers to bring forward their claim for international protection, have their claim processed in due time and be offered accommodation during the processing of their case. No more than 60% of the total eligible expenditure of the programme shall be available for infrastructure (hard measures). The programme shall enhance the interaction and cooperation with relevant civil society organisations. For this purpose, a dedicated open call or a small grant scheme shall be explored during the development of the concept note. The relevant public institutions in the Hellenic Republic in charge of the asylum and migration policy area in question shall be actively involved in the preparation and implementation of the programme. The competent Ministry for asylum and migration policy in Greece will participate in the Cooperation Committee.
Bilateral ambitions:	€925,000 shall be allocated to the programme from the fund for bilateral relations. This does not prevent the Joint Committee for Bilateral Funds from allocating additional funds to the programme.

H. Programme Asylum and Migration (Addressing urgent needs for the reception and screening of asylum seekers and for the accommodation of vulnerable groups)

Programme objective:	Functioning national asylum and migration management systems ensured and the right to seek asylum safeguarded
Programme grant:	€ 16,479,000
Programme co-financing:	Not-applicable
Programme Operator:	The Financial Mechanism Office in accordance with Article 6.13 of the Regulation. The Financial Mechanism Office shall appoint a Fund Operator in accordance with a procedure agreed by the Donor States.
Donor Programme Partners(s):	Norwegian Directorate of Immigration (UDI)

Programme area(s):	Asylum and Migration
Special-concerns:	Building on the results achieved in the GR05 programme implemented under the EEA Financial Mechanism 2009-2014, the programme shall give priority to ensuring support and care for vulnerable groups of asylum seekers, in particular unaccompanied children. Priority shall be given to supporting accommodation and services in open reception centres for asylum seekers, in particular focusing on vulnerable groups of asylum seekers. The programme shall enhance civil society organisations in the sector and strengthen their interaction and cooperation with relevant public entities. Pre-defined projects related to voluntary return through the International Organisation for Migration (IOM) and a continuation of the projects operated by UNHCR and the Norwegian Refugee Council under the GR05 programme (2009-2014), providing assistance to asylum seekers' accommodation in Greece and capacity building of Greek authorities, shall be considered during the development of the concept note. The competent Ministry for asylum and migration policy in Greece shall participate as an observer in the Cooperation Committee and be involved and consulted on programme development and implementation.
Bilateral ambitions:	€146,000 shall be allocated to the programme from the fund for bilateral relations. This does not prevent the Joint Committee for Bilateral Funds from allocating additional funds to the programme.

I. Programme Civil Society

Programme objective:	Civil society and active citizenship strengthened and vulnerable groups empowered
Programme grant:	€ 14,946,115
Programme co-financing:	Not-applicable
Programme Operator:	The Financial Mechanism Office in accordance with Article 6.13 of the Regulation.
Programme area(s):	Civil Society