EEA Financial Mechanism 2014-2021

PROGRAMME AGREEMENT

between

The Financial Mechanism Committee

established by Iceland, Liechtenstein and Norway

and

The Special Service EEA, General Secretariat for Public Investments & the NSRF Ministry of Development & Investments,

hereinafter referred to as the "National Focal Point",

representing Greece,

hereinafter referred to as the "Beneficiary State"

together hereinafter referred to as the "Parties"

for the financing of the Programme "Renewable Energy, Energy Efficiency"

hereinafter referred to as the "Programme"

Chapter 1
Scope, Legal Framework, and Definitions

Article 1.1
Scope

This programme agreement between the Financial Mechanism Committee (hereinafter referred to as the FMC) and the National Focal Point lays down the rights and obligations of the Parties regarding the implementation of the Programme and the financial contribution from the EEA Financial Mechanism 2014-2021 to the Programme.

Article 1.2
Legal Framework

1. This programme agreement shall be read in conjunction with the following documents which, together with this programme agreement, constitute the legal framework of the EEA Financial Mechanism 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 Memorandum of Understanding on the Implementation of the EEA Financial Mechanism 2014-2021 (hereinafter referred to as the "MoU"), entered into between the Donor States and the Beneficiary State; and

(d) any guidelines adopted by the FMC in accordance with the Regulation.

2. In case of an inconsistency between this programme agreement and the Regulation, the Regulation shall prevail.

3. The legal framework is binding for the Parties. An act or omission by a Party to this programme agreement that is incompatible with the legal framework constitutes a breach of this programme agreement by that Party.

Article 1.3
Definitions

Terms used and institutions and documents referred to in this programme agreement shall be understood in accordance with the Regulation, in particular Article 1.6 thereof, and the legal framework referred to in Article 1.2 of this programme agreement.

Article 1.4
Annexes and hierarchy of documents

1. Annexes attached hereto form an integral part of this programme agreement. Any reference to this programme agreement includes a reference to its annexes unless otherwise stated or clear from the context.

2. The provisions of the annexes shall be interpreted in a manner consistent with this programme agreement. Should the meaning of any provision of the said annexes, so interpreted, remain inconsistent with this programme agreement, the provisions of the annexes shall prevail, provided that these provisions are compatible with the Regulation.

3. Commitments, statements and guarantees, explicit as well as implicit, made in the preparation of the programme are binding for the National Focal Point and the Programme Operator unless otherwise explicitly stipulated in the annexes to this programme agreement.

Chapter 2
The Programme

Article 2.1
Co-operation

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

2. The Parties agree to provide all information necessary for the good functioning of this programme agreement and to apply the principles of implementation as set out in the Regulation.

3. The Parties shall promptly inform each other of any circumstances that interfere or threaten to interfere with the successful implementation of the Programme.

4. In executing this programme agreement the Parties declare to counteract corrupt practices. Further, they declare not to accept, either directly or indirectly, any kind of offer, gift, payments or benefits which would or could be construed as illegal or corrupt practice. The Parties shall immediately inform each other of any indication of corruption or misuse of resources related to this programme agreement.

Article 2.2
Main responsibilities of the Parties

1. The National Focal Point is responsible and accountable for the overall management of the EEA Financial Mechanism 2014-2021 in the Beneficiary State and for the full and correct implementation of

this programme agreement. In particular, the National Focal Point undertakes to:

(a) comply with its obligations stipulated in the Regulation and this programme agreement;

(b) ensure that the Certifying Authority, the Audit Authority, the Irregularities Authority and the Programme Operator properly perform the tasks assigned to them in the Regulation, this programme agreement and the programme implementation agreement;

(c) take all necessary steps to ensure that the Programme Operator is fully committed and able to implement and manage the Programme;

(d) take the necessary measures to remedy irregularities in the implementation of the Programme and ensure that the Programme Operator takes appropriate measures to remedy irregularities in Projects within the Programme, including measures to recover misspent funds;

(e) make all the necessary and appropriate arrangements in order to strengthen or change the way the Programme is managed.

2. The FMC shall, subject to the rules stipulated in the legal framework referred to in Article 1.2 of this programme agreement, make available to the Beneficiary State a financial contribution (hereinafter referred to as "the programme grant") to be used exclusively to finance the eligible cost of the Programme.

Article 2.3
Objective and outcomes of the Programme

1. This programme agreement sets out the objective, outcome(s), outputs, indicators and targets for the Programme.

2. The National Focal Point shall ensure that the Programme Operator implements and completes the Programme in accordance with the objective, outcome(s), outputs, indicators and targets set for the Programme.

Article 2.4
Programme grant

1. The maximum amount of the programme grant, the programme grant rate, and the estimated eligible cost of the Programme shall be as specified in this programme agreement.

2. In case the Programme is also supported by the Norwegian Financial Mechanism, this programme agreement shall be interpreted in conjunction with the agreement regulating that support.

3. The financial plan annexed to this programme agreement shall:

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

(b) indicate the agreed advance payment, if any.

4. The management cost of the Programme Operator shall not exceed the amount specified in this programme agreement.

Article 2.5
Special conditions and programme specific rules

1. This programme agreement shall list any conditions set by the FMC with reference to paragraph 2 of Article 6.3 of the Regulation. The National Focal Point shall ensure compliance with these conditions and take the necessary steps to ensure their fulfilment.

2. The National Focal Point shall ensure compliance with any other programme specific rules laid down in this programme agreement.

Article 2.6
Programme implementation agreement

With reference to Article 6.8 of the Regulation and without prejudice to paragraph 2 thereof, the National Focal Point shall, before any payment is made to the Programme, sign a programme implementation agreement with the Programme Operator. The National Focal Point shall notify the FMC of such signing.

Article 2.7
Reporting

The National Focal Point shall ensure that the Programme Operator provides financial reports, annual programme reports and a final programme report in accordance with Chapter 9 and Articles 6.11 and 6.12 of the Regulation as well as statistical reporting in accordance with guidelines adopted by the FMC.

Article 2.8
External monitoring

The external monitoring and audit referred to in Articles 11.1, 11.2, 11.3 and 11.4 of the Regulation shall not in any way relieve the National Focal Point or the Programme Operator of their obligations under the legal framework regarding monitoring of the Programme and/or its projects, financial control and audit.

Article 2.9
Modification of the Programme

1. Unless otherwise explicitly stipulated in this programme agreement, any modification of the Programme is subject to prior approval by the FMC.

2. Programme specific exceptions from paragraph 1, if any, are set in the annexes to this programme agreement.

3. Expenditures incurred in breach of this article are not eligible.

4. Should there be a doubt as to whether the proposed modifications require approval by the FMC, the National Focal Point shall consult the FMC before such modifications take effect.

5. Requests for modifications shall be submitted and assessed in accordance with Article 6.9 of the Regulation.

Article 2.10
Communication

1. All communication to the FMC regarding this programme agreement shall take place in English and be directed to the Financial Mechanism Office (hereinafter referred to as the FMO), which represents the FMC towards the National Focal Point and the Programme Operator in relation to the implementation of the Programme.

2. To the extent that original documents are not available in the English language, the documents shall be accompanied by full and accurate translations into English. The National Focal Point shall bear the responsibility for the accuracy of the translation that it provides and the possible consequences that might arise from any inaccurate translations.

Article 2.11
Contact information

1. The contact information of the Programme Operator is as specified in this programme agreement.

2. The contact information for the FMC and the Financial Mechanism Office are:

Financial Mechanism Office
Att: Director
EFTA Secretariat
Rue Joseph II, 12-16
1000 Brussels
Telephone: +32 (0)2 286 1701
Telefax (general): +32 (0)2 211 1889
E-mail: fmo@efta.int

3. Changes of or corrections to the contact information referred to in this article shall be given in writing without undue delay by the Parties to this programme agreement.

Article 2.12
Representations and Warranties

1. This programme agreement and the awarding of the programme grant is based on information provided by, through, or on behalf of the National Focal Point to the FMC prior to the signing of this programme agreement.

2. The National Focal Point represents and warrants that the information provided by, through, or on behalf of the National Focal Point, in connection with the implementation or conclusion of this programme agreement are authentic, accurate and complete.

Chapter 3
Projects

Article 3.1
Selection of projects and award of grants

1. The National Focal Point shall ensure that the Programme Operator selects projects in accordance with Chapter 7 of the Regulation and this programme agreement.

2. Eligibility of project promoters and project partners is stipulated in Article 7.2 of the Regulation and, in accordance with paragraph 4 thereof, subject only to the limitations stipulated in this programme agreement.

3. Pre-defined projects shall be outlined in this programme agreement.

4. The National Focal Point shall take proactive steps to ensure that the Programme Operator complies fully with Article 7.5 of the Regulation.

Article 3.2
Project contract

1. For each approved project a project contract shall be concluded between the Programme Operator and the Project Promoter.

2. In cases where a project contract cannot, due to provisions in the national legislation, be made between the Programme Operator and the Project Promoter, the Beneficiary State may instead issue a legislative or administrative act of similar effect and content.

3. The content and form or the project contract shall comply with Article 7.6 of the Regulation.

4. The National Focal Point shall ensure that the obligations of the Project Promoter under the project

contract are valid and enforceable under the applicable law of the Beneficiary State.

Article 3.3
Project partners and partnership agreements

1. A project may be implemented in a partnership between the Project Promoter and project partners as defined in paragraph 1(w) of Article 1.6 of the Regulation. If a project is implemented in such a partnership, the Project Promoter shall sign a partnership agreement with the project partners with the content and in the form stipulated in Article 7.7 of the Regulation.

2. The partnership agreement shall be in English if one of the parties to the agreement is an entity from the Donor States.

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

4. The creation and implementation of the relationship between the Project Promoter and the project partner shall comply with the applicable national and European Union law on public procurement as well as Article 8.15 of the Regulation.

5. The National Focal Point shall ensure that the Programme Operator verifies that the partnership agreement complies with this article. A draft partnership agreement or letter of intent shall be submitted to the Programme Operator before the signing of the project contract.

Chapter 4
Finance

Article 4.1
Eligible expenditures

1. Subject to Article 8.7 of the Regulation, eligible expenditures of this Programme are:

(a) management costs of the Programme Operator in accordance with the detailed budget in the financial plan;

(b) payments to projects within this Programme in accordance with the Regulation, this programme agreement and the project contract.

2. Eligible expenditures of projects are those actually incurred by the Project Promoter or project partners, meet the criteria set in Article 8.2 of the Regulation and fall within the categories and fulfil the conditions of direct eligible expenditure set in Article 8.3 of the Regulation, the conditions regarding the use of standard scales of unit costs set in Article 8.4 of the Regulation as well as indirect costs in accordance with Article 8.5 of the Regulation.

4. The first date of eligibility of expenditures in projects shall be set in the project contract in accordance with Article 8.13 of the Regulation. The first date of eligibility of any pre-defined projects shall be no earlier than the date on which the National Focal Point notifies the FMC of a positive appraisal of the pre-defined projects by the Programme Operator in accordance with paragraph 3 of Article 6.5 of the Regulation.

5. The maximum eligible costs of the categories referred to in paragraph 1 are set in this programme agreement. Programme specific rules on the eligibility of expenditure set in this programme agreement shall be complied with.

Article 4.2
Proof of expenditure

Costs incurred by Programme Operators, Project Promoters and project partners shall be supported by documentary evidence as required in Article 8.12 of the Regulation.

Article 4.3
Payments

1. Payments to the Programme shall be made when all relevant conditions for payments stipulated in this programme agreement and the Regulation have been fulfilled.

2. Payments to the Programme shall take the form of an advance payment, interim payments and payment of the final balance and shall be made in accordance with Articles 9.2, 9.3 and 9.4 of the Regulation.

3. Payments of the project grant to the Project Promoters may take the form of advance payments, interim payments and payments of the final balance. The level of advance payments and their off-set mechanism is set in this programme agreement.

4. The National Focal Point shall ensure that payments are transferred in accordance with paragraph 2 of Article 9.1 of the Regulation.

5. Chapter 9 of the Regulation shall apply to all aspects related to payments, including currency exchange rules and handling of interests on bank accounts.

Article 4.4
Transparency and availability of documents

The National Focal Point shall ensure an audit trail for financial contributions from the EEA Financial

Mechanism 2014-2021 to the Programme in accordance with Article 9.8 of the Regulation.

Article 4.5
Irregularities, suspension and reimbursements

The FMC has the right to make use of the remedies provided in the Regulation, in particular Chapter 13 thereof. The National Focal Point has a duty to take all necessary measures to ensure that the provisions in Chapter 12 and 13 of the Regulation regarding irregularities, suspension of payments, financial corrections and reimbursement are complied with.

Chapter 5
Final provisions

Article 5.1
Dispute settlement

1. The Parties waive their rights to bring any dispute related to the programme agreement before any national or international court, and agree to settle such a dispute in an amicable manner.

2. If a demand for reimbursement to the FMC is not complied with by the Beneficiary State, or a dispute related to a demand for reimbursement arises that cannot be solved in accordance with paragraph 1, the Parties may bring the dispute before Oslo Tingrett.

Article 5.2
Termination

1. The FMC may, after consultation with the National Focal Point, terminate this programme agreement if:

(a) a general suspension decision according to Article 13.6 of the Regulation or a decision to suspend payments according to paragraph 1(h) of Article 13.1 of the Regulation has not been lifted within 6 months of such a decision;

(b) a suspension of payments according to Article 13.1 of the Regulation, other than under paragraph 1(h), has not been lifted within one year of such a decision;

(c) a request for reimbursement according to Article 13.2 of the Regulation has not been complied with within one year from such a decision;

(d) the Programme Operator becomes bankrupt, is deemed to be insolvent, or declares that it does not have the financial capacity to continue with the implementation of the Programme; or

(e) the Programme Operator has, in the opinion of the FMC, been engaged in corruption, fraud or similar activities or has not taken the appropriate measures to detect or prevent such activities or, if they have occurred, nullify their effects.

2. This programme agreement can be terminated by mutual agreement between the Parties.

3. Termination does not affect the right of the Parties to make use of the dispute settlement mechanism referred to in Article 5.1 or the right of the FMC to make use of the remedies provided in Chapter 13 of the Regulation.

Article 5.3
Waiver of responsibility

1. Any appraisal of the Programme undertaken before or after its approval by the FMC, does not in any way diminish the responsibility of the National Focal Point and the Programme Operator to verify and confirm the correctness of the documents and information forming the basis of the programme agreement.

2. Nothing contained in the programme agreement shall be construed as imposing upon the FMC or the FMO any responsibility of any kind for the supervision, execution, completion, or operation of the Programme or its projects.

3. The FMC does not assume any risk or responsibility whatsoever for any damages, injuries, or other possible adverse effects caused by the Programme or its projects including, but not limited to inconsistencies in the planning of the Programme or its projects, other project(s) that might affect it or that it might affect, or public discontent. It is the full and sole responsibility of the National Focal Point and the Programme Operator to satisfactorily address such issues.

4. Neither the National Focal Point, the Programme Operator, entities involved in the implementation of projects, nor any other party shall have recourse to the FMC for further financial support or assistance to the Programme in whatsoever form over and above what has been provided for in the programme agreement.

5. Neither the European Free Trade Association, its Secretariat, including the FMO, its officials or employees, nor the FMC, its members or alternate members, nor the EFTA States, can be held liable for any damages or injuries of whatever nature sustained by the National Focal Point or the Beneficiary State, the Programme Operator, Project Promoters or any other third person, in connection, be it direct or indirect, with this programme agreement.

6. Nothing in this programme agreement shall be construed as a waiver of diplomatic immunities and privileges awarded to the European Free Trade Association, its assets, officials or employees.

1. This programme agreement shall enter into force on the date of the last signature of the Parties.

2. This programme agreement shall remain in force until five years have elapsed after the date of the acceptance of the final programme report.

Article 5.4
Entry into force and duration

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This programme agreement is drawn up in two originals in the English language.

For the Donors	For the National Focal Point
Signed in Oslo on 04/06/2019	Signed in Athens on 26/06/2019
.....	.....
Niels Engelschiøn Chairman EEA Financial Mechanism Committee	Stathis Giannakidis Deputy Minister of Economy and Development on behalf of the Ministry of Economy and Development

Annex I to the Programme Agreement

Programme Operators and Partners	
Programme Operator:	Centre for Renewable Energy Source and Saving (CRES)
Donor Programme Partner:	-
IPO:	-
Other Programme Partner(s):	-

Programme Objective	Less carbon intensive energy and increased security of supply

PA	Outcome/Output	Expected programme results	Indicator	Disaggregation	Unit of measurement	Source of verification	Frequency of reporting	Baseline values	Baseline year	Target value
PA12	Outcome 1	Improved energy efficiency	Estimated annual CO2-emissions reductions (in tonnes)	N/A	Annual number	Energy audit reports, Energy certificates	Annually (APR)	0	N/A	4,834
			Estimated energy savings (in MWh/year)	N/A	Annual number	Energy audit reports, Energy certificates, energy meters	Annually (APR)	0	N/A	4,096
			Estimated increase in renewable energy production (in MWh/year)	N/A	Annual number	Energy audit reports, Energy certificates	Annually (APR)	0	N/A	1,250
			Number of jobs created[1]	Gender, Age	Cumulative number	Payroll records, employment agreements	Annually (APR)	0	N/A	18
			Estimated monetary savings in EUR/year[2]	N/A	Annual number	Electricity Bills, energy audit reports, energy certificates	Annually (APR)	0	N/A	537,000
			Number of people who declare that they benefited from improved public social infrastructure	N/A	Cumulative number	Survey results	Annually (APR)	0	N/A	67,650

[1] This indicator is calculated through extensive bibliography research and estimations from financial instruments such as the Bank of America, the annual report of International Renewable Energy Agency (IRENA - http://www.irena.org/) Taking into considerations all the findings and by the experience of CRES in RES subjects we concluded to an indicator of 1,48 new jobs for 1 million Euros funded. The number will be increased if the seasonal employment will be added (3 jobs per project or 27 extra jobs).

[2] The indicator saving in Euros/year is estimated from the estimated energy savings multiplied by 130 Euros/MWh from the source RAE (Regulatory Authority for Energy in Greece).

	Output 1.1	Renewable energy capacity installed	Installed capacity for production of renewable energy (in MW)	N/A	Cumulative number	Energy audit reports	Semi-annually (APR and September IFR)	0	N/A	0.95
	Output 1.2	Public entities supported to deploy innovative green technologies, processes, solutions, products and services	Number of public entities supported to apply EE/RE technologies/processes/solutions	N/A	Cumulative number	Public cases which are decided to participate into the programme	Semi-annually (APR and September IFR)	0	N/A	13
			Number of implemented projects with innovative EE/RE technologies/processes/solutions applied[3]	N/A	Cumulative number	Demos/pilots and the corresponding number of the implemented projects which were chosen	Semi-annually (APR and September IFR)	0	N/A	13
	Output 1.3	Systems for monitoring of energy consumption implemented	Number of implemented projects with systems for monitoring of energy consumption	N/A	Cumulative number	Survey results	Semi-annually (APR and September IFR)	0	N/A	13
	Output 1.4	Strengthened expert capacity for energy efficiency and renewable energy	Number of people trained in energy efficiency and renewable energy[4]	Gender	Cumulative number	Project Promoters' records, Attendance sheets	Semi-annually (APR and September IFR)	0	N/A	650
	Output 1.5	Awareness campaigns on energy efficient technologies/solutions and renewable energy conducted	Number of people reached by awareness campaigns	N/A	Cumulative number	Project Promoters' records, Survey results	Semi-annually (APR and September IFR)	0	N/A	65,000
			Number of conferences / workshops held related to results from projects	N/A	Cumulative number	Project Promoters' records, minutes of conferences/workshops	Semi-annually (APR and September IFR)	0	N/A	39

[3] Definition of "applied": An enterprise is using a solutions/technology/product already developed/available in the market and adjust it to the enterprises' own need. These types of projects will often include a R&D component related to adjustment of material, process etc. applicant/enterprise's needs.
[4] Including, e.g. energy management, monitoring, audits.

			Guidance document developed for Energy Efficiency Buildings and Infrastructures	N/A	Binary	Project Promoters' records, document deliverable	Semi-annually (APR and September IFR)	No	N/A	Yes
			Number of awareness raising campaigns carried out	N/A	Cumulative number	Project Promoters' records, Audio/video/print material produced as part of the campaign	Semi-annually (APR and September IFR)	0	N/A	7
PA12	Bilateral Outcome	Enhanced collaboration between beneficiary and donor state entities involved in the programme	Level of trust between cooperating entities in Beneficiary States and Donor States	N/A	Scale 1-7	Survey results	Annually (APR)	TBD	TBD	4.5[5]
			Level of satisfaction with the partnership	N/A	Scale 1-7	Survey results	Annually (APR)	TBD	TBD	4.5[6]
			Share of cooperating organisations that apply the knowledge acquired from bilateral partnership	N/A	Percentage	Survey results	Annually (APR)	N/A	N/A	50[7]
	Bilateral Output 1	Exchange of knowledge between Greece and Donor States	Number of projects involving cooperation with a donor project partner	N/A	Cumulative number	Copies of contracts concluded with Project Promoters, Partnership agreements between Project Promoters and project partners	Semi-annually (APR and September IFR)	0	N/A	13

[5] Target is ≥4.5, and an increase on the baseline value
[6] Target is ≥4.5, and an increase on the baseline value
[7] Target is minimum 50%

Conditions

General

1. The National Focal Point shall ensure that the Programme Operator ensures that any residual or extracted material from project activities is reused, recycled, treated and/or deposited in an environmentally sound manner.

2. The PO is required to ensure visibility of the EEA Grants contributions among other funding sources, including in its relevant annual progress reports to the EU.

3. The PO is required to monitor results of CO2-reductions and the cost efficiency of the interventions in terms of CO2 reduction, as well as the in the programme and report on them in the annual and final programme reports.

4. The PO shall organize at least two broad experience sharing events during the programme implementation period, with the aim of showcasing innovative approaches to renewable energy and energy efficiency implemented in the projects supported.

5. The Programme Operator shall, in the Final Programme Report, report on the impact that the projects supported will have and have had on the dissemination of knowledge about and further investments in energy efficient buildings in Greece.

6. The National Focal Point shall ensure that the Programme Operator ensures that Project Promoters:

* Keep any buildings purchased, constructed, renovated or reconstructed under the project in their ownership for a period of at least 5 years following the completion of the project and continue to use such buildings for the benefit of the overall objectives of the project for the same period;

* Keep any buildings purchased, constructed, renovated or reconstructed under the project properly insured against losses such as fire, theft and other normally insurable incidents both during project implementation and for at least 5 years following the completion of the project; and

* Set aside appropriate resources for the maintenance of any buildings purchased, constructed, renovated or reconstructed under the project for at least 5 years following the completion of the project. The specific means for implementation of this obligation shall be specified in the project contract.

Pre-eligibility

Not applicable

Pre-payment

Not applicable

Pre-completion

Not applicable

Post-completion

Not applicable

Eligibility of costs - period	**First date**	**Final date**
Eligibility of costs	01/11/2017	30/04/2025
Grant rate and co-financing		
Programme eligible expenditure (€)		€ 15,910,757
Programme grant rate (%)		75.00 %
Maximum amount of Programme grant - EEA Financial Mechanism (€)		€ 11,933,068

Maximum amount of Programme grant - Norwegian Financial Mechanism (€)	-
Maximum amount of Programme grant - Total (€)	€ 11,933,068

PA	Budget Heading	EEA Grants	Total grant	Programme grant rate	Programme co-financing	Programme eligible expenditure	Advance payment
PA12	Programme management	€ 925,000	€ 925,000	75.00 %	€ 308,333	€ 1,233,333	€ 100,000
PA12	Outcome 1 (EEA Grants)	€ 11,008,068	€ 11,008,068	75.00 %	€ 3,669,356	€ 14,677,424	€ 0
Total		**€ 11,933,068**	**€ 11,933,068**	**75.00 %**	**€ 3,977,689**	**€ 15,910,757**	**€ 100,000**

Retention of management costs	
Retention of management costs - Percentage of the management costs	10.00 %
Retention of management costs - Planned Euro value	€ 123,333

Renewable Energy, Energy Efficiency

Operational rules (Annex II)

1. **Programme summary**

This Annex sets out the operational rules for the programme. The programme agreement is based on the MoU, the concept note and comments made by the FMC. Commitments, statements and guarantees, explicit as well as implicit, made in the concept note, are binding for the National Focal Point and the Programme Operator unless otherwise explicitly stipulated in the annexes to this programme agreement.

The Programme Operator is the Centre for Renewable Energy Sources and Saving.

The programme objective, "Less carbon intensive energy and increased security of supply", will be attained through one outcome, "Improved energy efficiency". The outcome shall be supported through one open call for projects on near-zero emissions buildings.

2. Eligibility

2.1 Eligible applicants:

The rules on eligibility of applicants and project partners are set in Article 7.2 of the Regulation. In accordance with Article 7.2.4, the following entities shall be eligible:

Implementation modality	**Eligible Applicants (project promoters)**	**Eligible Partners**
Call for proposals Call #1	Eligible applicants are public entities that act towards the public interest	Partners from Greece: public entities that act towards the public interest. Partners from the Donor States: as per Article 7.2.2 of the Regulation.

2.2 Special rules on eligibility of costs:

The following restriction applies to Chapter 8 of the Regulation which contains the rules on eligibility of expenditures:

With reference to Article 8.5 Indirect costs in projects (overheads), an identification of the indirect costs by the Project Promoter and project partner is limited to a method defied under point 1. c) i.e. a flat rate of up to 15% of direct eligible staff costs without there being a requirement for the Programme Operator to perform a calculation to determine the applicable rate. The above restriction does not apply to project partners from the Donor States.

3. Bilateral relations

3.1 Bilateral relations

The programme shall contribute to strengthening bilateral relations between Greece and the Donor States.

The programme shall as appropriate facilitate donor partnership projects by carrying out, *inter alia*, matchmaking events and activities in conjunction with launching calls for proposals, as well as by encouraging donor partnership projects in call texts.

4. Selection of projects and financial parameters

4.1 Open calls and availability of funds (including number of calls, duration of calls, and estimated size):

Implementation modality	**Indicative timing**	**Total available amount (€)**	**Maximum / Minimum grant applied for (€)**
Call for proposals Call #1	Second half of 2019	12,100,000	1,300,000/500,000

4.2 Selection procedures:

The project evaluation and award of grants shall be in accordance with Article 7.4 of the Regulation.

The Programme Operator shall assess applications received for compliance with the administrative and eligibility criteria, specified in the call. Applicants whose applications are rejected at this stage shall be notified and given a reasonable deadline from the date of notification to appeal that decision; the deadline for appeals shall be specified by the PO in the call.

All applications that pass the administrative and eligibility criteria shall be scored and ranked according to the selection/evaluation criteria specified in the call, by two impartial experts appointed by the PO. At least one of the experts shall be independent of the PO. For the purpose of ranking the projects, the average of the scores given by the experts shall be used. The result of the experts' evaluation shall be a ranking list that forms the basis of the Executive Selection Team's (ESC) discussion.

The ESC shall be composed of five voting members: Two representatives of the PO; one external representative that will be identified by the Ministry of Environment and Energy; one external representative that will be identified by Ministry of Economy and Development; one external representative that will be identified by Union of Regions of Greece. Representatives of the FMC and the NFP shall be invited to participate in the ESC meetings as Observers.

The ESC shall recommend to the PO the projects to be funded and may modify the ranking of the projects given by the experts in duly justified cases. The justification for the modifications shall be detailed in the minutes of the ESC meetings. The Programme Operator (Executive Selection Team) performs the final assessment of the projects in terms of compliance with the competition and state aid rules with the contribution of the Legal Service of the Programme Operator, in coordination with the competent Special State Aid Unit of the Ministry of Economy and Development.

The list of selected projects shall be forwarded to the FMC two weeks after its finalisation. For each selected project, the relevant project grant decision shall be made public by the PO.

4.3 Project grant rate:

Grants to all projects from the programme may be up to 100% of total eligible expenditure of the project. In the case of projects where the Project Promoter is an NGO or a social partner, as defined in Article 1.6 of the Regulation, the project grant rate may be up to 90% of eligible expenditure of the project. The project grant rate shall in all cases be set at a level that complies with the State Aid rules in force and takes into account any and all other forms of public support granted to projects. The remaining costs of the project shall be provided or obtained by the Project Promoter.

5. Additional mechanisms within the Programme

5.1 Pre-defined projects

Not Applicable.

5.2 Financial Instruments
Not Applicable.

6. Programme Management
6.1 Payment flows
No actual payments from the Programme Operator to the Project Promoter will be made. All projects shall be pre-financed from the State budget (based on the financing needs of the project) following a receipt of the request from the Project Promoter. After the approval of the request by the Programme Operator, the Directorate for Public Investments of the Ministry of Economy & Development will submit an order to the Bank of Greece for the financing of the project.

As far as the actual payments to the project contractors are concerned, each invoice, duly submitted for payment by the Project Promoter, will be paid within maximum 30 days from its submission.

With reference to the financial reporting, all the Project Promoters shall be required to submit, for the Programme Operator review and approval, interim and final financial reports. The reporting requirements, including periods and submission deadlines, shall be further detailed in the description of the Programme Operator's management and control systems.

6.2 Verification of payment claims
Verifications to be carried out by the Programme Operator shall cover administrative, financial, technical and physical aspects of the project, as appropriate and be in accordance with the principle of proportionality.

Verifications shall include the following procedures:

- administrative verifications in respect of incurred expenditures reported by Project Promoter to be carried out before approval of each interim and final project report;
- on–the-spot verifications of projects, which may be carried out on a sample basis.

The requirements for proof of expenditures shall be set out in the project contract.

The procedures for administrative and on-the-spot verifications shall be further detailed in the description of the Programme Operator's management and control systems.

6.3 Monitoring and reporting
The Programme Operator shall monitor, record and report on progress towards the programme's outcomes in accordance with the provisions contained in the legal framework. The Programme Operator shall ensure that suitable and sufficient monitoring and reporting arrangements are made with the project promoters in order to enable the Programme Operator and the National Focal Point to meet its obligations to the Donor States. In particular, the final project report from the project promoter shall comprise a final technical report, containing: i) an overview of the results and their exploitation and dissemination; ii) the conclusions on the project; iii) a report covering the wider societal implications of the project.

The Programme Operator shall ensure that estimated CO_2-emissions reductions corresponding to the interventions are collected for each project funded under the calls for proposals.

When reporting on progress achieved in Annual and Final Programme Reports, the Programme Operator shall disaggregate results achieved as appropriate and in accordance with instructions received from the FMO.

6.4 Programme administrative structures

Not Applicable.

7. Communication

The Programme Operator shall comply with Article 3.3 of the Regulation, the Information and Communication Requirements in Annex 3 of the Regulation and the Communication plan for the programme.

8. Miscellaneous

Not Applicable.