

MEMORANDUM OF UNDERSTANDING  
ON THE IMPLEMENTATION OF THE EEA FINANCIAL MECHANISM  
2009-2014

between

THE REPUBLIC OF PORTUGAL,  
hereinafter referred to as the “Beneficiary State”

and

ICELAND,  
THE PRINCIPALITY OF LIECHTENSTEIN,  
THE KINGDOM OF NORWAY,  
hereinafter referred to as the “Donor States”

together hereinafter referred to as the “Parties”,

EEA Financial Mechanism 2009-2014  
Memorandum of Understanding - Republic of Portugal

WHEREAS Protocol 38b 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 2009-2014, establishes a financial mechanism (hereinafter referred to as the “EEA Financial Mechanism 2009-2014”) 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 2009-2014 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. 5/2010/SC of 9 December 2010 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 2009-2014;

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 2009-2014;

HAVE AGREED on the following:

**Article 1**  
**Objectives**

1. The overall objectives of the EEA Financial Mechanism 2009-2014 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) Environmental protection and management;
- (b) Climate change and renewable energy;
- (c) Civil society;
- (d) Human and social development; and
- (e) Protecting cultural heritage.

Academic research may be eligible for funding in so far it is targeted at one or more of the priority sectors.

**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 2009-2014:

- (a) Protocol 38b to the EEA Agreement on the EEA Financial Mechanism 2009-2014;
- (b) the Regulation on the implementation of the EEA Financial Mechanism 2009-2014 (hereinafter referred to as the "Regulation") issued by the Donor States in accordance with Article 8.8 of Protocol 38b;
- (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 of Protocol 38b, the total amount of the financial contribution is € 988.5 million in annual tranches of € 197.7 million over the period running from 1 May 2009 to 30 April 2014, inclusive.
2. In accordance with Article 5 of Protocol 38b, a total of € 57,950,000 shall be made available to the Beneficiary State over the period referred to in Paragraph 1.
3. In accordance with Article 8.7 of Protocol 38b and Article 1.8 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 € 53,603,750.

**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 38b and the programme areas identified in Annex B of this Memorandum of Understanding. The Donor States and the Beneficiary State may consult on possible and specific programmes before a formal programme proposal is submitted to the Financial Mechanism Committee.
2. The Beneficiary State shall assure the full co-financing of programmes that benefit from support from the EEA Financial Mechanism 2009-2014 in accordance with Annex B and the programme agreements.
3. The Financial Mechanism Committee shall manage the EEA Financial Mechanism 2009-2014 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 2009-2014 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 2009-2014 as well as for the implementation of the EEA Financial Mechanism 2009-2014 in the Beneficiary State in accordance with the Regulation. In accordance with Article 4.2 of the Regulation, the National Focal Point, the Certifying Authority, the Audit Authority, and an appropriate national entity responsible for the preparation and submission of irregularities reports are designated in Annex A.

**Article 6**  
**Multi-annual Programming Framework**

1. In accordance with Article 2.1 of the Regulation, the Parties have agreed on an implementation framework consisting of the following financial and substantive parameters:

- (a) a list of agreed programme areas, the financial contribution from the EEA Financial Mechanism 2009-2014 by programme area;
- (b) identification of programmes, their main focus and outcomes, as appropriate, as well as any specific concerns relating to target groups, geographical areas or other issues;
- (c) identification of programme operators, if appropriate;
- (d) initiatives to strengthening the bilateral relations between the Donor States and the Beneficiary State, including the identification of programme areas in which donor partnership programmes as referred to in Article 3.2 shall be prepared, the designation of donor programme partners, the allocation of funds for such programmes, and programmes, or component thereof, that are dedicated exclusively to donor partnership projects;
- (e) in specific cases, the identification of pre-defined projects to be included in relevant programmes;
- (f) identification of small grant schemes, as appropriate.

2. The implementation framework is outlined in Annex B.

**Article 7**  
**Annual meetings**

In accordance with Article 2.3 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.

**Article 8**  
**Modification of the annexes**

1. Annex A may be subject to review at the annual meetings. Amendments to Annex A agreed upon at the annual meetings do not require a formal change to this Memorandum of Understanding. Such amendments shall be confirmed through an exchange of letters between the FMC and the National Focal Point.

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

**Article 9**  
**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 10**  
**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 2009-2014 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, sustainable development, gender equality and equal opportunities in all implementation phases of the EEA Financial Mechanism 2009-2014.
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 2009-2014.

**Article 11**  
**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 Lisboa on 28<sup>th</sup> March 2012  
For the Republic of Portugal



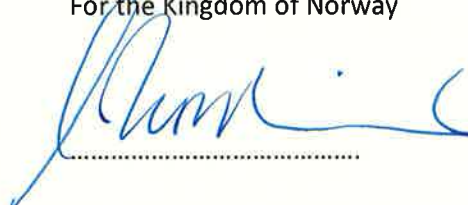
Signed in Lisbon on 28<sup>th</sup> March, 2012  
For Iceland



Signed in Bussels on 29<sup>th</sup> March 2012  
For the Principality of Liechtenstein



Signed in Lisboa on 28.03.12  
For the Kingdom of Norway



## **National management and control structures**

### **1. National Focal Point**

The National Management Unit (*Unidade Nacional de Gestão, UNG*), reporting to the General Secretary of the Ministry for Agriculture, Sea, Environment and Spatial Planning, shall act as the National Focal Point.

By appointment of the Minister, a Coordinator is responsible for the management of the National Focal Point. The Coordinator shall act as the head of the National Focal Point.

The roles and responsibilities of the National Focal Point are stipulated in the Regulation, in particular Article 4.3 thereof.

### **2. Certifying Authority**

The Financial Institute for Regional Development (*Instituto Financeiro para o Desenvolvimento Regional, IFDR*) shall act as the Certifying Authority.

IFDR is an entity belonging to the Ministry of Economy and Employment that covers the financial coordination of all European funds.

The President of IFDR shall act as the head of the Certifying Authority.

The roles and responsibilities of the Certifying Authority are stipulated in the Regulation, in particular Article 4.5 thereof.

### **3. Audit Authority**

The General Finance Audit Body (*Inspecção Geral de Finanças, IGF*) shall act as the Audit Authority. IGF is an entity belonging to the Ministry of Finance that covers the strategic state finance administration and the specialised technical support for the public administration.

The Director General of IGF shall act as the head of the Audit Authority.

The roles and responsibilities of the Audit Authority are stipulated in the Regulation, in particular Article 4.6 thereof. The Audit Authority shall be functionally independent of the National Focal Point and the Certifying Authority.

### **4. National public entity responsible for the preparation and submission of irregularities reports.**

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

The roles and responsibilities of the National Focal Point in relation to the preparation and submission of irregularities reports are stipulated in the Regulation, in particular Article 11.3 thereof.

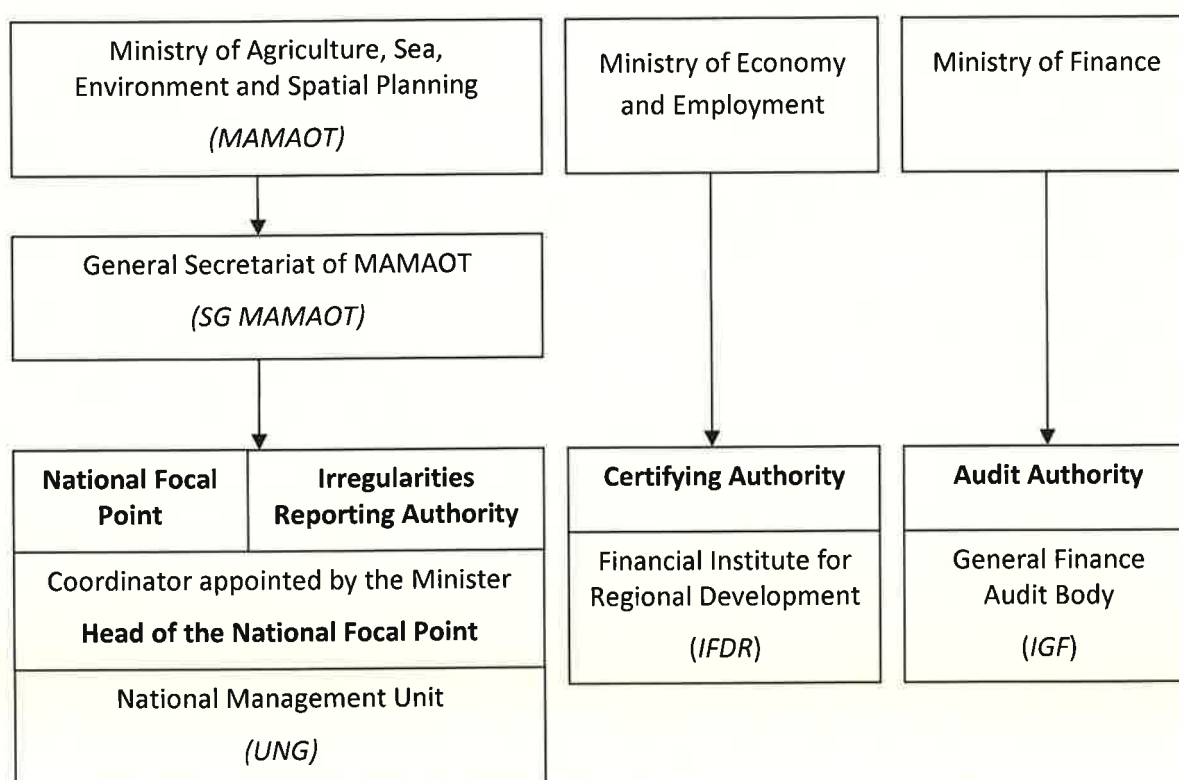
## 5. Monitoring Committee

The Monitoring Committee shall be established within six months of the signing of the Memorandum of Understanding. Its role is stipulated in the Regulation, in particular Article 4.4 thereof.

## 6. Strategic Report and annual meetings

In accordance with Article 2.2 of the Regulation, the National Focal Point shall annually submit to the Financial Mechanism Committee a Strategic Report on the implementation of the EEA Financial Mechanism 2009-2014 in the Beneficiary State. The Parties shall endeavour to hold the annual meeting in the month of December every year.

## 7. Organigram





## ANNEX B

### 1. Financial parameters of the implementation framework

<b>Portugal</b>	<b>EEA FM contribution</b>
<b>Programme area</b>	
Integrated Marine and Inland Water Management	€ 19,247,250
Renewable Energy	€ 4,000,000
Adaptation to Climate Change	€ 3,000,000
Funds for Non-governmental Organisations	€ 5,800,000
Public health initiatives	€ 10,000,000
Mainstreaming Gender Equality and Promoting Work-Life Balance	€ 2,500,000
Conservation and Revitalisation of Cultural and Natural Heritage	€ 4,000,000
Promotion of Diversity in Culture and Arts within European Cultural Heritage	€ 1,000,000
<b>Other allocations</b>	
Technical assistance to the Beneficiary State (Art. 1.9)	€ 869,250
Reserve for unforeseen developments (Art. 1.10.1)	€ 2,897,500
Fund for bilateral relations at national level (Art. 3.5.1)	€ 289,750
<b>Net allocation to Portugal</b>	<b>€ 53,603,750</b>

### 2. Specific concerns

Bilateral relations between the Donor States and Portugal shall be strengthened with the aim of stimulating long-term cooperation, in particular in the programme areas listed below with donor programme partners, as well as through other means such as partnership at project level in all programme areas supported.

The appraisal of Programme Proposals will take due account of relevant human rights- and governance-related standards of the Council of Europe (such as those monitored by CPT, GRECO, GRETA, ECRI etc.), including the Convention for the Protection of Human Rights and Fundamental Freedoms.

### 3. Substantive parameters of the implementation framework

The programmes described below are to be prepared and, subject to FMC approval, implemented in the Beneficiary State.

**A. Programme Area: Integrated Marine and Inland Water Management**

<i>Programme:</i>	Integrated Marine and Coastal Management
<i>Objective:</i>	Good environmental status in European marine and coastal areas
<i>Expected outcomes:</i>	More integrated management of marine resources Improved monitoring of marine waters Increased capacity for assessing and predicting environmental status in marine waters Increased awareness of and education in integrated marine management
<i>Programme grant:</i>	€ 19,247,250
<i>Programme Operator:</i>	Ministry of Agriculture, Sea, Environment, and Spatial Planning (MAMAOT) / Directorate-General for Maritime Policy (DGPM)
<i>Specific concern:</i>	The focus of the programme shall focus exclusively on marine and coastal areas.
<i>Pre-defined projects:</i>	<b>1)</b> Acquisition and fitting of a DP Vessel equipped with marine surveying equipment. <i>Project Promoter:</i> Programme Operator <i>Project Grant:</i> The size of the project grant will be agreed between the parties in the programming stage. <b>2)</b> Preparation of integrated geographic information for marine and coastal water management. <i>Project Promoter:</i> MAMAOT / Directorate-General for Natural Resources, Maritime Safety and Services (DGRM) <i>Project Partners:</i> EMEPC, The Norwegian Mapping Authority (Statens Kartverk) and the National Land Survey of Iceland (Landmaelingar Islands). <i>Project Grant:</i> up to € 2,000,000

**B. Programme Area: Renewable Energy**

<i>Programme:</i>	Renewable Energy
<i>Objective:</i>	Increased share of renewable energy in energy use
<i>Expected outcomes:</i>	Increased renewable energy production Improved capacity at national, regional and local level on renewable energy solutions
<i>Programme grant:</i>	€ 4,000,000
<i>Programme Operator:</i>	Electricity of Azores (EDA)
<i>Donor programme partner:</i>	The Icelandic National Energy Authority (OS)

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*Specific concern:* The programme shall focus on geothermal energy in the Azores islands.

**C. Programme Area: Adaptation to Climate Change**

*Programme:* Adaptation to Climate Change  
*Objective:* Reduced human and ecosystem vulnerability to climate change  
*Expected outcomes:* Increased capacity to assess vulnerability to climate change  
Increased awareness of and education in climate change adaptation  
*Programme grant:* € 3,000,000  
*Programme Operator:* Ministry of Agriculture, Sea, Environment and Spatial Planning (MAMAOT) / Portuguese Environment Agency (APA)  
*Donor programme partner:* The Directorate for Civil Protection and Emergency Planning (DSB)  
*Specific concerns:* The programme shall focus on Adaptation to Climate Change - Capacity Building and Increased Awareness.  
The programme could include a small grant scheme for small projects on adaptation.

**D. Programme Area: Funds for Non-governmental Organisations**

*Programme:* Fund for Non-governmental Organisations  
*Objective:* Strengthened civil society development and enhanced contribution to social justice, democracy and sustainable development  
*Programme grant:* € 5,800,000  
*Programme Operator:* The Financial Mechanism Office is entrusted with operating the programme in line with article 5.13 of the Regulation.  
*Main focus:* At least one third of the total eligible expenditure of the programme shall be dedicated to core areas of support.  
A minimum of 10% of the total eligible expenditure of the programme shall address children and youth at risk.

**E. Programme Area: Public Health Initiatives**

*Programme:* Public Health Initiatives  
*Objective:* Improved public health and reduced health inequalities  
*Programme grant:* € 10,000,000  
*Programme Operator:* Ministry of Health (MS) / Central Administration of Health (ACSS)

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<i>Donor programme partner:</i>	Norwegian Institute of Public Health (FHI)
<i>Main focus:</i>	The programme shall focus on public health issues within the National Health Plan with special emphasis on inequalities in health, equal access to healthcare, improvement of health systems and development of healthy policies.
<i>Specific concern:</i>	The programme shall include a local and regional focus and community action research.
<i>Possible pre-defined project(s):</i>	Possible pre-defined projects will be within the areas specified under main focus and may include improving national health system information, monitoring and evaluation as a basis for improved governmental management with a focus on inequalities and development of health policies to promote health and prevent diseases with special emphasis on mental health, child health, nutrition and communicable disease.

**F. Programme Area: Mainstreaming Gender Equality and Promoting Work-Life Balance**

<i>Programme:</i>	Mainstreaming Gender Equality and Promoting Work-Life Balance
<i>Objective:</i>	Gender equality and work-life balance promoted
<i>Programme grant:</i>	€ 2,500,000
<i>Programme Operator:</i>	Secretariat of State for Parliament Affairs and Equality (SEAPI) / Commission for Citizenship and Gender Equality (CIG)
<i>Possible pre-defined project:</i>	Possible pre-defined project with the Norwegian Association of Local and Regional Authorities (KS).
<i>Main focus:</i>	The programme shall be developed in line with the Programme Area policy document.

**G. Programme Area: Conservation and Revitalisation of Cultural and Natural Heritage**

<i>Programme:</i>	Conservation and Revitalisation of Cultural and Natural Heritage
<i>Objective:</i>	Cultural and natural heritage for future generations safe-guarded and conserved and made publicly accessible
<i>Project grant:</i>	€ 4,000,000
<i>Programme Operator:</i>	State Secretariat for Culture (SEC)
<i>Pre-defined project:</i>	The Programme Operator shall identify a pre-defined project of European cultural heritage value. The pre-defined project shall be jointly approved by the FMC and the National Focal Point.

**H. Programme Area: Promotion of Diversity in Culture and Arts within European Cultural Heritage**

<i>Programme:</i>	Cultural Diversity and Cultural Exchange
<i>Objective:</i>	Cultural dialogue increased and European identity fostered through understanding of cultural diversity
<i>Project grant:</i>	€ 1,000,000
<i>Programme Operator:</i>	State Secretariat for Culture (SEC)
<i>Donor programme partner:</i>	The Arts Council Norway
<i>Main focus:</i>	The multicultural diversity of contemporary art and culture presented, and cultural exchange of living art promoted.