

EEA Financial Mechanism 2014-2021

PROGRAMME AGREEMENT

between

The Financial Mechanism Committee
established by Iceland, Liechtenstein and Norway

and

The Central Coordination Unit Directorate, Council of Ministers,
hereinafter referred to as the “National Focal Point”,
representing the Republic of Bulgaria,
hereinafter referred to as the “Beneficiary State”

together hereinafter referred to as the “Parties”

for the financing of the Programme “Local Development, Poverty Reduction and Enhanced Inclusion
of Vulnerable Groups”

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 of 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.

3. 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.

4. 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.

Article 5.4

Entry into force and duration

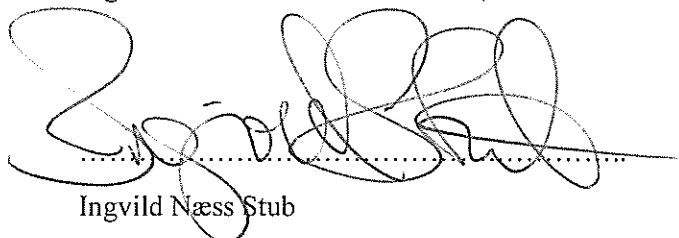
1. This programme agreement shall enter into force on the date of the last signature of the Parties.

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

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

For the FMC

Signed in SOFIA on 23/05/2018

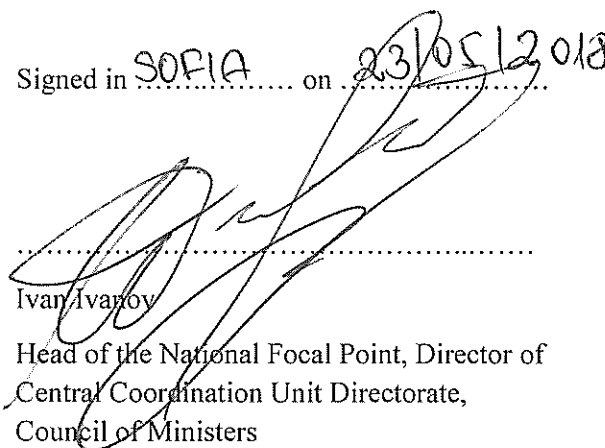


Ingvild Næss Stub

State Secretary, Office of the Prime Minister

For the National Focal Point

Signed in SOFIA on 23/05/2018



Ivan Ivanov

Head of the National Focal Point, Director of
Central Coordination Unit Directorate,
Council of Ministers

Annex I

Programme Operator and Partners	
Programme Operator:	Ministry of Education and Science
Donor Programme Partner:	Norwegian Association of Local and Regional Authorities (KS)
IPO:	Council of Europe (CoE)
Other Programme Partners(s):	N/A

Programme Objective	Strengthened social and economic cohesion
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PA	Number	Expected programme results	Indicator	Unit of measurement	Source of verification	Frequency of report	Baseline value	Baseline year	Target value
PA10	Outcome 1	<i>Increased social and economic development in disadvantaged municipalities</i>	Number of elderly individuals benefitting from telecare or tele-assistance services (disaggregated by gender, Roma)	Number	Beneficiary register	Semi-annually ¹	0	N/A	500
			Number of families benefitting from the services provided by the children's oncohaemathological rehabilitation centres	Number	Rehabilitation centre records	Semi-annually	0	N/A	50
			Number of jobs created in disadvantaged municipalities (disaggregated by gender, age)	Number	Register of National Revenue Agency	Annually (APR)	0	N/A	80
			Annual number of economic initiatives implemented in disadvantaged municipalities	Annual number	Local trade registers	2020 and then annually (APR)	TBD	2019	(+20%)

¹ In APR and September IFR.

PA	Number	Expected programme results	Indicator	Unit of measurement	Source of verification	Frequency of report	Baseline value	Baseline year	Target value
			Number of youth-led initiatives in targeted communities	Number	Project Promoters' records	Semi-annually	50	2016	150
			Share of elderly beneficiaries of telecare or tele-assistance services satisfied with the services provided	Percentage	Survey results	Annually (APR)	N/A	N/A	85
			Share of families (benefiting from the services provided by the children's oncohaemathological rehabilitation centre) satisfied with the services provided	Percentage	Survey results	Annually (APR)	N/A	N/A	80
	Output 1.1	<i>Study of successful economic local development practices carried out</i>	Study of successful economic local development practices completed	Binary	Copy of study report	Semi-annually	No	N/A	Yes
	Output 1.2	<i>Strategies for effective local development drafted</i>	Number of strategies for effective local economic development drafted	Number	Copies of strategies	Semi-annually	0	N/A	10
	Output 1.3	<i>Projects based on strategies for effective local development piloted</i>	Number of projects based on local strategies for effective local development piloted	Number	Project Promoters' records	Semi-annually	0	N/A	20
	Output 1.4	<i>Home care centres for the elderly supported</i>	Number of nurses, home helpers and tele-assistance staff employed	Number	Payroll records	Semi-annually	0	N/A	45
			Number of supported home care centres for the elderly	Number	Project Promoters' records	Semi-annually	0	N/A	7

PA	Number	Expected programme results	Indicator	Unit of measurement	Source of verification	Frequency of report	Baseline value	Baseline year	Target value
	Output 1.5	<i>Rehabilitation centre for children with oncohaemathological diseases established</i>	Number of staff employed at the rehabilitation centre for children with oncohaemathological diseases	Number	Payroll records	Semi-annually	0	N/A	10
			Methodology developed to provide rehabilitation services to children with oncohaemathological diseases	Binary	Copy of methodology guide	Semi-annually	No	N/A	Yes
	Output 1.6	<i>Pre-feasibility study of the investment in the National Paediatric Hospital completed</i>	Pre-feasibility study of the investment in the National Paediatric Hospital completed	Binary	Copy of the pre-feasibility study	Semi-annually	No	N/A	Yes
	Output 1.7	<i>Social inclusion outreach provided to vulnerable communities</i>	Number of people (non-youth) reached by project activities	Number	Attendance sheets; Project Promoters' records	Semi-annually	0	N/A	1500
			Number of youth centres supported	Number	Project Promoters' records	Semi-annually	0	N/A	4
			Number of youth reached by project activities	Number	Attendance sheets; Project Promoters' records	Semi-annually	0	N/A	5000
PA08	Outcome 2	<i>Enhanced social inclusion of children and youth</i>	Number of children directly benefitting from early education and care activities provided by the hubs	Number	Attendance sheets; Project Promoters' records	Semi-annually	0	N/A	400
			Number of youth benefitting from youth work services (disaggregated by gender)	Number	Attendance sheets;/ Project	Semi-annually	0	N/A	4000

PA	Number	Expected programme results	Indicator	Unit of measurement	Source of verification	Frequency of report	Baseline value	Baseline year	Target value
					Promoters records				
			Level of perceived utility by the users of youth centres	Scale 1-5	Survey results ²	Annually (APR)	N/A	N/A	3.5
			Level of understanding of the Competences for Democratic Culture (CDC) framework and inclusive education by policy makers and education professionals	Scale 1-5	Survey results ³	Annually (APR)	N/A	N/A	3.5
			Number of youth centres awarded the national quality label	Number	Project Promoters' records	Annually (APR)	0	N/A	3
			Number of jobs created (disaggregated by gender, age)	Number	Payroll records	Semi-annually (APR)	0	N/A	100
	Output 2.1	<i>National quality label for youth centres developed</i>	National quality label for youth centres developed	Binary	Copy of formal approval by the Ministry of Youth and Sports	Semi-annually	No	N/A	Yes
	Output 2.2	<i>Youth leaders and youth workers in disadvantaged neighbourhoods trained on</i>	Number of youth leaders and youth workers in disadvantaged neighbourhoods trained on discrimination, violence, and exclusion (disaggregated by gender, Roma)	Number	List of training participants	Semi-annually	0	N/A	120

² Survey to be developed in 2018.

³ Survey to be developed in 2018.

PA	Number	Expected programme results	Indicator	Unit of measurement	Source of verification	Frequency of report	Baseline value	Baseline year	Target value
		<i>discrimination, violence, and exclusion</i>	Number of Council of Europe (CoE) youth materials translated and published	Number	Copies of the materials	Semi-annually	0	N/A	3
	Output 2.3	<i>Competency-based framework for training youth workers developed</i>	Competency-based framework for training youth workers developed	Binary	Copy of the framework	Semi-annually	No	N/A	Yes
	Output 2.4	<i>Competencies on democratic culture (CDC) promoted among public authorities, decision makers, and education professionals</i>	Number of individuals from public authorities, decision makers, and education professionals reached	Number	Project Promoters' records	Semi-annually	0	N/A	100
			Number of relevant Competences for Democratic Culture (CDC) Council of Europe (CoE) materials translated into Bulgarian and published	Number	Copies of the materials	Semi-annually	0	N/A	5
	Output 2.5	<i>A training programme for teacher-trainers on Competences for Democratic Culture (CDC) and Council of Europe (CoE) education tools delivered to a core pool of teacher trainers</i>	Number of teacher-trainers trained on Competences for Democratic Culture (CDC) and Council of Europe (CoE) education tools (disaggregated by gender, Roma)	Number	List of training participants	Semi-annually	0	N/A	50
	Output 2.6	<i>Roma education mediators trained</i>	Number of Roma education mediators trained (disaggregated by gender, Roma)	Number	List of training participants	Semi-annually	0	N/A	60
	Output 2.7	<i>Hubs implementing educational and social measures for vulnerable children age 3-6 established</i>	Number of kindergarten teachers and school administrations trained on Competences for Democratic Culture (CDC), quality education, and Roma history and culture	Number	List of training participants	Semi-annually	0	N/A	150

PA	Number	Expected programme results	Indicator	Unit of measurement	Source of verification	Frequency of report	Baseline value	Baseline year	Target value
			Number of hubs implementing educational and social measures for vulnerable children age 3-6 established	Number	Project Promoters' records	Semi-annually	0	N/A	40
	Output 2.8	<i>Youth work services provided in the established youth centres</i>	Number of staff employed at the established youth centres	Number	Payroll records	Semi-annually	0	N/A	40
			Number of staff of the youth centres trained/mentored to work in line with the requirements of the National quality label (disaggregated by gender, Roma)	Number	List of training participants	Semi-annually	0	N/A	40
			Number of youth centres established	Number	Project Promoters' records	Semi-annually	0	N/A	3
PA07	Outcome 3	<i>Enhanced inclusion and empowerment of Roma</i>	Number of Roma that have received integrated social inclusion services (disaggregated by gender, Roma)	Number	List of beneficiaries	Semi-annually	0	N/A	800
			Level of acceptance by majority population (in project intervention areas) of Roma	Scale 1-10	Survey results	Annually (APR)	TBD	2019	(+40%)
			Number of jobs created (disaggregated by gender, age)	Number	Payroll records	Semi-annually	0	N/A	50
	Output 3.1	<i>Integrated measures for social inclusion provided to Roma communities</i>	Number of counties where social inclusion services are provided to Roma	Number	Project Promoters' records	Semi-annually	0	N/A	8
	Output 3.2	<i>Comprehensive data on vulnerable groups</i>	Data collection on vulnerable groups is completed	Binary	Copy of collected data	Semi-annually	No	N/A	Yes

PA	Number	Expected programme results	Indicator	Unit of measurement	Source of verification	Frequency of report	Baseline value	Baseline year	Target value
		<i>collected and analysed</i>	Report with recommendations on the use of collected data is published	Binary	Copy of the report	Semi-annually	No	N/A	Yes
	Output 3.3	<i>Awareness raising campaigns targeting Roma conducted</i>	Number of awareness raising campaigns targeting Roma	Number	Project Promoters' records	Semi-annually	0	N/A	16
			Number of Roma reached by awareness raising campaigns	Number	Attendance sheets/PO Monitoring reports	Semi-annually	0	N/A	800
	Output 3.4	<i>Awareness raising campaigns targeting majority population conducted</i>	Number of awareness raising campaigns targeting majority population	Number	Attendance sheets/PO Monitoring reports	Semi-annually	0	N/A	16
			Number of people reached by awareness raising campaigns targeting majority population	Number	Project Promoters' records	Semi-annually	0	N/A	1600
Bilateral	Bilateral outcome	<i>Enhanced collaboration between Beneficiary and Donor State entities involved in the programme</i>	Level of satisfaction with the partnership	Scale 1-7	Survey results	Annually (APR)	TBD	2018	≥4.5 and an increase on the baseline
			Level of trust between cooperating entities in Beneficiary state and Donor states	Scale 1-7	Survey results	Annually (APR)	TBD	2018	≥4.5 and an increase on the baseline
			Share of cooperating organisations that apply the knowledge acquired from bilateral partnership	Percentage	Survey results	Annually (APR)	N/A	N/A	≥50%

PA	Number	Expected programme results	Indicator	Unit of measurement	Source of verification	Frequency of report	Baseline value	Baseline year	Target value
	Bilateral output 1	<i>Exchanges between beneficiary and Donor State entities facilitated</i>	Number of staff from Bulgaria participating in exchanges with Donor States (disaggregated by gender, Donor State)	Number	List of participants	Semi-annually	0	N/A	300
			Number of staff from Donor States participating in exchanges with Bulgarian projects (disaggregated by gender, Donor State)	Number	List of participants	Semi-annually	0	N/A	100
	Bilateral output 2	<i>Study trip to Norway for NAMRB representatives carried out</i>	Number of NAMBR staff that took part in the study trip (disaggregated by gender, Donor State)	Number	List of participants	Semi-annually	0	N/A	10
	Bilateral output 3	<i>Partnerships established between project promoters and entities in Donor States</i>	Number of projects involving cooperation with a donor project partner (disaggregated by Donor State)	Number	Partnership agreements between Project Promoters and project partners	Semi-annually	0	N/A	10

Conditions

General

1. The maximum level of funding available from the total eligible expenditure of the programme for infrastructure (hard measures) shall be 50%.
2. The National Focal Point and the Programme Operator shall seek coordination and synergies with other Roma inclusion relevant measures across the different programmes of the EEA and Norwegian Financial Mechanisms 2014-2021 in Bulgaria.
3. The National Focal Point and the Programme Operator shall ensure joint ownership of the process and results among all relevant national stakeholders.
4. The National Focal Point shall ensure that the Programme Operator ensures the sustainability of the youth centers and of the services provided.
5. For outcome 1 indicator “Annual number of economic initiatives implemented in disadvantaged municipalities”, where the baseline value is “to be determined” (TBD), the Programme Operator shall submit to the FMO for approval the baseline value, together with a description of the data collection method used, no later than three months after the selection of the relevant projects. The updated baseline value shall be agreed upon through a modification of the programme agreement.
6. For outcome 3 indicator “Level of acceptance by majority population (in project intervention areas) of Roma”, where the baseline value is “to be determined” (TBD), the Programme Operator shall submit to the FMO for approval the baseline value, together with a description of the data collection method used, no later than six months after the finalisation of the selection of projects under the call for proposals within this outcome. The updated baseline value shall be agreed upon through a modification of the programme agreement.
7. For pre-defined project no. 5 (numbering under Section 5.1 of Annex II to the Programme Agreement), the National Focal Point shall ensure that the Programme Operator ensures that the appraisal foreseen in Article 6.5.3 of the Regulation is externalised and carried out by a legal entity independent of and unrelated to the Programme Operator.
8. For predefined project no. 5 (numbering under Section 5.1 of Annex II to the Programme Agreement), the Programme Operator’s responsibilities regarding the verification of payment claims described in Article 5.6.1 e) of the Regulation, and the verification of the project outputs described in Article 5.6.1 g) of the Regulation, shall be externalised and be carried out by a legal entity independent of and unrelated to the Programme Operator. The FMC shall approve the entity to be charged with these tasks prior to the first disbursement to the project.
9. The National Focal Point shall ensure that the Programme Operator ensures that project promoters who have, in line with this Agreement, purchased, constructed, renovated or reconstructed any buildings:
 - 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	End date
Eligibility of costs	10/12/2016	31/12/2024

Grant rate and co-financing	
Programme eligible expenditure (€)	€ 41,176,471
Programme grant rate (%)	85 %
Maximum amount of Programme grant - EEA Financial Mechanism (€)	€ 35,000,000
Maximum amount of Programme grant - Norwegian Financial Mechanism (€)	€ 0
Maximum amount of Programme grant - Total (€)	€ 35,000,000

Maximum eligible costs (€) and Advance payment amount (€)								
PA	Budget heading	EEA Grants	Norway Grants	Total grant	Programme grant rate	Programme co-financing	Programme eligible expenditure	Advance payment
PM	Programme management	€ 2,398,051	€ 0	€ 2,398,051	85 %	€ 423,186	€ 2,821,237	€ 400,000
PA10	Increased social and economic development in disadvantaged municipalities	€ 11,326,949	€ 0	€ 11,326,949	85 %	€ 1,998,873	€ 13,325,822	€ 1,890,000
PA08	Enhanced social inclusion of children and youth	€ 13,625,000	€ 0	€ 13,625,000	85 %	€ 2,404,412	€ 16,029,412	€ 800,000
PA07	Enhanced inclusion and empowerment of Roma	€ 7,650,000	€ 0	€ 7,650,000	85 %	€ 1,350,000	€ 9,000,000	€ 200,000
	Total	€ 35,000,000	€ 0	€ 35,000,000	85 %	€ 6,176,471	€ 41,176,471	€ 3,290,000

Retention of management costs	
Retention of management costs - percentage of the management costs	10%
Retention of management costs - planned Euro value	€ 239,805

ANNEX II- Operational rules

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 Ministry of Education and Science. The Norwegian Association of Local and Regional Authorities (KS) is Donor Programme Partner (DPP). The Council of Europe is International Partner Organisation (IPO).

The programme objective, “Strengthened social and economic cohesion”, will be attained through three outcomes:

The programme shall support the outcome “Increased social and economic development in disadvantaged municipalities” (Outcome 1) by way of four pre-defined projects (PDPs): “Grow through Activating Local Potential (GALOP)” (PDP no. 1), “Innovative Community Care Models in Favour of People with Chronic Diseases and Permanent Disabilities” (PDP no. 2), “Recovery Centre for Children with Oncohematological Diseases” (PDP no. 3) and “Pre-feasibility Study for the Development of National Pediatric Hospital in Bulgaria” (PDP no. 4), as well as one small grant scheme (SGS) and one restricted call for proposals. The SGS will enhance local development through supporting innovative approaches strengthening economic activities and generating jobs in targeted areas. The SGS will be complementary to PDP no. 1; projects shall be implemented in the 10 municipalities selected under PDP no. 1. The restricted call for proposals shall be addressed to the four youth centers established under the “Children and Youth at Risk” programme supported under the EEA Financial Mechanism 2009-2014 in Bulgaria. It will aim at expanding the scope of activities and community outreach of these youth centers.

The programme shall support the outcome “Enhanced social inclusion of children and youth” (Outcome 2) by way of pre-defined project “INCLUDE – Building Capacity for Inclusion in Bulgaria” (PDP no. 5), and two calls for proposals (calls no. 1 and 2). Call no. 1 shall aim to support pre-school education and early childcare in remote, rural and/or poor settlements. Call no. 2 shall aim to support the establishment of new youth centers in communities with a large share of youth at risk, notably Roma.

The programme shall support the outcome “Enhanced inclusion and empowerment of Roma” (Outcome 3) by way of pre-defined project “Novel Approaches to Generating Data on Hard-to-reach Populations at Risk of Violation of their Rights” (PDP no. 6) and one call for proposals (call no. 3). Call no. 3 shall aim to support integrated projects on improved access to education, employment, social and health services.

2. Eligibility

2.1 Eligible applicants:

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

	Eligible applicants (Project Promoters)	Eligible partners
Restricted call for proposals Outcome 1 “Increased social and economic development in disadvantaged municipalities”	Municipalities of Stara Zagora, Dobrich, Vratsa, Plovdiv	In accordance with Article 7.2.2 of the Regulation
Call no. 1 Outcome 2 “Enhanced social inclusion of children and youth”	Municipalities	In accordance with Article 7.2.2 of the Regulation
Call no. 2 Outcome 2 “Enhanced social inclusion of children and youth”	Municipalities, except for municipalities of Stara Zagora, Plovdiv, Vratsa and Dobrich	In accordance with Article 7.2.2 of the Regulation
Call no. 3 Outcome 3 “Enhanced inclusion and empowerment of Roma”	Municipalities	In accordance with Article 7.2.2 of the Regulation

2.2 Special rules on eligibility of costs:

Costs are eligible in accordance with chapter 8 of the Regulation.

In accordance with Article 8.5.1 e) of the Regulation, project promoters or project partners that are international organisations or bodies or agencies thereof, may identify their indirect costs in accordance with the relevant rules established by such organisations.

3. Bilateral relations

3.1 Bilateral relations

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

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

The further use of the funds for bilateral relations allocated to the programme shall be agreed in the Cooperation Committee.

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):

	Indicative timing	Total available amount	Maximum/Minimum grant applied for
Small grant scheme Outcome 1 “Increased social and economic development in disadvantaged municipalities”	Second semester 2020	€ 4,000,000	€ 200,000/ € 5,000
Restricted call for proposals Outcome 1 “Increased social and economic development in disadvantaged municipalities”	Second semester 2018	€ 4,000,000	€ 1,500,000/ € 500,000
Call no. 1 Outcome 2 “Enhanced social inclusion of children and youth”	Second semester 2018	€ 6,029,412	€ 500,000/ € 200,000
Call no. 2 Outcome 2 “Enhanced social inclusion of children and youth”	Second semester 2019	€ 8,000,000	€ 2,000,000/ € 1,500,000
Call no. 3 Outcome 3 “Enhanced inclusion and empowerment of Roma”	Second semester 2020	€ 8,000,000	€ 1,200,000/ € 700,000

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 be responsible for project evaluation and for the award of grants.

The Programme Operator shall appoint a person who is going to lead and coordinate the selection process.

Experts nominated by the Programme Operator shall review the applications for compliance with administrative and eligibility criteria. Applicants whose applications are rejected at this stage shall be informed and given a reasonable time to appeal that decision.

Each application that meets the administrative and eligibility criteria shall be reviewed by two impartial experts appointed by the Programme Operator, at least one of which shall be independent of the Programme Operator and the Selection Committee. The experts shall separately score the project according to the selection criteria published with the call for proposals. For the purposes of ranking the projects, the average of the scores awarded by the experts shall be used. If the difference between the scores given by the two experts is more than 20% of the higher score, a third expert, who shall be

impartial and independent of the Programme Operator and the Selection Committee, shall be commissioned by the Programme Operator to score the project independently. In such cases, the average score of the two closest scores shall be used for the ranking of the projects.

The Programme Operator shall establish a Selection Committee. The Selection Committee shall consist of a Chairman and a secretary – representatives of the Programme Operator – without voting rights, and at least five voting members, including representatives of the Programme Operator, the DPP and the IPO. At least one of the voting members shall be external to the Programme Operator and its Partners. There should be an equal number of representatives of the Programme Operator on one side and of the DPP and the IPO on the other. The FMC and the National Focal Point shall be invited to participate in the Selection Committee meetings as observers.

The Programme Operator shall provide the Selection Committee with a list of the ranked projects. The Selection Committee shall review the ranked list of projects. The decision of the Selection Committee shall be taken by consensus of all voting members. The Selection Committee may modify the ranking of the projects in justified cases, in accordance with objective and commonly agreed criteria related to the objectives of the programme. The justification for modifications shall be detailed in the minutes of the meeting of the Selection Committee. The minutes shall be signed by all members of the Selection Committee. The Chairman of the Selection Committee shall submit a report, including the list of the recommended projects, together with a reserve list and the list of rejected project proposals and the reason for their rejection, to the Programme Operator.

The Programme Operator shall verify that the selection process has been conducted in accordance with the Regulation and that the recommendations from the Selection Committee comply with the rules and objectives of the programme. Following such verification, the Programme Operator shall, based on the decision of the Selection Committee, make a decision on which projects shall be supported. The Programme Operator may return the report to the Selection Committee requesting a repetition of the selection process in case of a violation of the procedure that can be remedied or not approve the report when there has been a serious violation of the procedure. The Programme Operator may modify the decision of the Selection Committee in justified cases.

The Programme Operator shall notify the applicants about the results of the selection process within a reasonable time and publicise the results. If the modification of the ranking of the projects by the Selection Committee results in a project's rejection, or if the Programme Operator modifies the decision of the Selection Committee, the Programme Operator shall inform the applicants affected and provide them with a justification for the modification.

The process set out in this Article shall apply to all calls for project proposals, including the SGS, under this programme.

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 total 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. Any 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

There will be six pre-defined projects implemented under the programme:

1) “Grow through Activating Local Potential (GALOP)”

Project Promoter: National Association of Municipalities of the Republic of Bulgaria (NAMRB)

Donor project partner(s): Norwegian Association of Local and Regional Authorities

Other project partner(s): N/A

Programme outcome the project contributes to: “Increased social and economic development in disadvantaged municipalities”

Total maximum eligible project costs: € 1,200,000

Project grant rate: 100%

Maximum project grant amount: € 1,200,000

The project will aim at developing and implementing sustainable models of local development in 10 municipalities in disadvantaged geographical areas.

The pre-defined project will include, *inter alia*, the following activities:

- Study of successful practices from Bulgaria and Norway using the local potential and resources (historical, natural and cultural) to stimulate economic development and employment;
- Identification of underused resources of Bulgarian municipalities and selection of 10 pilot municipalities (or groups of municipalities) on the basis of a survey among local authorities and analysis of their municipal development plans until 2020;
- Design of 10 strategies for effective local development through activating the existing territorial resources in partnership with the local community, NGOs and business stakeholders and preparation of business plans for the implementation of strategies;
- Preparation of sample development models, based on activating local capacities; promotion of the models and support for their transfer to other municipalities;
- Creating Internet portal and investment profile of Bulgarian municipalities.

2) “Innovative Community Care Models in Favour of People with Chronic Diseases and Permanent Disabilities”

Project Promoter: Bulgarian Red Cross (BRC)

Donor project partner(s): Norwegian Association of Local and Regional Authorities (KS)

Other project partner(s): Ministry of Labour and Social Policy, Ministry of Health

Programme outcome the project contributes to: “Increased social and economic development in disadvantaged municipalities”

Total maximum eligible project costs: € 3,333,333

Project grant rate: 90%

Maximum project grant amount: € 3,000,000

The project will aim at establishing an innovative model of distant chronic disease management.

The pre-defined project will include, *inter alia*, the following activities:

- Establishment of 3 new Home Care Centers in the regions of Vidin and Montana;
- Provision of home care services to a total of 750 older people with chronic diseases and disabilities in the regions of Vidin, Vratsa and Montana;
- Establishment of a call center;
- Integration of teleassistance/telecare services in the home care services provision;
- Study visit for Bulgarian officials to Norway to exchange knowledge on provision of teleassistance/telecare services;

- Provision of teleassistance/telecare services to 500 beneficiaries in the regions of Vidin, Vratsa and Montana;
- Training and inclusion of volunteers to support the home care services activities;
- Review of relevant legislation;
- Elaboration of legislation proposals and quality standards for teleassistance/telecare services.

3) “Recovery Centre for Children with Oncohematological Diseases”

Project Promoter: Kostinbrod Municipality

Donor project partner(s): N/A

Other project partner(s): N/A

Programme outcome the project contributes to: “Increased social and economic development in disadvantaged municipalities”

Total maximum eligible project costs: € 625,822

Project grant rate: 100%

Maximum project grant amount: € 625,822

The project will aim at developing a detailed methodology for running the rehabilitation centre and a training programme for the specialists who will work in the center. The center will provide integrated psychological and social care for vulnerable children with cancer and their families.

The pre-defined project will include, *inter alia*, the following activities:

- Developing strategy and methodology for provision of the service, programmes for working with children and their families;
- Training of the staff directly engaged with provision of the service;
- Piloting the service;
- Provision of the service for a period of 21 months;
- Publicity and awareness activities.

4) “Pre-feasibility Study for the Development of National Paediatric Hospital in Bulgaria”

Project Promoter: Ministry of Health

Donor project partner(s): N/A

Other project partner(s): N/A

Programme outcome the project contributes to: “Increased social and economic development in disadvantaged municipalities”

Total maximum eligible project costs: € 500,000

Project grant rate: 100%

Maximum project grant amount: € 500,000

The project will aim at the development of a pre-feasibility study to plan the investment required for a new national university paediatric hospital in Bulgaria. The study will provide socio-economic analysis of the benefits and effects and a detailed budget and implementation plan for the construction of the hospital.

5) “INCLUDE – Building Capacity for Inclusion in Bulgaria”

Project Promoter: Council of Europe

Donor project partner(s): N/A

Other project partner(s): Ministry of Education and Science, Ministry of Youth and Sport

Programme outcome the project contributes to: “Enhanced social inclusion of children and youth”

Total maximum eligible project costs: € 2,000,000

Project grant rate: 100%

Maximum project grant amount: € 2,000,000

The project will aim at creating policy instruments in the area of social inclusion of children and youth at risk, and of Roma in particular, through a series of targeted measures.

The pre-defined project will include, *inter alia*, the following activities:

- Development of a national quality label for youth centres and piloting in four youth centres (international experts, at least two expert group meetings);
- Capacity building of four youth centres, including all staff such as youth centre management, youth workers and Roma mediators (at least 20 youth centre staff trained; European study visits for 30 youth workers);
- Development of a competency-based framework for training of youth workers and piloting within a national training course for trainers in youth work (30 youth workers trained);
- Training youth leaders and youth workers on projects to address discrimination, violence and exclusion in disadvantaged neighbourhoods, and networking with other European counterparts (at least 100 youth workers trained);
- Translation and publication of Council of Europe materials in a youth and user-friendly format with possible adaptation to the Bulgarian context (four publications translated / adapted and published);
- Work with education stakeholders and teacher training organisations to develop tools and instruments for integrating CoE's standards into national education policy and practice (120 participants in expert meetings);
- Train national teacher trainers from selected higher education institutions on civic and intercultural education using Council of Europe instruments and approaches (80 teacher trainers at 4 universities);
- Provide on-going training and capacity building to pre-school teachers and school administrators (150 school administrators and teachers trained);
- Publications presenting relevant CoE instruments and ways in which they can be integrated into the Bulgarian education system (2 publications translated / adapted and published);
- Build national training capacity for Roma education mediators (20 trainers of Roma education mediators trained);
- Training of Roma education mediators in selected communities (60 Roma education mediators trained).

6) “Novel Approaches to Generating Data on Hard-to-reach Populations at Risk of Violation of their Rights”

Project Promoter: National Statistical Institute Bulgaria

Donor project partner(s): N/A

Other project partner(s): EU Agency for Fundamental Rights

Programme outcome the project contributes to: “Enhanced inclusion and empowerment of Roma”

Total maximum eligible project costs: € 1,000,000

Project grant rate: 100%

Maximum project grant amount: € 1,000,000

The project will pilot new approaches to data collection disaggregated by ethnicity, disability, age and other characteristics. The project will establish data sets visualized in a set of “vulnerability maps”.

The pre-defined project will include, *inter alia*, the following activities:

- Investigation of the existing good practices and methods of identifying vulnerable populations;

- Field survey design (questionnaires, sampling, IT tools development, logistics) – elaboration of tools and methodology for application of new approaches in collection of data on vulnerable populations;
- Pilot survey – test of tools elaborated, including cognitive test of questions;
- Training – different target groups will be trained – trainers, interviewers, accompanying persons will be trained to apply the survey tools and methodology in a proper way in order to achieve expected results and quality requirements;
- Data collection – organisation and monitoring of the field work with interviewers and supervisors work;
- Data processing – processing, validation, coding of survey data according to the quality requirements and project purposes;
- Combining/matching data from different sources – application of new approaches in data analysis based on linking data from different sources (population census, NSI regular surveys data, data from administrative registers, and others);
- Analysis of the survey results – production of validated data set, analysis of frequencies and cross tabulations. Analysis of the applicability of the used data collection approaches and methods;
- Preparation of four thematic reports - on the situation of children, of people with disabilities, of old people, and of Roma;
- Preparation of a report on "Overview of core Sustainable Development Goals indicators".

5.2 Financial Instruments

Not applicable

6. Programme Management

6.1 Payment flows

The Programme Operator shall ensure that payments to projects are made in a timely manner. Interim and final payments to the projects shall be based on approved project reports.

Payments of the project grant shall take the form of advance payments, interim payments and a final payment. The level of advance payment to projects shall be set out in the project contract. The maximum level of advance payment shall be linked to the project budget and type of project promoter as follows:

Project Promoter	Advance payment	First interim payment	Second interim payment	Third interim payment	Final payment (reimbursement)
Municipalities, National and regional authorities, PDP2	20%	25%	25%	20%	10%
International organisations	40%	25%	15%	10%	10%
Entities financed under SGS	20%	-	-	-	80%

The first advance instalment shall be paid following the signature of the project contract. Subsequent payments shall be paid after the approval of project interim reports. The final payment will be paid after approval of the final report.

An advance payment of a percentage of the total grant amount shall be paid within 30 days upon submission of a request after signature of the project contract. The interim payments shall be paid within 30 days after the approval of project interim reports.

Upon approval of the final project report a final balance payment, if applicable, shall be made within 30 days.

The approval of project interim and final reports shall take place within 2 months from the submission of the required information.

The periodicity of reporting periods, and deadlines for reporting will be further detailed in the description of the Programme Operator's management and control systems.

In case of euro-denominated contracts with entities from Donor States or with intergovernmental organisations, the Programme Operator shall transfer the amounts in euro.

6.2 Verification of payment claims

Project Promoters shall submit interim and final project reports containing information on project progress and incurred expenditure.

In line with point (i) of Article 5.6.2 of the Regulation incurred expenditure reported shall be subject to administrative verifications before the report is approved. Verifications to be carried out shall cover administrative, financial, technical and physical aspects of projects, as appropriate and be in accordance with the principle of proportionality.

Additionally, in line with point (ii) of Article 5.6.2 of the Regulation on-the-spot verifications of projects, which may be carried out on a sample basis, shall be carried out.

The detailed procedure for verification will 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 Donors.

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

7.1 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