

# EEA and Norway Grants Financial Mechanism 2021-2028

## Legal and Finance training

### Athens, Greece

23 April 2026

# Changes in the Regulation EEA and Norway Grants 2021-2028

**Finance & Legal training for Greece**

22 April 2026

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# Agenda

**09:00 - 09:15 - Registration & Welcome Coffee**

**09:15 - 10:30 - Main changes to the Regulation under FMs 2021-2028 (Legal and Finance parts)**

Set-up of the FM 21-28

Overview of the main changes to the Regulation FM 21-28

Programme development: from MoU to programme agreement

Flexibilities in programme management

Bilateral cooperation

Selection of projects

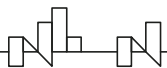
**10:30 - 10:50 - Coffee Break**

**10:50 - 12:50 - Main changes to the Regulation under FMs 2021-2028 (Legal and Finance parts)**

MCS, Eligibility of costs and proof of expenditure, IFRs, Audit and control

Q&A

**12:50 - 14:00 - Lunch Break**

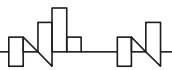


# Agenda

## **14:00 – 16:30 - Training on simplified cost options**

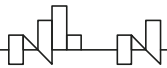
What, how, when, practical work and exchanges, Q&A

*Incl. coffee break*



# Purpose of the training

- FM 21-28 > new legal framework
- Provide an overview of the **main changes** in the FM 21-28 legal framework
- Provide an overview of the **different processes** (e.g. Concept Note development, Programme Agreement preparation, project selection etc.)  
(Particular focus on programme development and start of the programme implementation)
- Discuss the **roles and responsibilities** of the designated national entities for the implementation of the Grants and other stakeholders such as DPPs, IPOs, etc.
- Provide an overview of all the **relevant instruments** (e.g., Guidelines, Guidance documents, Templates)
- Provide the opportunity for **questions and answers**



# Set-up of the FMs 21-28

The EEA and Norway Grants combined contribution to reducing social and economic disparities in Europe is **€3.268 billion** in the 2021 – 2028 funding period.

**EEA Grants €1.805 billion**

**Norway Grants €1.463 billion**



## Thematic priorities

- European **green transition**
- **Democracy**, rule of law and human rights
- Social inclusion and **resilience**

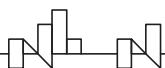


**Reduce**  
*economic and social*  
**disparities**

*Strengthen*  
**bilateral**  
**relations**

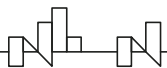
## EEA Grants and Norway Grants 2021-2028

<b>The EEA and Norway Grants 2021-2028</b> .....	6
<b>Programme areas</b>	
Green Transition .....	10
Green Business and Innovation .....	12
Research and Innovation .....	14
Education and Training .....	16
Culture .....	18
Local Development, Good Governance and Inclusion .....	20
Roma Inclusion and Empowerment .....	22
Public Health .....	24
Disaster Prevention and Preparedness .....	26
Domestic and Gender-Based Violence .....	28
Access to Justice .....	30
Correctional Services .....	32
Serious and Organised Crime .....	34
Asylum, Migration and Integration .....	36
Institutional Cooperation and Capacity Building .....	38
<b>Funds</b>	
Fund for Civil Society .....	42
Fund for Capacity Building and Cooperation with International Partner Organisations and Institutions .....	44
Fund for Social Dialogue and Decent Work (Norway Grants) .....	46



# Thematic priorities and Programme areas

- The 3 thematic priorities shall be implemented through **15 programme areas** (Regulation Annex 1)
  - All 15 programme areas contribute to at least one of the thematic priorities.
- Each of the 15 programme areas includes an **objective, areas of support and programme area specifics**.
- The **programme area specifics are binding conditions** for the relevant programmes
- **Digitalisation and gender equality** will be mainstreamed and form part of all relevant programme areas (follows from the Protocol)



# Examples of Programme Area specifics

## PA 2: Green Business and Innovation

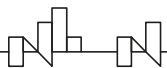
- The programme area shall allocate at least 60% of funding to small and medium-sized enterprises.
- Measures to promote digitalisation and gender equality shall be included in all programmes.
- Projects with bilateral partnerships shall be given priority.
- [...]

## PA 6: Local development, good governance and inclusion

- All programmes shall include cooperation between Donor and Beneficiary States.
- [...]
- The maximum level of funding for investment in infrastructure and equipment (hard measures) shall be set in the Memorandum of Understanding or, exceptionally, in the Programme Agreement
- All programmes shall include capacity building to support good governance at the local level
- A gender perspective shall be integrated into the design and implementation of all programmes

## PA 12: Correctional services

- All programmes shall include cooperation between Donor and Beneficiary States.
- Investment in infrastructure and equipment (hard measures) shall only be supported alongside capacity building, training, or experience sharing (soft measures).
- The maximum level of funding for investment in infrastructure and equipment (hard measures) shall be set in the Memorandum of Understanding or exceptionally, in the Programme Agreement.



# Ukraine – EEA and Norway Grants responsive funding

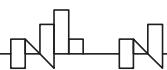
**€183 million allocated** (€100M from EEA Grants, €83M from Norway Grants).

Supports projects addressing **needs in Beneficiary States** affected by the invasion.

Funding distributed across **various programme areas and funds** for targeted impact.

**Greece 21-28:**

- **EEA Grants €7,925,943**



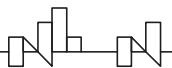
# Greece – state of play



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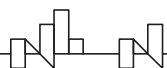
- MoUs have been concluded and signed on 20 March 2026
- Entry into force: 21 March 2026 (the day after the date of its last signature – Art. 13 MoU) 
- 4 programmes in Greece:
  1. Green Transition
  2. Local Development (EEA Grants)
  3. Green and Blue Business Innovation
  4. Justice (NO Grants)



# Greece – state of play

## Programme allocations under the EEA Grants

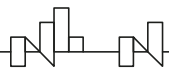
Programme	EEA Grants contribution	National contribution	Total
GR-Green Transition	€ 26,000,000	€ 4,588,235	€ 30,588,235
GR-Business	€ 24,800,000	€ 0	€ 24,800,000
GR-Justice	€ 51,000,000	€ 9,000,000	€ 60,000,000
GR-LocalDev	€ 26,100,000	€ 4,605,882	€ 30,705,882



# Greece – state of play

## UKRAINE RELATED ALLOCATION

- Additional contribution to address challenges experienced as a result of the invasion of Ukraine in the country specific allocation for Croatia (from both EEA and Norway Grants): **€ 7,925,943**.
- Amount earmarked to support activities addressing these challenges. The use of these funds shall be described in the Concept Notes for the Programmes
- **Reporting** on these activities: in the Country Report and Final Programme Report
- For each project/ initiative: it will be possible to mark in Grace whether it concerns Ukraine related activities



# Greece – state of play

## GENDER EQUALITY AND DIGITALIZATION MAINSTREAMING

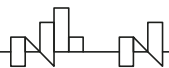
### Protocol :

*Gender equality and digitalisation will be mainstreamed and form part of all relevant programme areas.*

This is also reflected in the Bluebook and in both MoUs for Croatia:

- *Gender equality and digitalisation will be mainstreamed in the programmes. The Concept Notes shall describe how this shall be achieved.*

FMO programme managers can provide further guidance in individual programmes

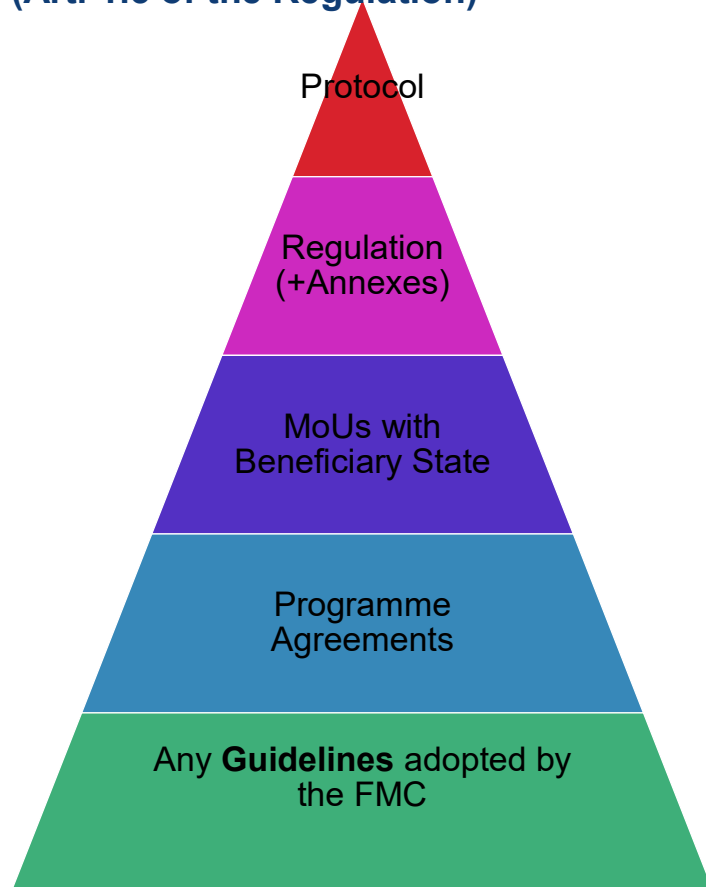


# Overview of the main changes to the Regulation



# Legal Framework

(Art. 1.5 of the Regulation)



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Guidelines

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Guidance documents

(e.g., Financial Guidance, Results Based management Guidance)



# Objectives of the revision of FM 21-28 Regulation



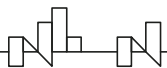
Simplification



Reduction of  
administrative burdens



More time for programme  
implementation



# Simplification / Reduced admin burden



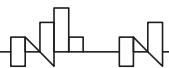
## Financial and reporting

### **Broad implementation of Simplified Cost Options**

- Lump sums / flat rates / unit costs as alternative to reporting actual expenditure
- No proof of expenditure, only proof of activity
- Expected to be very useful, but important to be aware of risks

### **Simplified rules on proof of expenditure**

- No submission of proof of expenditure requirements for entities receiving < € 10,000
- Limits applied to frequency of reporting for entities receiving larger sums
- **Proof of expenditure still required to be kept and can be audited**



# Simplification / Reduced admin burden



## **Simplified financial management for programmes**

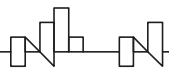
- Forecasts only required twice a year, together with IFRs
- Flexibility to transfer funds within programmes, leading to fewer modifications

## **Technical Assistance to be paid as a fixed amount**

- Reduces reporting complexity at national level

## **Annual programme- and country-level reporting merged**

- National Focal Point will submit 'Country Report' annually,
- Programme reporting will be annexed to the report
- Intended to streamline reporting at national level and avoid double work



# Simplification / Reduced admin burden



## Other

### **Automatic updates of 'lower-tier' agreements after MoU modification**

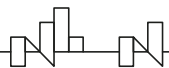
- Programme Agreements, Bilateral Fund-, and Technical Assistance Agreements
- Reduces admin burden on both Beneficiary State- and Donor side entities

### **Irregularities Authority removed as separate entity**

- Replaced by function to be carried out by Certifying Authority (by default)

### **Threshold for reporting of irregularities increased to € 10,000**

- In line with EU Structural Funds threshold
- All serious cases still required to be reported immediately
- Conflict of Interest-cases added to 'immediate reporting' cases

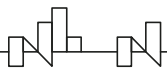


# Simplification / Reduced admin burden



## Reduced communication requirements for projects

- Communication strategy only required from PDPs and projects > € 500,000
- 'Information activity' (e.g. event) only required from PDPs and projects > € 1M
- Promoting 'physical projects' with billboard and plaque required > € 100,000

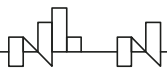


# Simplification / Reduced admin burden



## Removed:

- 1) **Reserve and mid-term review**
- 2) **Small Grants Schemes** removed as a separate modality (simplification)
- 3) **Restrictions on project size** – project size will need be described in the concept note and defined in the programme agreement
- 4) **10% co-financing requirement for NGOs**  
(where co-financing is provided by them, it can take the form of in-kind contribution in the form of voluntary work up to 100%)
- 5) **Financial Instruments**
- 6) **Appraisal for pre-defined projects**
- 7) **Programme Implementation agreement requirement deleted** and replaced by an obligation for the NFP to ensure that the PO is implementing the programme in line with the Programme Agreement



# More time for programme implementation



## **Simplified Concept Note template**

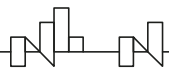
- Clearer headings, word limitations, less information about Results Framework
- CN Template no longer annexed to Regulation to provide flexibility

## **Deadlines applied to programme development**

- 6 months for Concept Note submission, 2 months for Donor review and 4 months for Programme Agreement finalisation

## **Simplified Management and Control System review**

- National MCS description will be reviewed by the Audit Authority instead of FMO
- Removed requirement for National Focal Point to review programme-level MCS



# More time for programme implementation



## **FMO Appraisal of Pre-defined Projects no longer required**

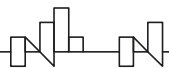
- Has caused delays in the past
- Programme Operator will still have to verify quality and compliance of PDPs

## **Quality at entry-approach to call development**

- FMO to no longer review call texts before publication
- Instead, calls will be developed in consultation with FMC/DPPs/IPOs
- **FMC may provide comments that 'shall be taken into account' by Programme Operators**

## **Exceptions to audit / procurement / PoE rules for international organisations**

- These topics have caused confusion and delays
- International organisations (with Donors as members) can apply own rules



# Enhanced conditions for bilateral relations



## **Bilateral funds split between national and programme levels**

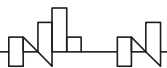
- Split between funds to be determined in each MoU
- Should simplify the management of the funds

## **DPP role clarified and reinforced**

- Clear role in development of Concept note and calls for proposals
- Full voting member in project selection committee unless otherwise specified
- Decisions on Bilateral Fund to be taken in consensus in Cooperation Committee
- Possibility to entrust the use and management of a part of the bilateral funds at programme level to the DPP(s)

## **Mandatory template for partnership agreements (if one of the parties to the agreement is a Donor entity)**

- If one of the parties to the agreement is an entity from the Donor States, the partnership agreement shall be in English and shall be based on a template provided by the FMC
- Ensures access to information for Donor project partners



# Protection of common values

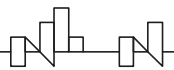


## Values in Concept Notes and Programme Agreements

- Donors to assess compliance with the values when reviewing Concept Notes and approving Programme Agreements

## New obligations for Beneficiary States

- Must only fund applicants that respect the values
- Must ensure that values are respected in all projects and activities
- “due diligence” approach by POs



# **Simplified MoU/PA management Flexibilities for reallocations**



# MoU Flexibilities

## Reallocations not requiring an MoU modification

Article 10 MoU, paragraphs 2 and 3

### A. Between Programmes

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

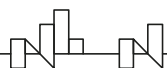
### B. From Programmes to the funds for bilateral relations

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

### Condition:

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

### C. In addition: bilateral funds at programme level may be transferred between programmes without MoU modification (follows from the bilateral set-up).



# MoU flexibilities

## Reallocations not requiring MoU Modification

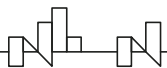
Programme A	Programme A	Funds for bilateral relations in programme A
↓	↓	↓
Programme B	Funds for bilateral relations	Funds for bilateral relations in programme B
<i>Cumulative transfers up to <b>10%</b> of the total eligible expenditure of a programme</i>	<i>Cost savings and amounts not committed to projects <b>(no limit*)</b></i>	<i>As a result of the set-up for bilateral funds</i>
Article 10 MoU, paragraph 2	Article 10 MoU, paragraph 3	
<b>Conditions:</b> <ul style="list-style-type: none"> <li>• FMC PA modification approval</li> <li>• not affect any specific concerns, conditions, objectives or other priorities in MoU</li> <li>• in accordance with the provisions of the legal framework</li> </ul>	<b>Conditions:</b> <ul style="list-style-type: none"> <li>• prior consultation with the Cooperation Committee</li> <li>• not affect the objectives or outcomes of the Programme</li> <li>• not affect any specific concerns, conditions, objectives or other priorities in MoU</li> <li>• in accordance with the provisions of the legal framework</li> </ul>	<b>Conditions:</b> <ul style="list-style-type: none"> <li>• FMC PA modification</li> <li>• Prior consultation with the Cooperation Committee</li> <li>• Provided that the total amount of programme level bilateral funds does not change</li> </ul>

# Programme Agreement flexibilities

Reallocations not requiring PA modification

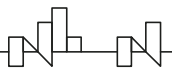
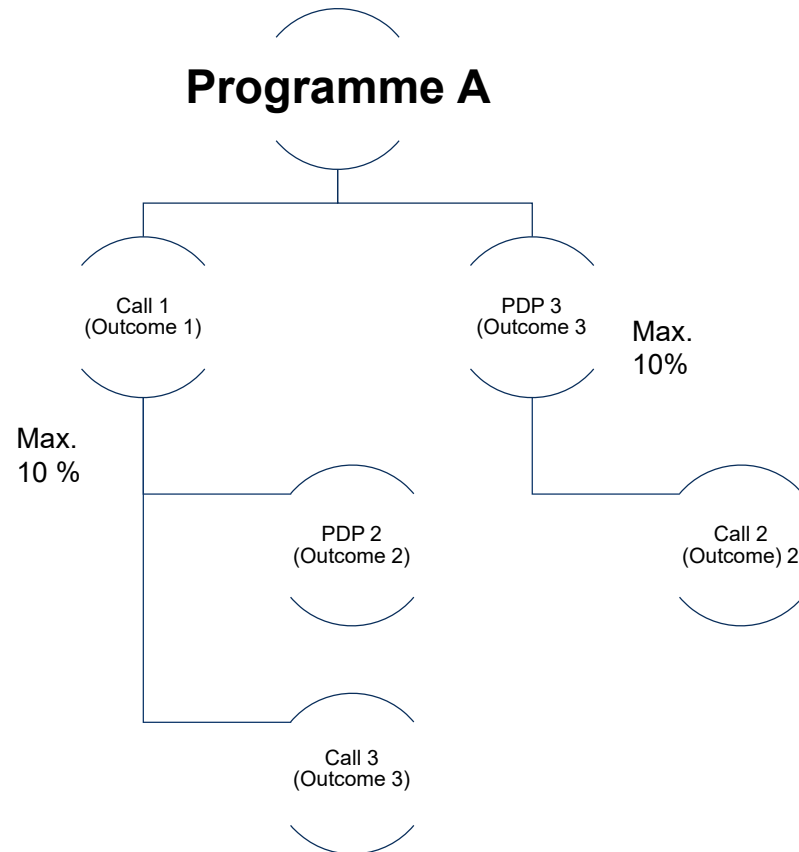
## 1. Flexibility for reallocations **within the programme** (Annex 4 – PA template, Art. 2.8.2)

- to and from calls for proposals and pre-defined projects
- **from the start** of the implementation
- for an amount up to **10%** of the total allocation for each planned call and pre-defined project
- without a PA modification or prior approval by the FMC



# Programme Agreement flexibilities (2)

Reallocations not requiring PA modification



# Programme Agreement flexibilities (2)

## Other changes not requiring PA modification

### 2. Programme Agreement management (Annex 4 – PA template, Art. 2.8.3):

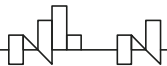
*3. Changes to the Programme which have been agreed in their entirety through a modification of the relevant Memorandum of Understanding do not require a modification of the Programme Agreement. In such cases, the Programme Agreement shall be updated by the FMC.*



Programme Agreements, BF Agreements and TA agreements can be **updated without formal modification** where changes strictly reflect an earlier MoU modification.

### 3. Further flexibility may be stipulated in the programme Agreement

*4. Programme specific exceptions from paragraph 1, if any, are set in the annexes to this Programme Agreement*



# Chapter 4

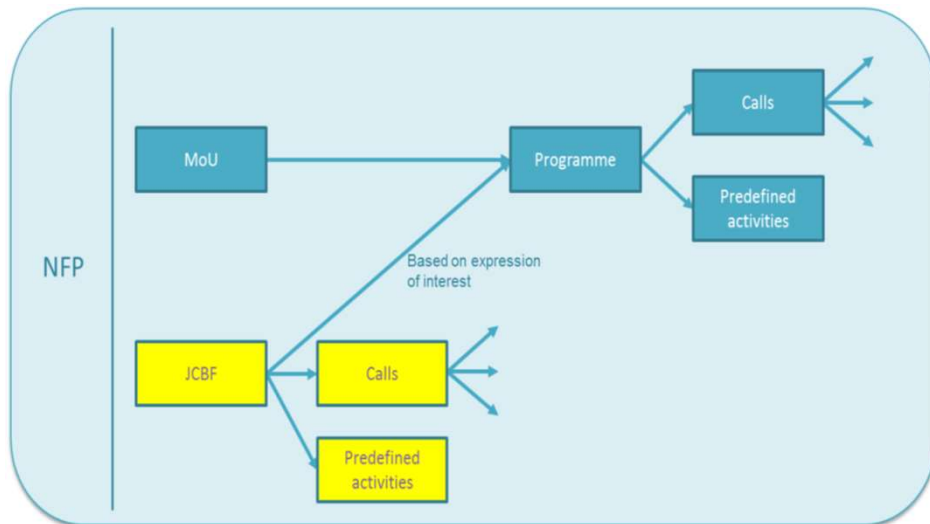
## Bilateral Relations



# Main changes

Bilateral Funds **Setup: Clear split** between BF at national level and programme level  
(Similar to the FM09-14 Setup, but with some tweaks)

## FM 14-21 model

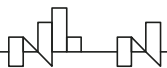


## FM 21-28 model

Funds for bilateral relations  
(between 2 and 5% of BS total allocation – Art. 4.6.1))

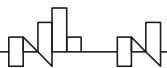
BF at programme level

BF at national level



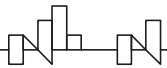
## Setup Bilateral funds (Art. 4.6 – 4.10)

- Between **2 and 5% of BS total (gross) allocation** reserved for strengthening bilateral cooperation (Art. 4.6.1)
- Part for National level and part for Programme level specified in the **MoU** (two budget lines)
- Programme level: **part for each programme** informally agreed at MoU stage and formally set in the Programme Agreement
- **Reporting** at programme level: Country Report, IFR and FPR. Bilateral outcome in each programme.
- **Reporting at national level:** Country Report and IFR



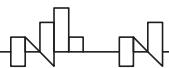
# Setup Bilateral funds - implications

- No more one Bilateral Fund (Programme + National Levels)
- Bilateral funds to programmes are **part of the programme budget**
  - but subject to specific rules for bilateral funds (e.g., eligibility period, eligible costs, type of activities, etc.)
- Clarity on **responsibility/ ownership and reporting**:
  - BF at national level: NFP and JCBF
  - BF at programme level: PO and DPP(s) (consensus)
- **Bilateral Fund Agreement and Workplan**: national level only
- Different **end eligibility dates**:
  - BF Programme level: 31 December 2031
  - BF National level: 30 April 2032



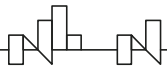
# Clarifying and strengthening the DPP role (Art. 4.2 - 4.3)

- **Role:** expert advisor and facilitator of bilateral cooperation in the programme
- But also: co-decision-maker (bilateral funds) and co-developer (concept note, call texts)
- **Core DPP tasks** defined (Article 4.2.3) – main novelties:
  - Stronger language to indicate active DPP involvement
  - Co-decision (PO+DPP in consensus) on BF in the programme
  - Stronger role in project selection, especially in view of selecting donor partners (see Chapter 7)
  - possibility for the Programme Operator to **‘entrust’ the DPP with the management of a share of the BF** at Programme level (Art. 4.10.4) – needs to be stipulated in the programme agreement



# Other novelties

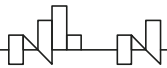
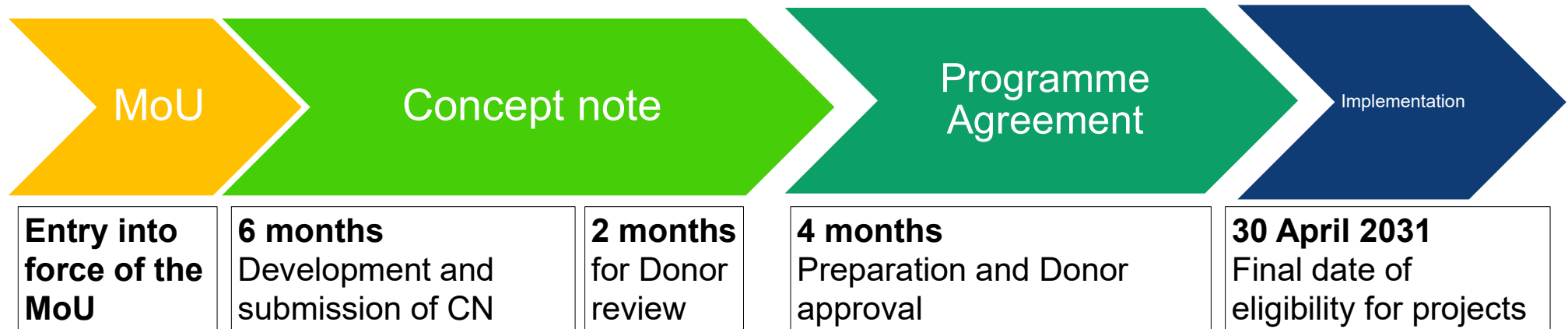
- Definition of **Bilateral initiatives** as a specific form of bilateral cooperation (Art. 4.1 and 4.5)
  - Beneficiary State entities and Donor State entities are eligible as promoters of bilateral initiatives (Art. 4.5.2)
- The rules on **eligibility of expenditures for bilateral initiatives** are, in principle, the same as for projects.
- Two provisions of Chapter 8 which do not apply to the funds for bilateral relations
  - Purchase of new or second-hand equipment – main rule is applicable. However, the exception mentioned in Article 8.4.1 c) is not applicable to the bilateral funds.
  - Purchase of land and real estate is not eligible as per Article 8.4.1 d)
- Article 8.8.3 does apply to the bilateral funds meaning minor constructions, reconstructions or renovations can be eligible under the bilateral fund provided general eligibility conditions are respected.
- **No co-financing requirements** for the use of bilateral funds (Art. 4.6.3)



# From MoU to Programme Agreement



# Timeline for programme development



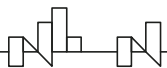
# Programme development

## Chapter 6 FM 21-28 Regulation

**Clear deadlines for all parties** have been introduced

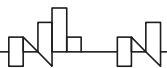
- **6 months** for CN submission (Art. 6.2.2)
- **2 months** for Donor review of the CN (Art. 6.2.4)
- **4 months** for a Donor decision to reject or approve support to the Programme (Art. 6.3.2)

Donors will assess **consistency with the values and principles** referred to in Article 1.3 – both at the stage of concept note review and approval/rejection of support to the programme.



# Concept Note

- **CN template provided by the FMO - no longer annex** to the Regulation
- **Simplified template**, with clearer headings and word limitations and less information on the results framework (incl. planned targets)
- Information on **PDPs** is kept, but also subject to a word limit
- PO shall develop the concept note **in cooperation with the FMO/DPPs/IPOs**
- Stakeholder consultation **no longer mandatory** except where required in the MoU or in case there is a Roma component (Blue book)

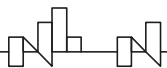


# Concept Note

## The Regulation (Article 6.2.3) :

*The Concept Note shall briefly describe:*

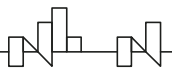
- a) *the programme objective(s) and the expected contribution towards the two overall objectives;*
- b) *the **main challenges** to be addressed, expected results and approach;*  
*[CN template: per outcome]*
- c) *how **conditions and/or specific concerns from the Memorandum of Understanding** and, where relevant, the **values and principles** identified in Article 1.3.1, will be integrated in the development and implementation of the programme;*  
*[CN template: + describe whether this programme will include projects related to challenges experienced as a result of the invasion of Ukraine]*
- d) *how **bilateral cooperation** will be addressed and **main priorities** for the bilateral funds in the programme;*  
*[CN template: bilateral cooperation both at programme and project level]*
- e) *the **proposed calls and pre-defined projects**; and*  
*[CN template: more detailed information per modality such as, e.g., min. and max. project grant amount, project grant rate, Indicative launch date and duration of call etc.]*
- f) *the tentative **overall budget**.*



# Concept Note

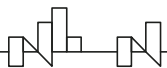
## SUBMISSION

- When the **Programme Operator** after cooperation and consultation with the stakeholders is confident that the CN is in line with art. 6.2.3, the PO will download the draft Concept Note (CN) from the external SharePoint site and/or confirm via e-mail to the stakeholders the intention of submitting the CN.
- FMO will create a task for **NFP** in Grace to allow the formal submission in Grace.
- NFP submits CN in Grace
- FMC review.
- FMO communicates the result of the FMC review to the NFP.



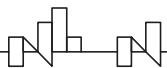
## Donor Review (6.2.4 and 6.2.5)

- FMC: shall assess Concept note + may make comments (no CN approval)
- Any **comments** made by the FMC shall be taken into account in the further preparation of the programme
- **Consistency with the values and principles** referred to in Article 1.3 shall form part of the assessment of the FMC
- The FMC may take a **reasoned decision to reject** the Concept Note. In such cases, the Programme Operator may, through the National Focal Point, resubmit once a revised Concept Note within two months of the decision



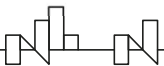
# Programme Agreement drafting

- **FMO prepares a draft Programme Agreement**  
(may take place in parallel with the Concept Note development)
- Draft Programme Agreement is based on:
  - a) the Concept Note
  - b) the comments of the FMC on the Concept Note
  - c) supplementary information given by the Beneficiary State
- The **supplementary information includes** a risk assessment and response analysis and information related to the management of the programme.



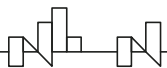
# Supplementary Information (6.3)

- **Checklist for Programme Agreement** – provided by the FMO
- Purpose: collect all the information needed for the Programme Agreement (which is not in the Concept Note)
- Includes all information on (proposed) programme rules that deviate from the standard rules in the Regulation (where permitted)
  - Examples:*
    - limitations to the eligibility of Project Promoters and project partners (e.g., mandatory partnership with donor entities)
    - Specific requirements for calls for proposals
    - Any delegation of the use and management of a part of the bilateral funds at programme level to one or more Donor Programme Partner(s).
- *Examples* of other types of information:
  - A detailed budget for pre-defined projects
  - Proposed amount of advance payment for the programme
- **Programme Agreement Annexes Templates** – provided by the FMO

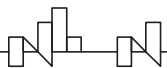
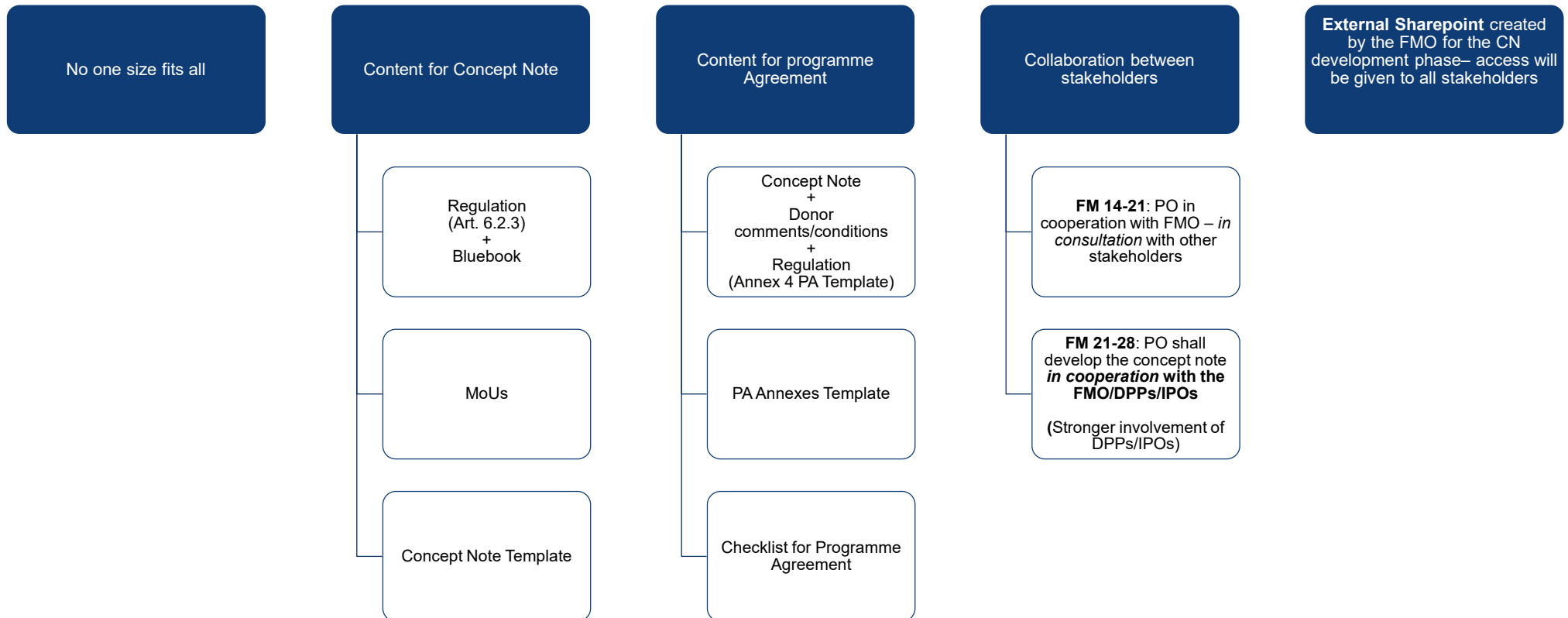


## Programme Approval (6.3)

- The FMC may decide **to approve or reject support** to the programme.
- The FMC shall make its decision within **four months** of the conclusion of the CN review
- The Beneficiary State shall be given the **opportunity to provide its views** prior to a decision by the FMC to reject support to a programme
- When approving support to a programme, the **FMC may set conditions and/or require modifications** to the draft Programme Agreement
- For each approved programme a **Programme Agreement** shall be concluded



# Process



# Chapter 7

## Selection of Projects

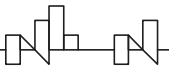


# Calls for proposals

- **Stronger involvement by the FMO/DPPs/IPOs (Art. 7.3.1)**

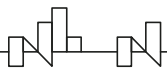
- No longer ex-post review of the draft call text by the FMO.
- Replaced by early participation in the development of the call.
- Calls for proposals shall be organized by the PO and developed in consultation with the FMO & DPPs/IPOs.  
The FMO may provide comments that shall be taken into account by the NFP and the Programme Operator
- A **call template** shall be provided by the FMC.

- **Deadline** for applications: **min. 3 months** (unless otherwise agreed in the PA)



# Project selection procedure (Art. 7.5, 7.6 and 7.7)

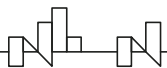
- **Standardised rules** for the project selection procedure (new Articles 7.5 – 7.6)
  - Key features:
    - In line with general principles (e.g., equal treatment, transparency etc.)
    - Only applicants that respect the values and principles of Article 1.3.1 are eligible
    - PO check: Administrative, eligibility and /or exclusion criteria
    - **Expert evaluation**: Selection criteria – **ranking list**
    - **Selection Committee**: may make changes in duly justified cases – list of recommended projects
    - **PO takes final decision**
    - PA may include specific provisions re. the selection procedure
- **Simplified procedure** for calls for proposals for **small projects** (new Art. 7.7)
  - Threshold: max. grant amount per project of 100,000 EUR
  - Only general principles apply



# DPP/IPO role in project selection

## Important role for the DPP(s) and IPO(s) !

- Standard rule: **DPP(s) and IPO(s)** are (voting) members of the SC
- Opt-out clause (indicate in CN/ include in PA (Annex II))
- *Selection Committee* shall consult **DPP(s)** on the Donor project partner(s) in projects
- *Selection Committee* must take DPP recommendations into account!
  
- The *PO* must do the same under the *simplified procedure*. i.e., consult the DPPs(s) on the Donor project partner(s) in projects and take into account their recommendations (7.7.2)

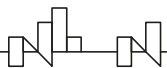


# Use of English

- For **calls exclusively dedicated to Donor project partnerships**: working language, incl. project applications and other relevant documents, shall be English  
(7.5.5)
- **Selection Committee**: where necessary to enable the SC to perform its role, an English summary of each project application shall be provided  
(7.6.4)
  - Relevant when DPP(s)/IPO(s) are members of the SC
- **Partnership Agreement**  
(7.10.3)

If one of the parties to the agreement is an **entity from the Donor States**:

- The partnership agreement shall be **in English**
- The partnership agreement shall be **based on a template** provided by the FMC



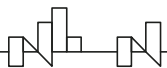
# Chapter 5

## Management and Control Systems



# Main changes

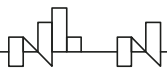
- Contents for description of the national Management and Control System (MCS) based on '*key requirements*' (Art 5.1.2)
- **Mandatory review** of national level MCS descriptions by **Audit Authority**
- Regulation no longer requires description of MCS at programme level
- PO to ensure **consistency** of projects and activities with common **values** and **principles**



# Key requirements for MCS (Art. 5.1)

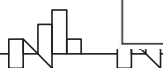
- KR adapted from the Common Provisions Regulation (CPR)
- Harmonised terminology and approach of national authorities – less complexity
- Requirement added on effective implementation of proportionate anti-fraud measures

EC Methodological note on the assessment of the management and control system (content for each KR) - request from the FMO if needed or see Annex II in the FG.



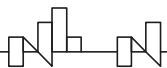
EC Methodological note on the assessment of the management and control system (content for each KR) - request from the FMO if needed or see Annex II in the FG.

Legal ref.	No	Assessment criteria
<b>KEY REQUIREMENTS IN RELATION TO THE MANAGING AUTHORITY</b>		
<b>Key requirement 1: Appropriate separation of functions and adequate written arrangements for reporting, supervising and monitoring of delegated tasks to an intermediate body</b>		
In particular Articles 29(5), 33(4)-(5), 69(1), (11), 71(1), (3)-(5), 72, 74(3) and Annex XVI of the CPR; Articles 45-47 and 54 of the Interreg Regulation.		
Articles 29(5), 33(4), 69(1), 69(11), 71(1), 71(3), 71(5) and 72(2), Annex XVI/§1-2 CPR Articles 45 and 46 Interreg Regulation	<b>1.1</b>	<p>A clear description of the structure of the management and control system<sup>7</sup> in order to ensure clear allocation and separation of functions and tasks<sup>8</sup>:</p> <ul style="list-style-type: none"> <li>• <u>Functions and tasks carried out directly by the MA</u>: the status (national, regional or local public body or private body), the organisation chart and flowchart showing the relationship between the MA and any other bodies or divisions (internal or external) that carry out functions and tasks laid down in Articles 72 to 75 of the CPR. In case the MS entrusts the accounting function to the MA, there is a description of organisation of work (workflows, processes, internal divisions). There is also an indication of the planned resources to be allocated to the different functions.</li> <li>• <u>Tasks delegated to IBs by the MA</u>: identification of the form of the delegation (e.g. written agreement) including specification per IB of each task delegated by the MA.</li> <li>• Where a Member State entrusts the accounting function to a <u>body other than the MA</u><sup>9</sup> in accordance with Article 72(2) of the CPR, the body concerned is identified as a programme authority. Its status (national, regional or local, public or private body), a description of its tasks, functions, organisation (workflows, processes, internal divisions, indication of the planned resources to be allocated to the accounting tasks) is provided.</li> </ul>



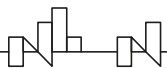
# Key requirements for MCS (Art. 5.1)

- Definition of functions of the entities concerned and the allocation of functions within each entity;
- Separation of functions between and within such entities;
- Appropriate criteria and procedures for selection of projects and initiatives, in compliance with the Regulation;
- Appropriate information on applicable conditions for support for the selected projects and initiatives;
- Appropriate verifications and procedures for confirming incurred expenditure, and appropriate procedure for checking fulfilment of conditions for simplified cost options;
- Effective systems for audit trail;



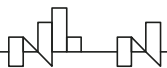
# Key requirements for MCS (Art. 5.1)

- Reliable electronic systems for recording and storing data, including appropriate processes to ensure security, integrity and confidentiality of the data and the authentication of users;
- **Effective implementation of proportionate anti-fraud measures;**
- Appropriate procedures for drawing up, submitting and confirming completeness, accuracy and veracity of IFRs and the final balance;
- Audit work carried out in accordance with internationally accepted audit standards;
- Appropriate audits of the management and control system;
- Appropriate audits of expenditure declared;
- Appropriate procedures for providing a reliable audit opinion and for preparing the annual / final audit reports;
- Reporting and monitoring procedures for irregularities and the recovery of amounts unduly paid.



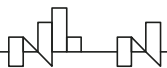
# Programme Operator – separation on tasks

- Responsibility of the Programme Operator to ensure **division between costs verification and execution of payments** from **project implementation** changed from ‘separation of divisions’ to ‘separation of tasks’
- This is to clarify that the provision does not intend to impose rules on the Programme Operator on the way they will establish their organisational structure, but to ensure that this structure guarantees the necessary separation of functions as per the MCS key requirements set in Article 5.1.2(b) (Art.5.6.1(m))



# Programme Operator – separation on tasks

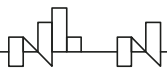
- The bodies implementing the Grants within the BS should be functionally independent from each other and separation of functions should be ensured.
- In exceptional cases, the NFP can (following the approval of the Donors) assume the role of the PO.
- The NFP can also act as the CA provided the payment function is carried out by a separate department within the NFP structure.
- **If the NFP takes the role of the PO, it should not take over the role of the CA.**
- The AA should always be functionally independent from the NFP, CA, PO and other auditees identified in the MoU.



# Management and Control Systems (MCS) descriptions

## MCS national (Art. 5.7)

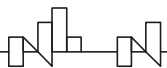
- No FMO review of MCS at national level – delegation of responsibility to national level
  - But **mandatory submission of the audit opinion** by the AA to the FMC
  - Not about testing of controls, but existing proper procedures
- Reliance for review of MCS at national level on opinion issued by national Audit Authorities
- Payments not *blocked pending receipt of opinion*
- Payments may be blocked if no opinion is delivered within 12 months from entry into force of the MoU or the opinion is non-favourable.



# Management and Control Systems (MCS) descriptions

## MCS programme level

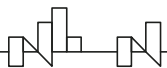
- The Regulations no longer require a description of the MCS at programme level. The NFP and the PO may however still choose to draft a document outlining the PO procedures
- Alternatively, existing documents may be used, or procedures can be included in the MCS description at national level.
- The organisation of this procedure is at the discretion of the national authorities as the Regulations do not impose any additional rules in this respect.



# Other changes

## Audits (Art. 5.5)

- Single audit and proportionality principle
- Risk-based audit strategy
- System audits no longer required at least once for all programmes – based on a risk assessment by the AA
- First Annual Audit Report – by 15 February 2027
- Reference period – **1 July N-1 – 30 June N**
- Audit of expenditure – on a sample basis:
  - Same rules for statistical (above 100 sampling units, min 30 items) and non-statistical sample (in justified cases)
  - Sampling Guidance was slightly updated for FMs 21-28



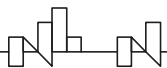
# Other changes

## **Proof of expenditure (Art. 5.6)**

- Sample based examination of proof of expenditure is now mandatory – 100% should not be the default mode!

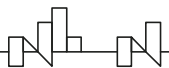
## **Respect of values and principles (Art. 5.6)**

- Programme Operators to monitor projects and activities to ensure respect of values and principles
- Alignment with Article 1.2 of Protocol 38D

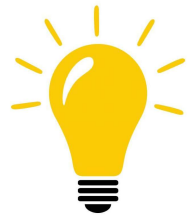


# Single audit principle

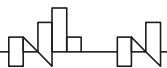
- Audits proportionate to **level of risks** in the implementation of Grants
- Avoid duplication of audits
- Verification of expenditure vs audit of expenditure – 2 different samples!
- Making use of available audit results
- Coordination between FMO audits and audits and results of the audits carried out by the AA



# Good practice



- The information on the MCS at national level should include details on system structure. This should encompass general information and a flowchart illustrating the organisational relationships between the authorities and entities involved in the Management and Control System.
- The MCS should identify the main bodies, including their names, addresses, and contact points.
- Additionally, it should explain how the separation of functions are maintained between and within the programme authorities.
- Additional good practice tips can be found in Annex II of the Financial Guidance



# Chapter 8

## Eligibility of expenditures



**Financial guidance  
2021-2028 available!**

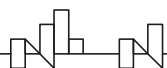
**Resources**

**Financial guidance  
Financial Mechanisms  
2021-2028**

 Publication Date: 25 Jun 2025

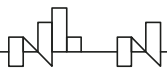
 Resource type: Guidelines and

**Download**

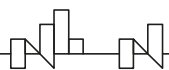


# Main changes - Eligibility of expenditures

- Detailed rules on Simplified Cost Options (SCOs)
- Technical Assistance is a **fixed amount** set in the MoU and the TA Agreement
- Management costs of programme can also take the form of simplified cost options
- Revised rules on Proof of expenditure
- Ex-ante derogations for international organisations which all Donor States are members of from the rules on public procurement and proof of expenditure.



# Eligible expenditures of a programme (Art 8.1)

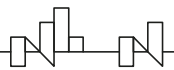


# Forms of Grants (Art. 8.3)

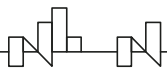
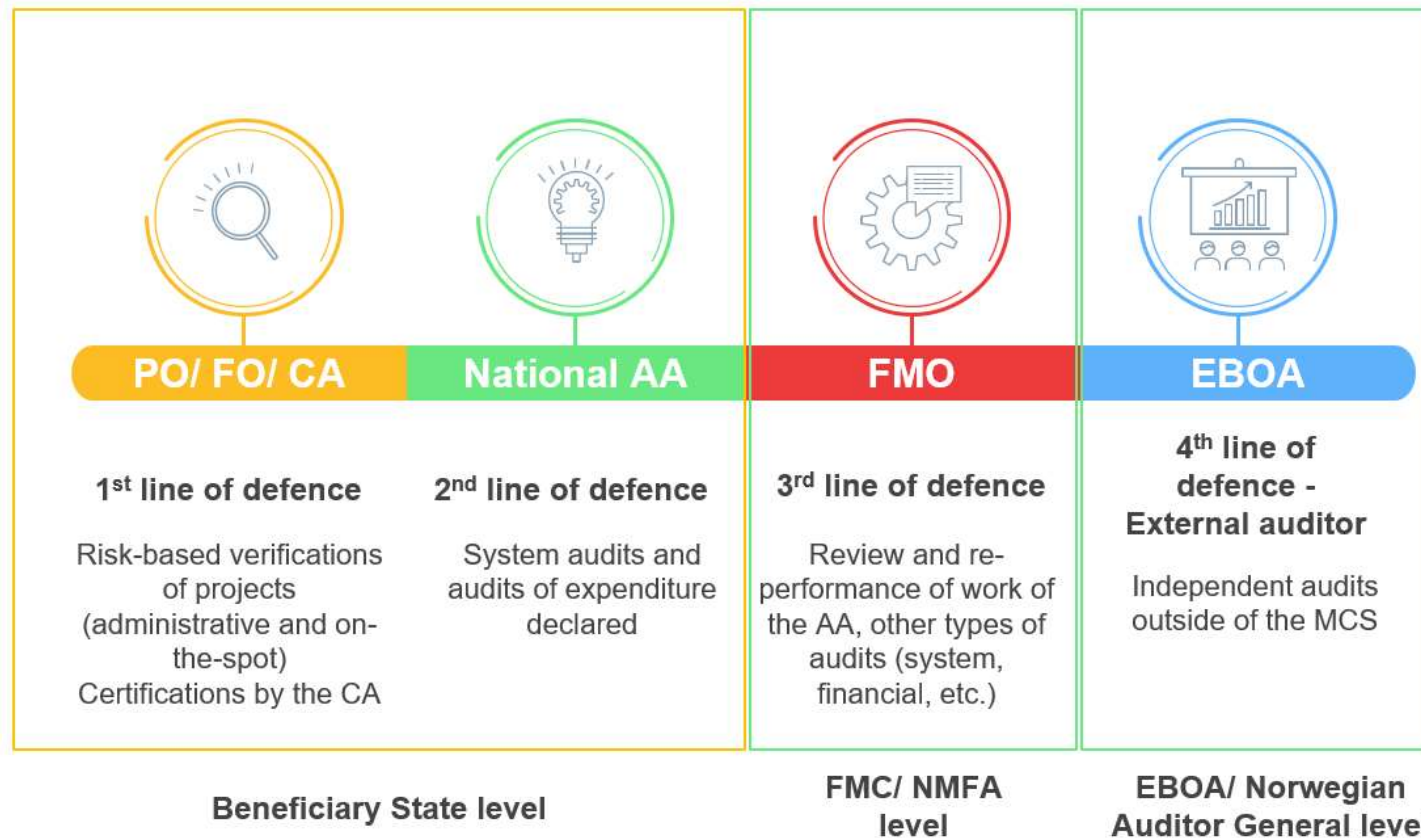
Tangible and can be directly measured and documented through invoices and other financial records.



Amounts or percentages defined **ex-ante**: represents the best approximation of actual eligible costs incurred.

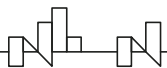


# Assurance model in the Grants



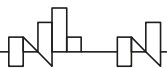
# First and final dates of eligibility

- **Programme management costs:**
  - First: When the PO is designated in the MoU
  - Last: 30 April 2032
- **Bilateral funds:**
  - First: Entry into force of the MoU
  - Last: Programme level 31 December 2031 / national level 30 April 2032
- **Project expenditures:**
  - First: Funding decision
  - Last: 30 April 2031
  - **Exception: Limited preparation costs**



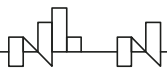
## Excluded costs (Art. 8.9 d))

- The Donors are not responsible for the losses occurring from exchange rate losses.
- For projects receiving grants in currencies other than euros, losses resulting from exchange rate differences at the time of conversion are not eligible.
- **Exception:** Increases in price due to exchange rate fluctuations outside of the project are not considered exchange rate losses!
- The additional cost of such price increases are eligible provided they fit within the budget of the project / bilateral initiative in accordance with the flexibility rules specified in the project contract.



# Excluded costs (Art. 8.9 d))

- **Price increases** due to exchange rate fluctuations can be considered **eligible expenditure**
  - Needs to be planned for within the project budget
  - Include a buffer in the project budget – contingency
- **Exchange rate losses** due to currency conversion within the project are **not eligible**
  - Make sure project contract or partnership agreement is clear on the expectations between the parties, deciding up-front who shall bear the potential negative effect of exchange rate fluctuations or how the risk will be shared.
- How to **mitigate the risk** of exchange rate losses:
  - By using an **average exchange rate** over a certain period as the applicable exchange rate (InfoEuro)
  - By **limiting the period** between incurring the costs and their reimbursement

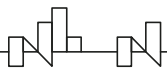


# Programme management costs (Art 8.10)

- Article 8.10.2 sets out the maximum amount for programme management costs (% of total allocation)
  - 10% - first €10 million;
  - 7% - next €40 million;
  - 5% - next €50 million;
  - 4% - remaining total eligible expenditure of the programme.
- Programme management costs can take the form of (Art 8.10.4):
  - Incurred expenditure (real costs)
  - Simplified cost options
  - Combination of real costs and simplified cost options

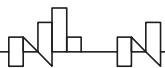
Programme  
budget

Mngm  
costs



# Proof of Expenditure (8.12)

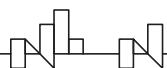
- **Receipted invoices** no longer main rule but remains one of the available forms (3) of proof of expenditure
- Proof of expenditure may also take the form of (Art 8.12.3):
  - (1) Receipted invoices or accounting documents of equivalent probative value  
*e.g., bank statements, bank transfer confirmations, payroll records, payment orders, ledgers, registries, authorisations, etc.*
  - (2) Report by independent auditor
  - (3) Report issued by a competent and independent public officer\*  
*\*recognised by relevant national authorities as having budget and financial control capacity over the entity incurring costs + independent (not involved in the preparation of the financial reports of the project) (e.g., internal financial controller of the institution, internal auditor, head of finance – not involved in the project)*



# Proof of Expenditure - Frequency

- Requirements for submission **proportional to the project budget**

Total grant allocation from the programme to the respective Project Promoter/ project partner within a project		
≤ €10,000	€10,000 < X ≤ €100,000	> €100,000
Proof of expenditure shall not be submitted.	Proof of expenditure shall be submitted once, at the end of the project. Any options for submission of proof of expenditure (receipted invoices or accounting documents of equivalent probative value; a report by an independent auditor; a report by a competent and independent public officer) can be used.	Proof of expenditure shall be submitted no more than once per year. Any options for submission of the proof of expenditure (receipted invoices or accounting documents of equivalent probative value; a report by an independent auditor; a report by a competent and independent public officer) can be used, however, the PO may require the Project Promoter/ project partner whose primary location is within the BS to submit proof of expenditure as receipted invoices or accounting documents of equivalent probative value only.



# Proof of Expenditure - Frequency

- POs may limit the valid proof of expenditure forms (receipted invoices) for BS entities
- The **requirements** for the submission of proof of expenditure for costs **must be set in the project contract** and, where relevant, in the Partnership Agreement.
- Audit report is eligible expenditure and should be included in project budget.



Supporting documents (originals/ certified forms of originals) should be kept by the PP/ partners for at least 3 years following the approval of the FPR, even though they are not required to be submitted alongside the individual financial report (to ensure proper audit trail, for potential audits, etc.)



# Proof of Expenditure - FAQ

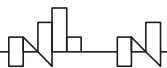


Limitations for the proof of expenditure, not about declaring expenditure

PoE: receipted invoices (also bank statements, bank transfer confirmations, payroll records, ledgers, registries); reports...

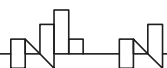
IT system can allow PP to upload PoE, but they can be required only once per year

Phased declaration of expenditure: initial declaration; uploading proof (no re-declaration needed)



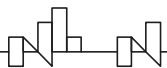
# Proof of Expenditure continued (8.12)

- Proof of expenditure for international organisations in which each Donor State is a member, shall take the form of a **signed financial report**; confirming the claimed costs to be in line with the project contract, financial records and accounting practices of that international organisation (Art 8.12.4).
- **New Article 8.13 - Proof of Conditions fulfilled for simplified cost options**
  - Sets out verification of simplified cost options depending on the type of SCO
  - Underlying expenditure covered by simplified cost options shall not be subject to audits or verifications performed by Programme Operator



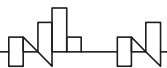
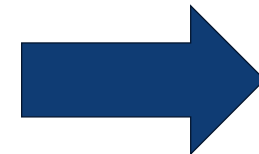
# Procurement (8.16)

- The revised Articles pertaining to public procurement covers the basic procurement principles, such as **openness, equity and fairness**, for all procurements.
- Applicable national and European Law shall be complied with by any entity that is a '**contracting authority**' within the meaning of the EU Directives shall comply with applicable national law on public procurement.
- All **other entities shall follow an open procurement procedure**, where the amount of the contract is at or above the relevant European Union thresholds set for public procurement.
- Procurement procedures in projects implemented by an international organisation, in which a Donor is a member, shall be carried out in accordance with the procurement rules established by that international organisation.



# Technical Assistance (8.11) - Set-up

- % of overall allocation set in the MoU and TA Agreement, normally not more than 1.5%
  - *contributions from EEA and Norwegian FMs – cumulatively*
  - *Where BS's allocation is 5% or less, a higher percentage for the TA can be set in the MoU (justification to be provided based on the FMO scenarios' template).*
- 100% financed, no national contribution is required
- New form of reimbursement – **fixed amount**
- The notions of "eligibility of expenditure" and "eligibility period" do not apply to the TA as the payments of the TA are linked to the delivery of pre-defined outputs and not actual expenditure!



# Technical Assistance (8.11) - Reporting

1st disbursement – upon signature of the TA agreement

- to be requested via first available interim report in GrACE (IFR)

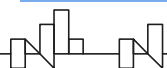
Subsequent disbursements (total 15 but depends on the date of the signature) – equal tranches twice per year (via regular interim reports for TA in GrACE, IFR)

Conditional upon timely and satisfactory delivery of 4 outputs:

- Country Report (Aug)
- IFRs (Sep/ March)
- Annual audit report (Feb)
- Irregularities report (4 quarters)

Last disbursement 2032/2033 (IFR – 15 Sep 2032)

- Final Country Report
- Closure declaration and final audit report
- FPRs



# Interim Report for TA (IFR) - 1st report

Version 1.0 (latest final version)



Signed copy Preview **Structured Data**

**Request for disbursement** Verification NFP Certification CA Checklist

Request for Technical Assistance disbursement

Request for Technical Assistance disbursement

Show decimals <sup>Ⓞ</sup>

Interim report for Technical Assistance number  
1

Start date of reporting period  
06.06.2025

End date of reporting period  
30.06.2025

	Previous disbursements (0 instalments)	Disbursement for the period (1 instalment)	Total disbursements to date (1 instalments)	Total budget	Available budget
Eligible expenditure	€ 0.00	€ 128,106.25	€ 128,106.25	€ 2,049,700.00	€ 1,921,593.75
EEA Grants	€ 0.00	€ 128,106.25	€ 128,106.25	€ 2,049,700.00	€ 1,921,593.75

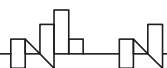
Condition	Status	Deadline for submission	Actual submission
Signature of TA Agreement	Achieved	N/A	N/A

Comment <sup>Ⓞ</sup>

(NOT mandatory for first request. Free text - max 300 words). Mandatory in all the other requests if one of the conditions is not achieved.

-

No split between TA beneficiaries (CA/ AA/ NFP) - one cumulative fixed amount (split to be done at the national level)  
No reporting on the actual costs of the TA.



# Interim Report for TA (IFR) - Subsequent reports

Version 0.4 (locked for editing)

March N



Preview Structured Data Template

Request for disbursement Verification NFP Certification CA

Request for Technical Assistance disbursement

Edit

Request for Technical Assistance disbursement

Show decimals <sup>Ⓞ</sup>

Interim report for Technical Assistance number  
2

Start date of reporting period  
01.07.2025

End date of reporting period  
31.12.2025

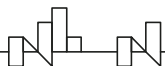
	Previous disbursements (1 instalments)	Disbursement for the period (1 instalment)	Total disbursements to date (2 instalments)	Total budget	Available budget
Eligible expenditure	€ 128,106.25	€ 128,106.25	€ 256,212.50	€ 2,049,700.00	€ 1,793,487.50
EEA Grants	€ 128,106.25	€ 128,106.25	€ 256,212.50	€ 2,049,700.00	€ 1,793,487.50

Condition	Status	Deadline for submission	Actual submission
Timely Country report submission	N/A	10.03.2026	N/A
Timely submission of the IFRs	N/A	10.03.2026	N/A
Timely submission of the Annual Audit Report	N/A	15.02.2026	N/A
Timely submission of the irregularity reports for the period - Q3 2025	N/A	30.11.2025	N/A
Timely submission of the irregularity reports for the period - Q4 2026	N/A	28.02.2026	N/A

Comment <sup>Ⓞ</sup>

(NOT mandatory for first request. Free text - max 300 words). Mandatory in all the other requests if one of the conditions is not achieved.

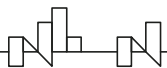
IFR for TA does not have any forecasts as the payments are done in equal tranches as per Regulations



# Interim Report for TA (IFR) - Certification

Request for disbursement	Verification NFP	Certification CA
<input checked="" type="checkbox"/> Show decimals <span style="float: right;">▼ Expand all / ▲ Collapse</span>		
Certification of the request for Technical Assistance disbursement		
Interim report for Technical Assistance number 2		
Start date of reporting period 01.07.2025	End date of reporting period 31.12.2025	
Cumulative payment previously disbursed € 128,106.25	Amount to be disbursed € 128,106.25	Cumulative disbursement after approval of the request € 256,212.50
The Certifying Authority hereby certifies that the request for Technical Assistance has been prepared in compliance with the Regulations and the Technical Assistance Agreement.		
Signatures		
Signature data will be shown here once the signed copy is uploaded.		
For the Certifying Authority		
Signed in	Signed on	
	-	
Signed by	Role/Organisation	

No actual costs certification.  
Certification that the TA report was prepared in compliance with the Regulations and the TA agreement.



# Other changes

## **General principles on the eligibility of expenditure apply to payments from the funds for bilateral relations**

- Exceptions apply regarding purchase of equipment (Art. 8.4.1 (c)) and land and real estate (Art. 8.4.1 (d))

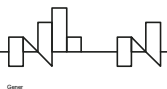
## **New procurement rules (Article 8.16)**

- For the benefit of private entities, including NGOs, that are not required to comply with national and EU rules
- Simple and clear rules for an open procedure when the contracted amount is at or above EU thresholds for public procurement

## **Real estate or land may be rented to third parties if consistent with project objectives (Art. 8.8.1 (g))**

## **Ex-ante derogations granted to international organisations in which all Donor States are members:**

- Audit rules
- Public procurement rules; and
- Proof of expenditure



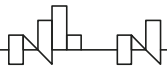
# Payments



# Main changes – Advance payments

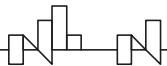
- Maximum **20% advance payment** at programme level (Art. 9.2) - fixed in the PA/ BFA
- Same for BF national level BUT
  - Full amount of advance under BF national level is for regranting (management of the BF national level is to be covered by the TA costs)
- Justification for the requested advance (per budget heading):
  - Purpose of the advance?
  - How was the amount calculated?
  - Expected timing of payments towards final beneficiaries?

If higher than 20%, to be requested via first IFR!

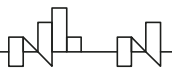
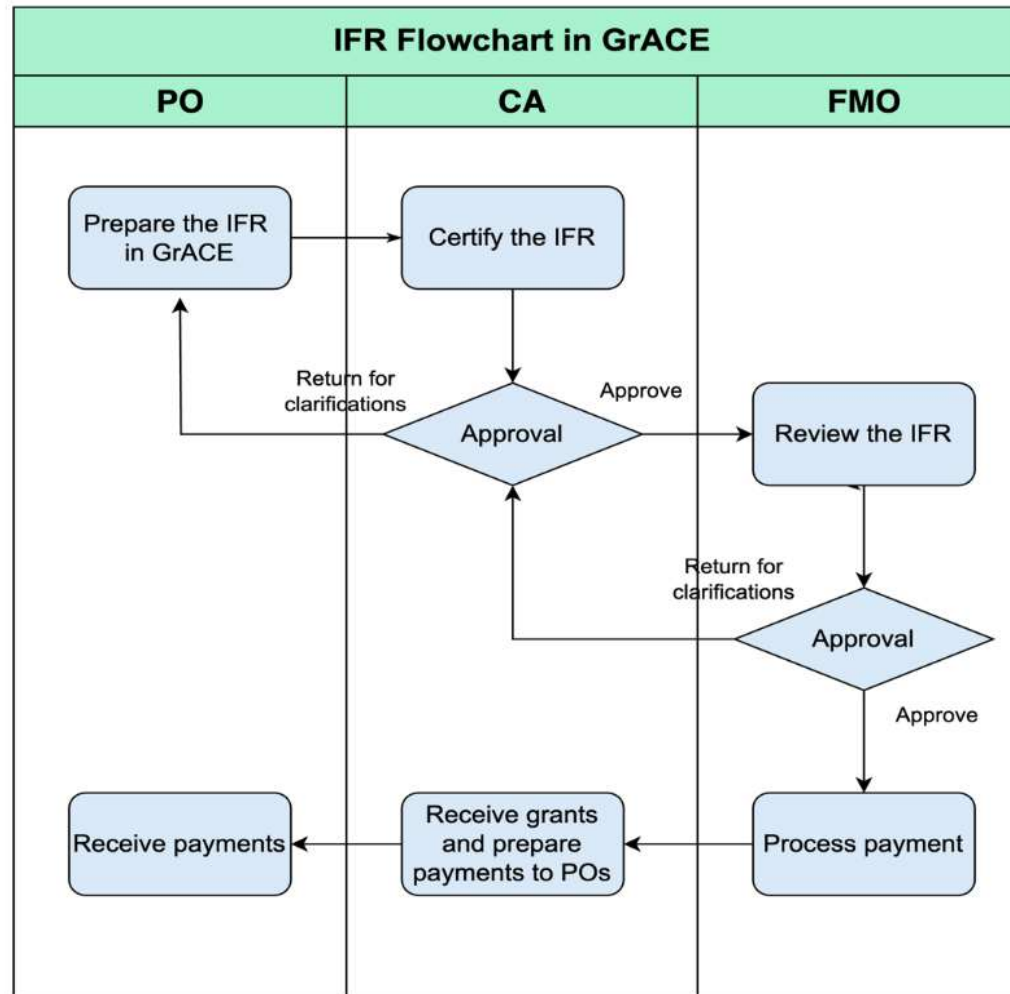


# Main changes - IFRs

- Interim Financial Reports (IFRs):
  - Reporting periods for *proposed expenditure* adjusted to follow the calendar year
  - *Incurred* expenditure changed to *declared* expenditure
  - IFRs due on or before **10 March** and **15 September**
  - Article 9.3.5 - reporting expenditure within 12 months
- **Forecasts** of likely payment applications
  - Submission **reduced** from four to **two** times per year
  - Separate template removed, instead integrated in the IFR module in Grace
- Negative interest considered an eligible cost under (and within the total allocation of) TA/ PM costs budget

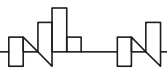


# IFR Flow chart in GrACE



# IFRs

- IFRs due on or before 10 March (disbursed by April 30) and 15 September (disbursed by 15 November)
- Purpose of the Interim Financial Reports (Article 9.3.6):
  - Statement of declared expenditure
  - Statement of proposed expenditure
  - Forecast of likely payment applications
- Amounts in the IFRs in GrACE are established as rounded to two-decimal places.
- Payments to the programmes will also follow the amounts with decimals.





# IFRs – Part C (Forecasts)

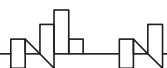
Scenario 1 – March forecast

	Allocation	Estimated absorption rate (1)	Payment year 0	Payment year 1	...	Payment current year (2)	Payment next year (3)	Payments until the end of the FM (4)	Total forecast
Total by programme									
EEA grants		(*)					(*)		
Norway grants		(*)					(*)		

Scenario 2 - September forecast

	Allocation	Estimated absorption rate (1)	Payment year 0	Payment year 1	...	Payment current year (2)	Payment next year (3)	Payments until the end of the FM (4)	Total forecast
Total by programme									
EEA grants		(*)					(*)		
Norway grants		(*)					(*)		

- Forecast excludes national co-financing!
- Include already paid amounts requested in Sep and March IFRs (paid by 30 April and 15 November)
- (1) Estimated absorption rate – by Mechanism at the end of the financing period
- (2) Amount to be paid (part B) + expected payments in the 2nd half of the year
- (3) Payment next year
- (4) Payments until the end of the FM

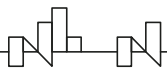


# Use of the euro (Art. 9.6)

## Conversion of payments/ declared expenditure

- **Programme level**

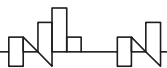
- Payments of the programme grant to the NFP/ PO are made in euro.
- Payments by the PO/ NFP to the Project Promoter are made in national currency/ euro (it is recommended to use the EC monthly accounting exchange rate for conversion of euro into national currency due to the reporting requirements specified in Article 9.5.2, see the next bullet point)
- Programme expenditure declared in national currency/ SCOs is reported by the PO/ NFP in IFRs (financial part of the FPRs) to FMO in euro using InforEuro exchange rate in the month during which the expenditure was paid by the PO/ NFP to the Project Promoter (Article 9.5.2)
- When recovering unspent funds from the Project Promoter, it is recommended that the PO agrees in advance with the Project Promoter (at the contracting phase) that the same exchange rate will be used when paying and recovering the funds.



# Use of the euro (Art. 9.6)

## Conversion of payments/ declared expenditure

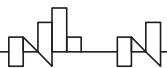
- **Project level**
  - PPs receive project grant payments (advance/ interim/ final) in national currency/ euro
  - Expenditure incurred/ SCOs by Project Promoters is reported to the PO in national currency/ euro
  - Unspent funds (savings/ surplus funds) are returned to the PO in national currency/ euro
- **Payments to donor project partners participating in the project**
  - The currency and method for calculating the exchange rate for payments to donor project partners should be fixed in the project contract and the partnership agreement
  - The same currency (fixed in the project contract/ partnership agreement) should be used by donor project partners when reporting to the Project Promoter.
  - For projects under the Research programme, payments to the donor project partners should be made in euro (as defined in the Research Guideline).



# Interest earned/ paid (Article 9.7)

Deduction of interest earned/ paid on the following accounts:

- accounts at national level until transferred to the POs;
- accounts of the POs for re-granting.
- CA is responsible for declaring to the FMC any interest earned/ paid on accounts for re-granting.
  - *Interest earned on the TA amounts is not to be declared.*
  - Bilateral funds at the national level – interest to be reported (re-granting).
- NFP to establish interest-bearing accounts for the BF at the national level.
- Reporting of interest earned – in each respective programme (not only in the BF national level IFRs)
  - Interest on bilateral funds at programme level – to be reported in the respective programme's IFRs
  - Interest on the accounts held in the BS on which funds from Donors are kept until they are transferred to the PO – to be reported in the IFRs for the Bilateral funds at the national level.



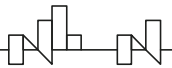
# Chapter 3

## Communication and information



# Main changes

- 1) Rules have been restructured
- 2) Simplified requirements, especially for Project Promoters and project partners
- 3) New provisions to promote efficient and cohesive communication
- 4) Proposal for a multi-site approach

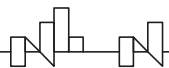


# Restructuring the rules on communication

- Annex 3 has been deleted
- Rules have been moved to Chapter 3
- Some rules will be contained in Communication and Design Manual:
  - The design and correct usage of logos;
  - Visual identity;
  - Branding and key messages;
  - Websites and social media

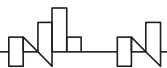
The purpose is to:

- make the rules more accessible, and
- clearly differentiate between rules and guidance



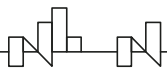
# Simplified rules

- Requirements for project promoters significantly simplified
  - **Communications strategy** only if PDP or project grant  $\geq$  € 500,000
  - **Information activities** requirement only if PDP or project grant  $\geq$  € 1,000,000
  - **Billboard and plaque** requirement aligned with ESF: only if project grant  $\geq$  € 100,000
  
- “Major communication activities” requirements reduced for NFPs and POs
  - NFPs from *at least 3* to *at least 2* (an opening and a closing event)
  - POs still *at least 2*, but can be combined with NFP’s activities “where appropriate”



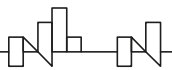
# Promoting efficient and cohesive communication

- Communication networks foreseen at FMO (new) as well as NFP level (continued)
  - To facilitate collaboration, training and sharing of best practices
  - NFP to organize regular meetings and workshops with the network (Art. 3.2.4)
  - NFPs to name a dedicated communications coordinator to participate in FMO network and facilitate NFP network (Art. 3.2.5)
  - POs to name a dedicated person to participate in NFP network (Art. 3.3.4)
- Programme Operators to ensure contribution to media library (Art 3.3.7)
  - To ensure that the appropriate projects are documented with photo and/or video and archived
  - Disproportionate to require of all projects (and we don't want "pictures of powerpoints")
  - Guidance to be provided in the Communication Manual



# Multisite

- NFPs will be required to create a website for the EEA and Norwegian Financial mechanism “within the web environment hosted by the FMC”. (Art. 3.2.6)
- National website to contain pages on all programmes, and POs to contribute necessary information to NFP.



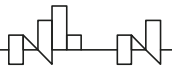
# Chapter 10

## Evaluations and Monitoring



# Main points

- Mostly the same rules as the FM 14-21 Regulation
- Deadline for submission of Evaluation plan postponed (Art. 10.1) - 2nd Country Report
- Article on Monitoring moved from Chapter 11
- Article on access for those performing monitoring and evaluation added (10.4)

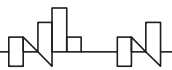


# Audits



# Main points

- Mostly the same rules as the FM 14-21 Regulation
- Wording on FMC's audits updated to reflect actual practice (Art 11.2)
- Single audit principle referenced (Art 11.2.4)
- Exemption from audit requirements for International organisations (Art 11.3)



# Q&A



**Thank you!**

