

MEMORANDUM OF UNDERSTANDING  
ON THE IMPLEMENTATION OF THE NORWEGIAN FINANCIAL MECHANISM  
2014-2021

between

THE KINGDOM OF NORWAY,  
hereinafter referred to as “Norway”

and

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

together hereinafter referred to as the “Parties”,

WHEREAS the Agreement between the Kingdom of Norway and the European Union on the Norwegian Financial Mechanism 2014-2021 establishes a financial mechanism (hereinafter referred to as the “Norwegian Financial Mechanism 2014-2021”) through which Norway will contribute to the reduction of economic and social disparities in the European Economic Area;

WHEREAS the Norwegian Financial Mechanism 2014-2021 aims to strengthen relations between Norway and the Beneficiary State to the mutual benefit of their peoples;

WHEREAS the enhanced co-operation between Norway and the Beneficiary State will contribute to securing a stable, peaceful and prosperous Europe, based on good governance, democratic institutions, the rule of law, respect for human rights and sustainable development;

WHEREAS the Parties agree to establish a framework for cooperation in order to ensure the effective implementation of the Norwegian Financial Mechanism 2014-2021;

HAVE AGREED on the following:

### **Article 1 Objectives**

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

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

- (a) Innovation, research, education and competitiveness;
- (b) Social inclusion, youth employment and poverty reduction;
- (c) Environment, energy, climate change and low carbon economy;
- (d) Culture, civil society, good governance, fundamental rights and freedoms; and
- (e) Justice and home affairs.

### **Article 2 Legal Framework**

This Memorandum of Understanding shall be read in conjunction with the following documents which, together with this Memorandum of Understanding, constitute the legal framework of the Norwegian Financial Mechanism 2014-2021:

- (a) the Agreement between the Kingdom of Norway and the European Union on the Norwegian Financial Mechanism 2014-2021 (hereinafter referred to as “the Agreement”);
- (b) the Regulation on the implementation of the Norwegian Financial Mechanism 2014-2021 (hereinafter referred to as the “Regulation”) issued by Norway in accordance with Article 10.5 of the Agreement;
- (c) the programme agreements that will be concluded for each programme; and
- (d) any guidelines adopted by the Norwegian Ministry of Foreign Affairs (hereinafter referred to as “NMFA”) in accordance with the Regulation.

### **Article 3**

#### **Financial Framework**

1. In accordance with Article 2.1 of the Agreement, the total amount of the financial contribution is € 1,253,650,000 in annual tranches of € 179,100,000 over the period running from 01/05/2014 to 30/04/2021, inclusive.
2. In accordance with Article 6 of the Agreement, a total of € 58,200,000 shall be made available to the Beneficiary State over the period referred to in Paragraph 1.
3. In accordance with Article 3.2.b) of the Agreement, 1.00 % of the total amount referred to in paragraph 2 shall be set aside for a fund for the Promotion of Decent Work and Tripartite Dialogue.
4. In accordance with Article 10.4 of the Agreement and Article 1.9 of the Regulation, the management costs of Norway shall be covered by the overall amount referred to above. Further provisions to this effect are set out in the Regulation. The net amount of the allocation to be made available to the Beneficiary State is € 53,835,000.

### **Article 4**

#### **Roles and responsibilities**

1. Norway shall make funds available in support of eligible programmes proposed by the Beneficiary State and agreed on by the NMFA within the priority sectors listed in Article 3.1 of the Agreement and the programme areas listed in the Annex to the Agreement. Norway and the Beneficiary State shall cooperate on the preparation of concept notes defining the scope and planned results for each programme.
2. The Beneficiary State shall assure the full co-financing of programmes that benefit from support from the Norwegian Financial Mechanism 2014-2021 in accordance with Annex B and the programme agreements.
3. The NMFA shall manage the Norwegian Financial Mechanism 2014-2021 and take decisions on the granting of financial assistance in accordance with the Regulation.
4. The NFMA shall be assisted by the Financial Mechanism Office (hereinafter referred to as the "FMO"). The FMO shall be responsible for the day-to-day operations of the Norwegian Financial Mechanism 2014-2021 and shall serve as a contact point.

### **Article 5**

#### **Designation of authorities**

The Beneficiary State has authorised a National Focal Point to act on its behalf. The National Focal Point shall have the overall responsibility for reaching the objectives of the Norwegian Financial Mechanism 2014-2021 as well as for the implementation of the Norwegian Financial Mechanism 2014-2021 in the Beneficiary State in accordance with the Regulation. In accordance with Article 5.2 of the Regulation, the National Focal Point, the Certifying Authority, the Audit Authority, and the Irregularities Authority are designated in Annex A.

### **Article 6**

#### **Multi-annual Programming Framework**

1. In accordance with Article 2.5 of the Regulation, the Parties have agreed on an implementation framework consisting of the following financial and substantive parameters:

- (a) a list of agreed programmes and the financial contribution from the Norwegian Financial Mechanism 2014-2021 by programme;
  - (b) identification of programmes, their objective, their main focus, as appropriate, the grant rate by programme, the bilateral ambitions as well as any specific concerns relating to target groups, geographical areas or other issues;
  - (c) identification of programme operators, as appropriate;
  - (d) identification of Donor Programme Partners, as appropriate;
  - (e) identification of International Partner Organisations, as appropriate;
  - (f) identification of pre-defined projects to be included in relevant programmes.
2. The implementation framework is outlined in Annex B.

## **Article 7**

### **Fund for bilateral relations**

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

## **Article 8**

### **Annual meetings**

In accordance with Article 2.7 of the Regulation an annual meeting shall be held between the NMFA and the National Focal Point. The annual meeting shall allow the NMFA and the National Focal Point to examine progress achieved over the previous reporting period and agree on any necessary measures to be taken. The annual meeting shall provide a forum for discussion of issues of bilateral interest.

## **Article 9**

### **Modification of the annexes**

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

## **Article 10**

### **Control and Access to Information**

The NMFA, the Office of the Auditor General of Norway and their representatives have the right to carry out any technical or financial mission or review they consider necessary to follow the planning, implementation and monitoring of programmes and projects as well as the use of funds. The Beneficiary State shall provide all necessary assistance, information and documentation.

## **Article 11**

### **Governing Principles**

1. The implementation of this Memorandum of Understanding shall in all aspects be governed by the Regulation and subsequent amendments thereof.
2. The objectives of the Norwegian Financial Mechanism 2014-2021 shall be pursued in the framework of close co-operation between Norway and the Beneficiary State. The Parties agree to apply the highest

degree of transparency, accountability and cost efficiency as well as the principles of good governance, partnership and multi-level governance, sustainable development, gender equality and equal opportunities in all implementation phases of the Norwegian Financial Mechanism 2014-2021.

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

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

**Article 12**  
**Entry into Force**

This Memorandum of Understanding shall enter into force on the day after the date of its last signature.

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This Memorandum of Understanding is signed in four originals in the English Language.

For the Kingdom of Norway

For the Slovak Republic

Signed in Bratislava on 28/11/2016

Signed in Bratislava on 28/11/2016

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## **National management and control structures**

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

The Department of EEA and Norway Grants in the Ministry of Investments, Regional Development and Informatization of the Slovak Republic shall act as the National Focal Point.

The Department of EEA and Norway Grants, within the Section of Financial Programmes, is directly subordinated to the Minister of Investments, Regional Development and Informatization of the Slovak Republic, who shall act as the Head of the National Focal Point.

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

### **2. Certifying Authority**

The Section of European Funds of the Ministry of Finance of the Slovak Republic shall act as the Certifying Authority

The Head of the Certifying Authority is the Director General of the Section of European Funds. The Certifying Authority reports directly to State Secretary II.

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

### **3. Audit Authority**

The Section of Audit and Control of the Ministry of Finance of the Slovak Republic shall act as the Audit Authority.

The Head of the Audit Authority is the Director General of the Section of Audit and Control. The Director General of the Section of Audit and Control is directly subordinated to the Minister of Finance. The Section of Audit and Control is independent and functionally separated from the Certifying Authority, other administrative units of the Ministry of Finance of the Slovak Republic, and other bodies involved in the implementation of the Financial Mechanism.

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

The Audit Authority shall be functionally independent of the National Focal Point and the Certifying Authority.

### **4. Irregularities Authority**

The Section of European Funds of the Ministry of Finance of the Slovak Republic (Certifying Authority) shall be responsible for the preparation and submission of irregularities reports to the FMC.

The Head of the Irregularities Authority is the Director General of the Section of European Funds. The Section of European Funds of the Ministry of Finance of the Slovak Republic reports directly to State

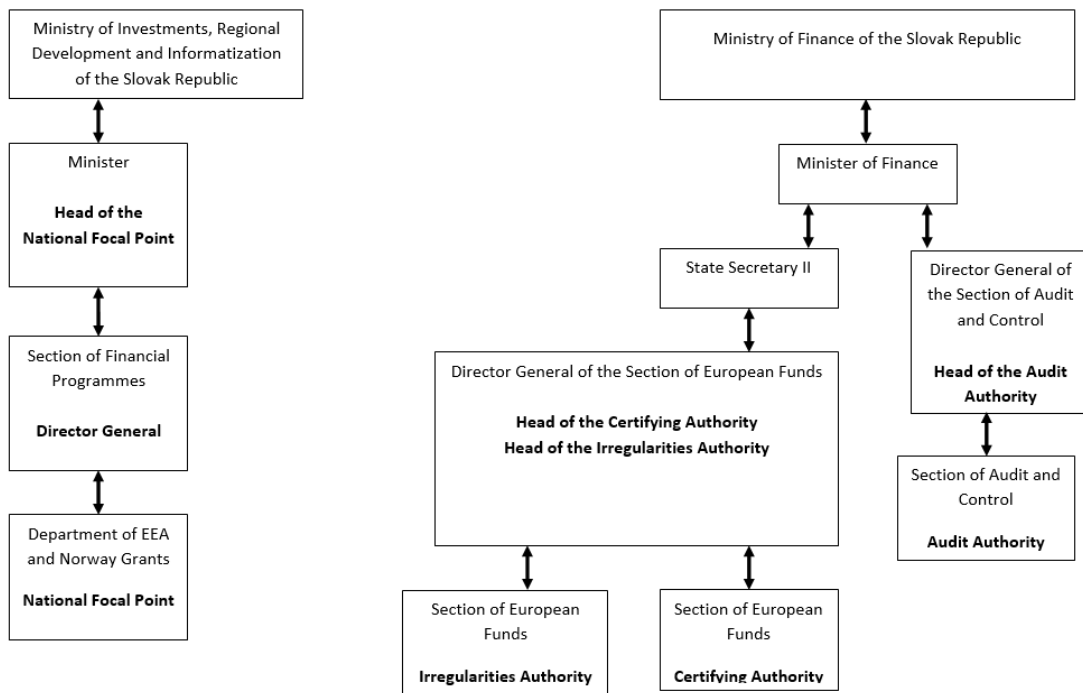
Secretary II.

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

## 5. Strategic Report

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

## 6. Organigram



## Implementation framework

In accordance with Article 2.5 of the Regulation, the Parties to this Memorandum of Understanding have agreed on an implementation framework outlined in this annex.

### 1. Financial parameters of the implementation framework

	<b>Slovakia</b>	<b>Norway Grants contribution</b>	<b>National contribution</b>
	<b>Programmes</b>		
1	Business Development, Innovation and SMEs	€ 14,000,000	€ 2,470,588
2	Climate Change Mitigation and Adaptation	€ 13,216,000	€ 2,332,235
3	Local Development, Poverty Reduction and Roma Inclusion	€ 15,000,000	€ 2,647,059
4	Domestic and Gender-based Violence	€ 9,000,000	€ 1,588,235
5	Social Dialogue and Decent Work	€ 582,000	N/A
	<b>Other allocations</b>		
	Technical Assistance to the Beneficiary State (Art. 1.10)	€ 873,000	€ 154,059
	Reserve (Art. 1.11)	N/A	N/A
	Reserve for completion of projects under FM 2009-2014 (Art. 1.12)	N/A	N/A
	Fund for bilateral relations (Art. 4.6.1)	€ 1,164,000	N/A
	<b>Net allocation to Slovakia</b>	<b>€ 53,835,000</b>	<b>€ 9,192,176</b>

### 2. Specific concerns

Bilateral relations between the Kingdom of Norway and the Slovak Republic shall be strengthened with the aim of stimulating and developing long-term cooperation within all areas listed in the Annex to the Agreement between the Kingdom of Norway and the European Union. It is also an ambition to strengthen bilateral cooperation at political level and European level in areas of common interest.

### 3. Substantive parameters of the implementation framework

The programmes described below are to be implemented subject to the approval of the NMFA, in accordance with Article 6.3 of the Regulation.

#### A. Programme Business Development, Innovation and SMEs

*Programme objective:* Increased value creation and sustainable growth

*Programme grant:* € 14,000,000

*Programme co-financing:* € 2,470,588

*Programme Operator:* Research Agency

*Donor Programme Partners(s):* Innovation Norway (IN)  
Norwegian Agency for International Cooperation and Quality Enhancement in Higher Education (DIKU)

*Programme area(s):* Business Development, Innovation and SMEs  
Education, Scholarships, Apprenticeships and Youth Entrepreneurship

*Special-concerns:* The programme shall address the following main focus areas: Green Industry Innovation, Welfare technology and Ambient Assisted Living.



Up to 15% of the total eligible expenditure of the programme shall be set aside for a component addressing "Education, Scholarships, Apprenticeships and Youth Entrepreneurship" (PA3), which shall be implemented in the form of a small grant scheme. The participation of the Norwegian Agency for International Cooperation and Quality Enhancement in Higher Education (DIKU), as Donor Programme Partner, shall be limited to this component of the programme.

Measures implemented under this programme shall, inter alia, address young and female entrepreneurs, as a prioritised target group.

*Bilateral ambitions:* € 100,000 shall be allocated to the programme from the fund for bilateral relations. This does not prevent the Joint Committee for Bilateral Funds from allocating additional funds to the programme.

The programme will be implemented in conjunction with the programme Business Development, Innovation and SMEs implemented under the EEA Financial Mechanism 2014-2021.

### **B. Programme Climate Change Mitigation and Adaptation**

*Programme objective:* Climate change mitigated and vulnerability to climate change reduced

*Programme grant:* € 13,216,000

*Programme co-financing:* € 2,332,235

*Programme Operator:* Ministry of Environment of the Slovak Republic

*Donor Programme Partners(s):* Norwegian Water Resources and Energy Directorate (NVE)  
Norwegian Directorate for Civil Protection and Emergency Planning (DSB)  
Norwegian Environment Agency (NEA)

*Programme area(s):* Climate Change Mitigation and Adaptation

*Bilateral ambitions:* € 50,000 shall be allocated to the programme from the fund for bilateral relations. This does not prevent the Joint Committee for Bilateral Funds from allocating additional funds to the programme.

The programme will be implemented in conjunction with the programme Climate Change Mitigation and Adaptation implemented under the EEA Financial Mechanism 2014-2021.

### **C. Programme Local Development, Poverty Reduction and Roma Inclusion**

*Programme objective:* Strengthened social and economic cohesion

*Programme grant:* € 15,000,000

*Programme co-financing:* € 2,647,059

*Programme Operator:* Ministry of Investments, Regional Development and Informatization of the Slovak Republic

*International Partner Organisation(s):* Council of Europe (CoE)

*Programme area(s):* Local Development and Poverty Reduction  
Roma Inclusion and Empowerment  
Children and Youth at Risk

*Special-concerns:* The programme shall contribute to fostering local development and to reducing poverty, with a strong focus on vulnerable groups at high risk of exclusion, such as Roma. It shall implement cost-efficient and

sustainable measures that integrate education, housing, employment and health components. Establishing multi-functional youth centers, targeted at vulnerable children and youth, in the least developed regions of Slovakia shall be further explored during the development of the concept note, as well as the cooperation of the centers with mediators from Roma communities.

In addition, a pre-defined project in the following area shall be considered: building on and scaling up the project "Creation of an accredited programme of innovative education for teaching staff of primary schools to increase their intercultural competence in the educational process of Roma pupils", implemented by the National Institute of Pedagogy, supported by the SK04 programme of the EEA Financial Mechanism 2009-2014. Cooperation with Norwegian entities at project level shall be encouraged, including, but not restricted to considering partnerships with the European Wergeland Centre and the Nansen Centre for Peace and Dialogue.

A maximum level of funding available from the total eligible expenditure of the programme for infrastructure (hard measures), and provisions for co-funding, shall be identified in the concept note.

The relevant public institution(s) in the Slovak Republic in charge of the cross-cutting policy area in question, the relevant ministries and Plenipotentiaries, especially the Plenipotentiary for Roma Communities, shall be actively involved in the preparation and implementation of the programme, including, when feasible, as member(s) of the Cooperation Committee.

*Bilateral ambitions:*

€ 75,000 shall be allocated to the programme from the fund for bilateral relations. This does not prevent the Joint Committee for Bilateral Funds from allocating additional funds to the programme.

#### **D. Programme Domestic and Gender-based Violence**

<i>Programme objective:</i>	Domestic and gender-based violence prevented and victims protected and assisted
<i>Programme grant:</i>	€ 9,000,000
<i>Programme co-financing:</i>	€ 1,588,235
<i>Programme Operator:</i>	Ministry of Investments, Regional Development and Informatization of the Slovak Republic
<i>Donor Programme Partners(s):</i>	Norwegian Directorate of Health (HDIR)
<i>International Partner Organisation(s):</i>	Council of Europe (CoE)
<i>Programme area(s):</i>	Domestic and Gender-based Violence Work-life Balance
<i>Special-concerns:</i>	The programme shall build on the results achieved by the SK09 programme under the Norwegian Financial Mechanism 2009-2014, with the aim of providing systematic support to victims of domestic and gender-based violence in line with the Council of Europe Convention on preventing and combating violence against women and domestic violence. The supported projects shall contribute to the

provision of quality services by public entities as well as NGOs for victims of domestic and gender-based violence, especially vulnerable groups, including children, primarily through the support to shelters and counselling services.

Measures implemented under this programme shall also address broader gender equality issues, e.g. through education and awareness-raising, institutional support and capacity development for women's and equality organisations including NGOs, targeted measures and services for work-life balance as well as the specific needs of vulnerable groups such as Roma.

A maximum level of funding available from the total eligible expenditure of the programme for infrastructure (hard measures) shall be identified in the concept note.

Providing support to the Coordination Methodological Centre (CMC), building on the pre-defined project implemented under the SK09 programme (2009-2014) by the Ministry of Labour, Social Affairs and Family of the Slovak Republic, in partnership with the Council of Europe and the Norwegian Centre for Traumatic Stress Studies (NKVTS), as a pre-defined project, shall be considered.

The relevant public institution(s) in the Slovak Republic in charge of the policy area in question, including the Ministry of Labour, Social Affairs and Family, shall be actively involved in the preparation and implementation of the programme, specifically as member(s) of the Cooperation Committee.

*Bilateral ambitions:*

€ 75,000 shall be allocated to the programme from the fund for bilateral relations. This does not prevent the Joint Committee for Bilateral Funds from allocating additional funds to the programme.

## **E. Programme Social Dialogue and Decent Work**

<i>Programme objective:</i>	Strengthened tripartite cooperation between employer organisations, trade unions and public authorities and the promotion of decent work
<i>Programme grant:</i>	€ 582,000
<i>Programme co-financing:</i>	Not-applicable
<i>Programme Operator:</i>	The Financial Mechanism Office in accordance with Article 6.13 of the Regulation.
<i>Programme area(s):</i>	Social Dialogue – Decent Work (Norway Grants)