

# Environment, Climate Change and Low Carbon Economy Program

## Frequently Asked Questions - FAQ

### SGS #3

#### Part I – ABOUT THE SGS

##### 1. In this SGS, do municipalities have to be Project Promoters?

No. However, whether in Priority Area A or Priority Area B, the SGS promotes the involvement of the municipalities concerned to ensure greater robustness and sustainability of projects, for example through the technical team as a partner.

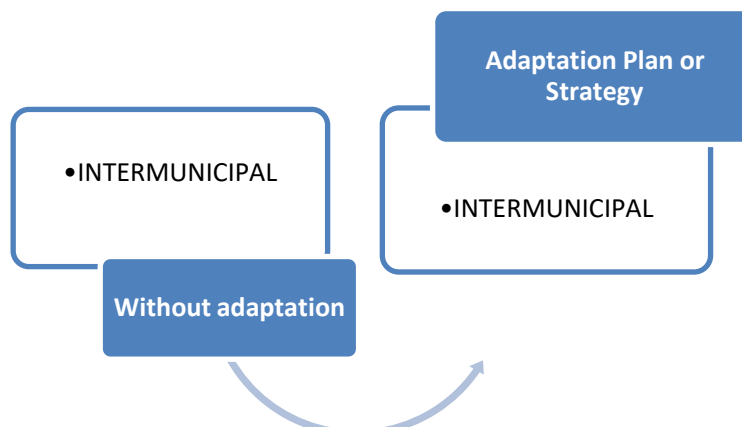
##### 2. What is the scope of projects applying for this SGS?

This SGS has national scope. In Priority Area A, the SGS aims to develop instruments for climate change adaptation at municipal and intermunicipal levels. In Priority Area B, the SGS is aimed at implementing adaptation measures at municipal and intermunicipal level, as defined in approved existing adaptation plans or strategies.

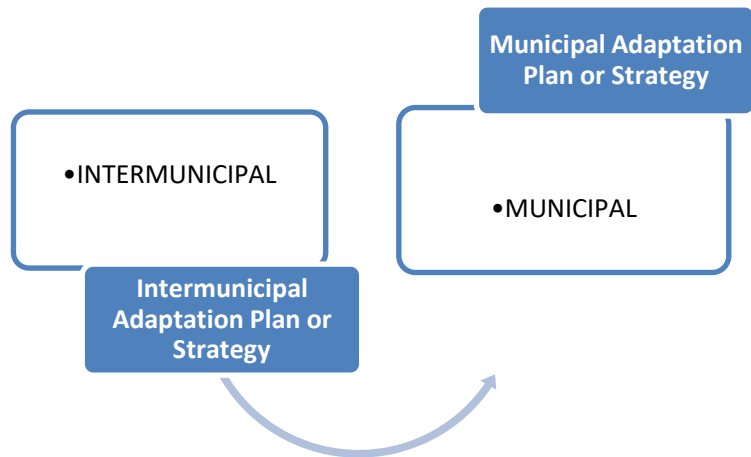
Schematically:

Priority Area A

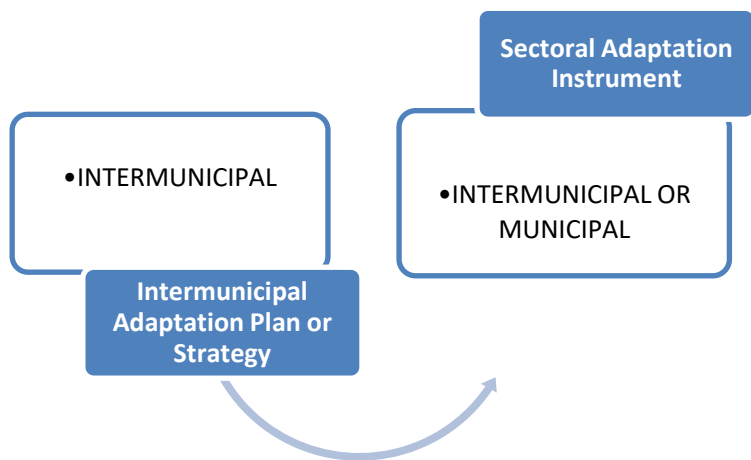
Situation A1.



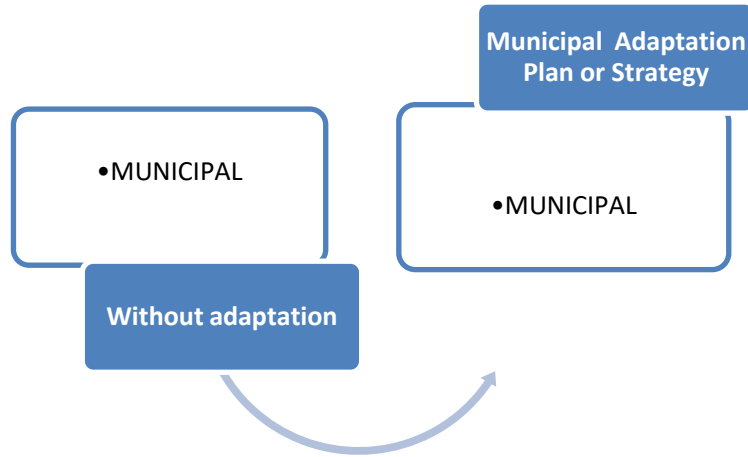
Situation A2.



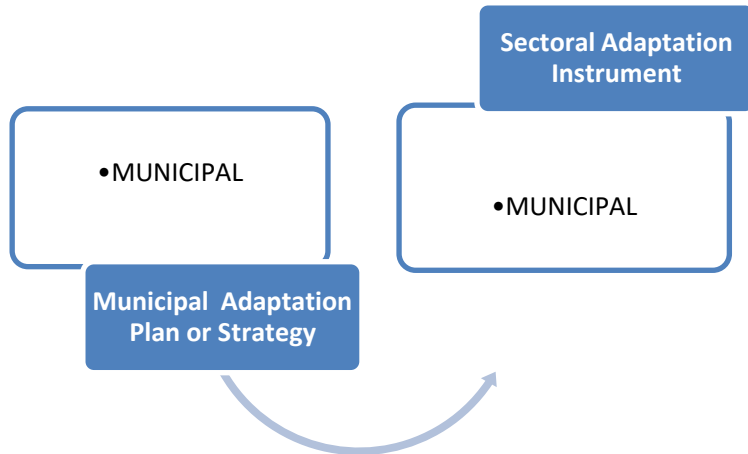
Situation A3.



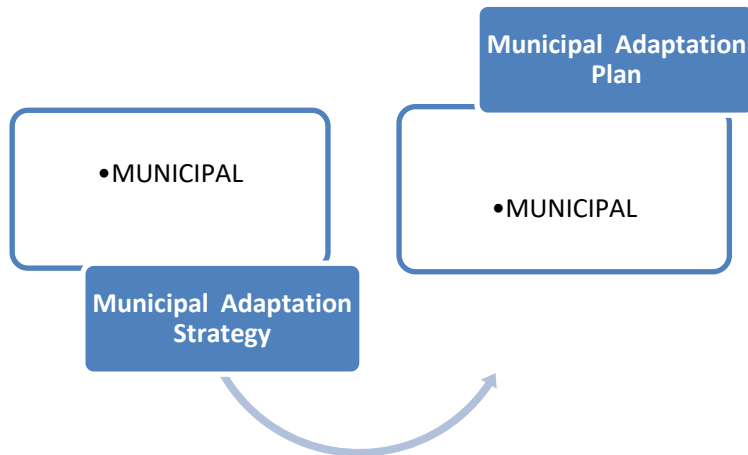
Situation A4.



Situation A5.

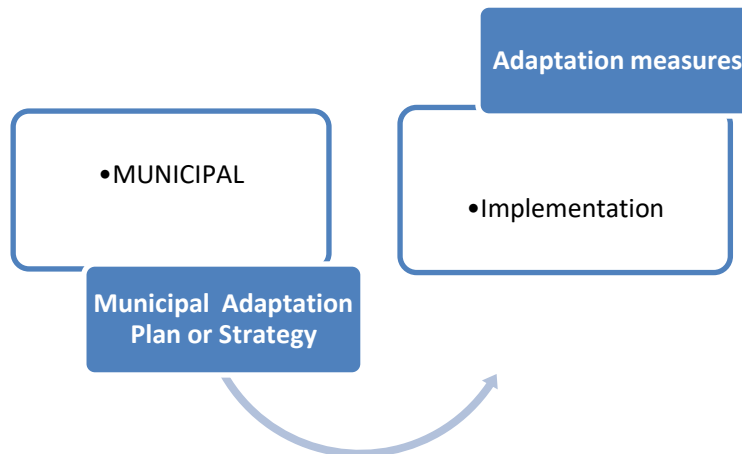


Situation A6.

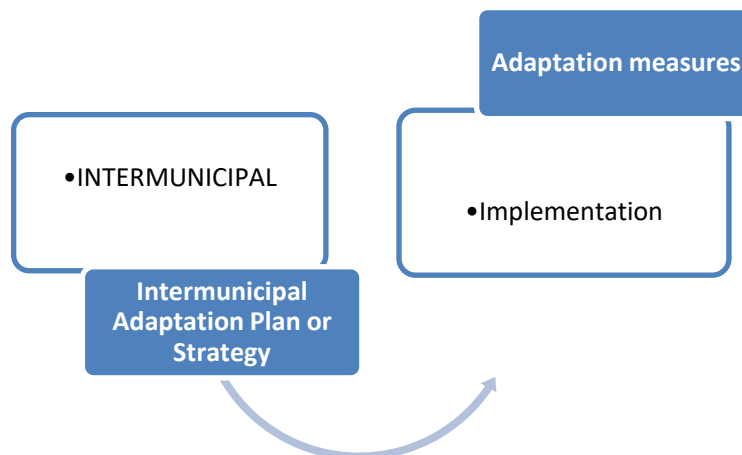


Priority Area B.

Situation B1.



Situation B2.



**3. Plans and Adaptation Strategies to Climate Change referred to in this SGS must have been prepared under the EEAGrants - Project ClimAdaPT?**

No. Plans and Adaptation Strategies referred to in this SGS may have been funded either by EEAGrants either by POSEUR. However, they must already be completed and approved.

**4. What type of adaptation measures are considered in Priority Area B?**

This SGS aims at the operationalization of adaptation measures provided for in Municipal or Intermunicipal Climate Change Adaptation Plans or Strategies, already approved as such. For the operationalization of adaptation measures it should be made clear that they are relevant for short-term adaptation as well as

within an appropriate time horizon for the climate vulnerability(s) to be mitigated as identified in the relevant Adaptation Plan or Strategy.

## 5. Can adaptation measures already partially implemented be financed?

In the operationalization of adaptation measures it must be demonstrated that there is no overlap or simultaneous financing for the same measure.

## 6. In part 3 of Part D of the form - Project Financial Sustainability, what is expected to be demonstrated as financing already guaranteed and as equity?

Any consortium (promoter and project partners) must ensure the financial sustainability of the project, that is, it must ensure that it has internal (assets and equity) or external (loans or other) resources for this purpose.

The financial sustainability of the project refers to the capacity of the Promoter and partner entities to guarantee the financial execution of the project, especially regarding the co-financing component, including the financing of non-eligible expenses, if any, and initial investment of the eligible expenses.

The information requested in this item, not referring to one of the entities in particular, must demonstrate this capacity on the part of the entities involved in the project, and assumed by the Promoter.

- For “Equity Capital”, for example, you can attach a copy of a budget foreseen for 2020 that includes a heading that fits the project, or a document that goes in that direction, including multi-annual expenses.
- “Financing already secured” applies if you use, for example, a loan. If not applicable, and since the platform requires you to fill in this field, you can attach a statement that you will use your own capital and will not need other sources of financing.
- In the “Financial Indicators”, the provisional statement of income and expenses, or equivalent document, is requested.

In accordance with the provisions of the Call regulation, in point 13.3. “Applications excluded based on the verification of the formal requirements of admissibility and eligibility, under the terms of Article 21 of the ‘GUIDE FOR CANDIDATES ON THE FINANCING OF ENVIRONMENTAL PROJECTS, ON CLIMATE CHANGE AND LOW CARBON ECONOMY’, will be informed of the reasons that led to this exclusion proposal, which must be duly justified and justified, and may appeal the decision within 10 working days. ”.

The - ‘GUIDE FOR CANDIDATES ON THE FINANCING OF ENVIRONMENTAL PROJECTS ON CLIMATE CHANGE AND LOW CARBON ECONOMY’, referred to in point 16. of the call, Article 21 - Verification of Admissibility and Eligibility of Applications, in point 2 it determines that the verification of formal requirements for admissibility and eligibility will include: “b) Analysis and proof of all documentation submitted by the project promoters, regarding the financial capacity of its execution, as well as the absence of any debts to the Portuguese State , namely in terms of tax and social security contributions; ”.

In the case of SGS # 3, the co-financing capacity is assessed in criterion B2, as described in the annex to the call.

### **7. What is the Post-financing project Sustainability Plan requested at the end of part C of the application form?**

The "Post-financing project sustainability plan" should describe a set of actions and methodologies to be developed throughout the project that will guarantee its sustainability after execution and perpetuate its impacts after the end of the project for a period that will depend on each project.

In the field with 4000 characters they must present this plan, and in the field available for an attachment they can upload a document with the information they consider relevant to better describe and justify the financial sustainability of the post-financing project.

Note that the post-financing project sustainability plan will be evaluated according to criterion B4, as described in the annex to the call.

## **Part II – ABOUT THE APPLICATION SUBMISSION**

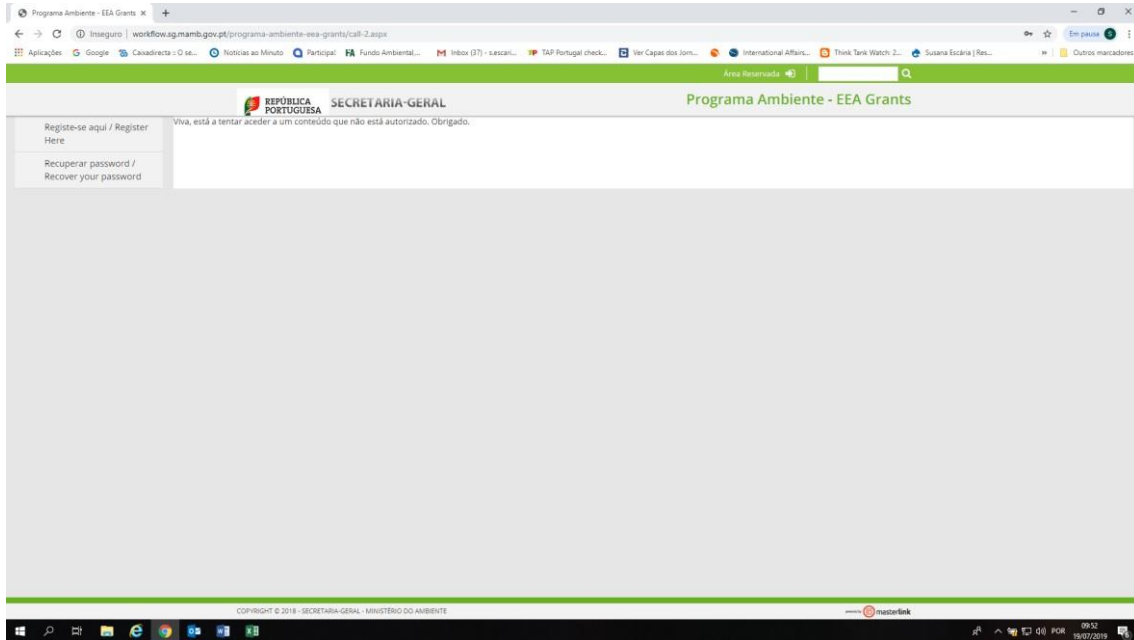
### **1. How are applications submitted?**

Applications must be submitted using the electronic application form and attachments available on the EEA Grants website <https://www.eeagrants.gov.pt/en/programmes/environment/> during the period defined in each Call.

### **2. If when submitting the online application, the promoter finds that he incorrectly appended administrative documents, is there any time limit to correct the submission error?**

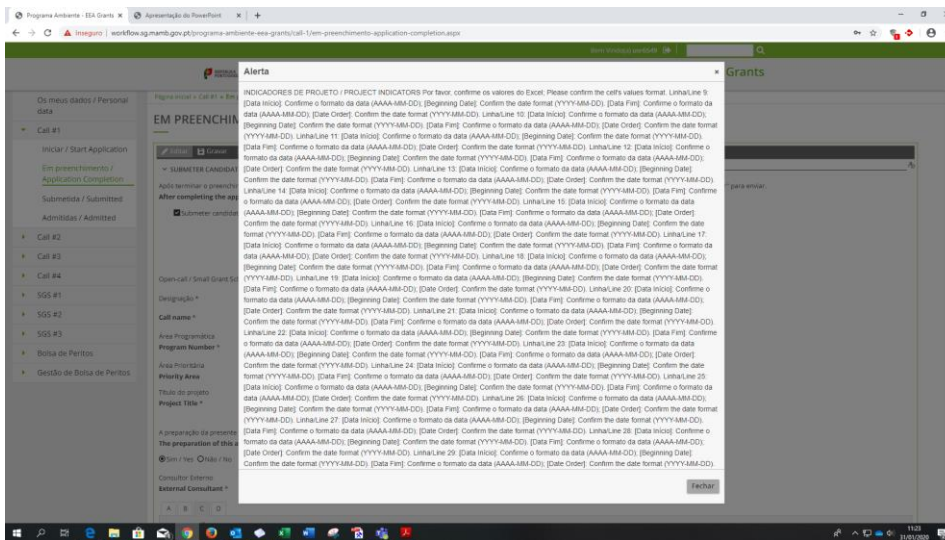
Yes. The promoter can correct the situation by sending the documents to be replaced to the Program Operator, by e-mail to [ambiente.eeagrants@sgambiente.gov.pt](mailto:ambiente.eeagrants@sgambiente.gov.pt) up to 10 consecutive days after the end of the closing date of each call.

### 3. What should you do when this message appears on the application submission screen?



You should click on the message that appears on the left side of the screen and proceed to registration. Only then you will be able to submit your application.

### 4. What to do when you are unable to submit the application and a message of this type appears on the application submission screen?



The templates made available on the application submission platform for project indicators (Part C. Project Indicators / Project Indicators (Excel) \*), schedule (Part C. Global Project Schedule / Overall Project Schedule (Excel) \*), plan Communication (Part C. Communication Plan / Communication Plan (Excel) \*

and budget (Part D. Detailed version of the Budget / Detailed version of the Budget (Excel) \*) are mandatory.

The filling of these templates must be done respecting the pre-defined format of each cell and maintaining the entire structure of the file, without changes and without blank cells.

**5. Is it possible to attach other information or documents to the application in addition to the one requested using the form available on the application submission platform?**

The application form and its annexes have all the necessary elements for the application.

However, if you see the need to send additional information, such as a description of the project, you can do so to the e-mail box [ambiente.eeagrants@sgambiente.gov.pt](mailto:ambiente.eeagrants@sgambiente.gov.pt) after the application submission.

When submitting the application, you will be sent an automatic message from the platform, which validates the submission process and informs you of the order number assigned to your application. When sending the supplementary documentation you must refer to this order number.

Note that any complementary information is not evaluated, justifying itself to strengthen information that already exists in the application documents, and should not be too extensive.

## **Part III – ABOUT THE PROGRAMME**

### **1. What is the European Economic Area Financial Mechanism: (EEAFM)?**

The EEA Financial Mechanism established under the Agreement of the European Economic Area in which Donor Countries finance, in 15 Beneficiary Countries, initiatives and projects in a number of programme areas, to reduce economic and social disparities and strengthening bilateral relations between Donor Countries and Beneficiary Countries.

### **2. Which is the Legal Framework of the EEAFM 2014-2021?**

The Legal Framework of the EEAFM is composed by the Regulation on the implementation of the EEA Financial Mechanism 2014-2021, Protocol 38c to the EEA Agreement on the EEA Financial Mechanism 2014-2021, the Memorandum of Understanding on the Implementation of the EEA Financial Mechanism 2014-2021 (hereinafter referred to as the MoU), entered into between the Donor States and the Beneficiary State, the programme agreements and any guidelines adopted by the FMC after consultation with the Beneficiary States.



### **3. Which are the Beneficiary Countries of the EEAFM?**

The Beneficiary Countries of the EEAFM are the 15 Member States of the European Union with the largest deviations from the European average of GDP per capita, eligible as beneficiaries of the EEA Financial Mechanism.

### **4. Which are the EEAFM Donor States?**

Iceland, Liechtenstein and Norway, countries belonging to the EFTA, and which contribute funding for the EEA Financial Mechanism.

### **5. What is the Financial Mechanism Committee (FMC)?**

The FMC is the committee established by the Standing Committee of the EFTA States to manage the EEA Financial Mechanism 2014-2021, composed by representatives of the respective Ministries of Foreign Affairs.

### **6. What is the Financial Mechanism Office (FMO)?**

The FMO is the office assisting the FMC in managing the EEA Financial Mechanism 2014-2021 and also serves as a contact point.

### **7. What is the Memorandum of Understanding (MoU)?**

It is the Memorandum of Understanding (MoU) between Portugal, Norway, Iceland and Liechtenstein, considering the implementation in Portugal of the European Economic Area Financial Mechanism (EEAFM) 2014-2021. It is a document that defines the entities, the Programmes, the donor programme partners, the bilateral ambitions and the financing amounts.

### **8. What is the Environment, Climate Changes and Low Carbon Economy Programme?**

The 'Environment, Climate Change and Low Carbon Economy Programme' - created following the signing of the Memorandum of Understanding (MoU) between Portugal, Norway, Iceland and Liechtenstein, considering the implementation in Portugal of the European Economic Area Financial Mechanism (EEAFM) 2014-2021 in the programmatic areas of Environment and Ecosystems (PA11), Mitigation and Adaptation to Climate Change (PA13).

The Environment Programme contributes to the pursuit of the priorities of Environment Policy in Portugal: transition to a circular, resilient and carbon-neutral economy and valorization of the territory.

## 9. Who is the National Focal Point (NFP)?

UNG is the national public entity (National Management Unit for the Financial Mechanism of the European Economic Area 2014-2021) designated by the Beneficiary Country. In Portugal, UNG was defined under the terms of the Resolution of the Council of Ministers no. 39/2017, of 10 March, rectified by the Statement of Rectification no. 14/2017, of 24 April. UNG assumes the function of National Focal Point, with the mission of fulfilling the duties defined in the respective MFEEE Regulation 2014-2021 and Memorandum of Understanding.

## 10. Who is the Programme Operator (PO)?

The Programme Operator is a public or private entity designated in the MoU, having the responsibility for preparing and implementing the Programme. For the Environment Programme, Climate Changes and Low Carbon Economy (Environment Programme) the PO is the Secretary General for Environment and Energy Transition.

## 11. Who is the Audit Authority of the Environment Programme?

The Audit Authority of the Environment Programme is IGF – Finance General Inspection, national public entity, functionally independent of the National Focal Point, the Certifying Authority and the Programme Operator, designated by the Beneficiary State and responsible for verifying the effective functioning of the previously approved management and control system.

## 12. Who is the Certifying Authority of Environment Programme?

The Certifying Authority of Environment Programme is ADC – Agency for Development and Cohesion, national public entity, functionally independent of the Audit Authority and the Programme Operator, designated by the Beneficiary State to certify financial information.

## 13. What does it mean by expenses' certification?

Expenses' certification is the formal procedure by which the Certifying Authority declares to the FMO that the submitted expenses for reimbursement are eligible, and justified by paid invoices, or other accounting documents of equivalent probative value, or physical indicators for simplified costs, and which were carried out within the scope of approved activities for financing.

## 14. Who is the Irregularities Authority of Environment Programme?

The Finance General Inspection, national public entity, functionally independent of the National Focal Point, the Certifying Authority and the Programme Operator, designated by the Beneficiary State to be responsible for the record and report of irregularities to the FMO.

## 15. What does it mean an Irregularity?

An Irregularity is a Violation of the legal framework of the EEA Financial Mechanism 2014- 2021, and of other applicable legislations, in particular, with respect to public procurement.

## 16. What is the Project Contract?

The Project Contract is an agreement between the Programme Operator and the Project Promoter regulating the implementation of a particular project.

## 17. What is the Geographical scope of the Projects?

The Programme will finance projects in the territory of mainland Portugal and in the Autonomous Regions of the Azores and Madeira. Each Call of the Environment Programme should always be consulted to confirm the geographical scope.

## 18. Who are the Eligible Project Promoters?

According to the Article 7.2.1 do 'Regulation on the implementation of the European Economic Area (EEA) Financial Mechanism 2014' 'any entity, public or private, commercial or non-commercial and non-governmental organisations, established as a legal person in the respective Beneficiary State are considered eligible project promoters'.

## 19. What is a Partnership Agreement?

A Partnership Agreement is an agreement between the Project Promoter and the partners for the development of the partnership, regulating the roles and responsibilities of the parties, as well as the budget and expenses allocated to the participation of the partner entities.

Partnerships are formally defined through the Partnership Agreement, a document attached to the form whose draft is available at <https://www.eeagrants.gov.pt/pt/programas/ambiente/concursos/small-grants-scheme-3-projetos-to-reinforce-adaptation-to-climate-change-at-the-local-level/>. When the project presents partners from donor countries, they must use the draft of the English version of the partnership agreement available at <https://www.eeagrants.gov.pt/en/programmes/environment/calls/small-grants-scheme-3-projects-to-strengthen-climate-change-adaptation-at-local-level/>.

The Partnership Agreement is loaded in Part D of the form, at the end of the item "Project Partner Entities".

## 20. In addition to signing the partnership agreement, will the partners have to provide any other documentation?

Regarding the framework given to partner entities by EEAGrants, a partner entity must be actively involved in the physical or financial execution of the proposed project.

The eligibility of an entity as a project partner is defined in point 8 of the Call, and must present all the documentation mentioned in point 11.1 of the Call.

## 21. Which are the Partner Entities?

Partner Entities are all entities participating in the project, other than the project leader; organizations that are committed to contribute to the project outcome whose participation is necessary to achieve its objectives and which are actively involved in project preparation, implementation and/or evaluation. In the terms of Article 7.2.2 of the 'Regulation on the implementation of the European Economic Area (EEA) Financial Mechanism 2014-2021' *'any public or private entity, commercial or non-commercial, as well as non-governmental organisations established as a legal person either in the Donor States, Beneficiary States or a country outside the European Economic Area that has a common border with the respective Beneficiary State, or any international organisation or body or agency thereof, actively involved in, and effectively contributing to, the implementation of a project, are considered eligible project partners'*.

For the purpose of defining Partnerships, the application documents are the Form - in particular the detailed information in its Part D, in the item "Project Partner Entities" and respective annexes, and the Partnership Agreement.

## 22. Can an entity be a project promoter of an application and at the same time be a project partner in another?

Yes. Depending on the Call, the entity may submit several applications, with different projects, either as project promoter or as a project partner.

## 23. Does the Programme support projects that have partnerships with public entities?

Yes. In the terms of Article 7.2.2 of the 'Regulation on the implementation of the European Economic Area (EEA) Financial Mechanism 2014-2021' *'any public or private entity, commercial or non-commercial, as well as non-governmental organisations established as a legal person either in the Donor States, Beneficiary States or a country outside the European Economic Area that has a common border with the respective Beneficiary State, or any international organisation or body or agency thereof, actively involved in, and effectively contributing to, the implementation of a project, are considered eligible project partners'*. Each Call of the Environment Programme must always be consulted.

## 24. What are the Programme grant rate and co-financing?

The financing rate is the contribution of the EEA Financial Mechanism 2014-2021 for the implementation of approved programmes, projects and initiatives, corresponding to a percentage of the total eligible cost, established in each Call. For the Environment Programme it corresponds to 85% of the EEAFM and 15% of National Contribution, in National territory.

## 25. What is the Project financing rate?

The financing rates are variable, and it can reach 100% for the pre-defined projects.

## 26. If the approved funding is lower than the one foreseen in the application by the promoter, is it possible to withdraw the application?

Once the decision to approve the financing is taken, the promoter is notified. At this stage, the promoter will have the possibility to accept (or not) the conditions of the decision, and if he does not consider sufficient funding to carry out the project, he may not sign the financing contract, without any consequences for future Calls.

## 27. What are the simplified cost options concerning the Programme?

According to the Article 8.4 of the Regulation:

*'1. The project grant may take the form of standard scales of unit costs. In such case the amount shall be established in one of the following ways:*

*(a) in accordance with the rules for application of corresponding scales of unit costs applicable in European Union policies for similar types of project and entities involved;*

*(b) in accordance with the rules for application of corresponding scales of unit costs applied under schemes for grants funded entirely by the Beneficiary State where the Project Promoter or partner is located, or the Donor State where the donor project partner is located, for similar types of project and entities involved.'*

## 28. Can projects have more than one funding source?

No. The Environment Programme finances the eligible expenses of the projects, at a percentage defined in each Call (less than 100%), and the promoter must provide financing for the remainder of the eligible expenses (as well as all expenses considered ineligible). This is a commitment that the Programme requires from the promoters.

## 29. Does the Programme support costs incur in other countries?

Yes. In the terms of Article 7.2.2 of the 'Regulation on the implementation of the European Economic Area (EEA) Financial Mechanism 2014-2021' *'any public or private entity, commercial or non-commercial, as well as non-governmental organisations established as a legal person either in the Donor States, Beneficiary States or a country outside the European Economic Area that has a common border with the respective Beneficiary State, or any international organisation or body or agency thereof, actively involved in, and effectively contributing to, the implementation of a project, are considered eligible project partners'*. Each Call of the Environment Programme must always be consulted.

**30. Does the Programme support applications that have actions already under way?**

No. Only expenses incurred and paid after the date of notification of project approval are eligible. The start and end date of the project are indicated in the Financing Agreement.

**31. Is VAT considered eligible under the Programme?**

If the entity is exempt from VAT, then it is an eligible expense. In cases where the VAT is, partially or totally, reimbursable by the promoter or partner, the amount of the recoverable tax is not eligible.

**32. Can the remuneration of technicians of the applicant organizations be partially charged to the projects?**

Yes. Human resources costs related to the project, including salaries and social security costs and other contractual subsidies, provided they correspond to the normal remuneration policy of the promoters and partner entities.

**33. If the evaluation states that applications must have at least 50 points in each criteria, if one of these criteria has 0 points and the overall application score is equal or greater than 50 points, then the proposal is excluded?**

If any of the evaluation criteria is below 50 points, the application will be excluded.