

FUND FOR BILATERAL RELATIONS

Work Plan

PORTUGAL

V.03

1. Background

According to the Memorandum of Understanding (MoU), signed on the 22th May 2017 between Portugal and Iceland, the Principality of Liechtenstein and the Kingdom of Norway, a Fund for Bilateral Relations (FBR) with the total amount of €2,054,000 was established for the whole implementation period (until 30 April 2025).

With the agreement of the allocation of the Reserve, according with article 1.11 of the Regulation on the Implementation of the EEA Financial Mechanism 2014-2021 (Regulation), the FBR was increased by € 903,000, from € 2,054,000 to €2,957,000.

The FBR is regulated by the applicable provisions of the Regulation, by the *Bilateral Guideline 2014-2021* and by the Agreement on the Fund for Bilateral Relations, signed on the 21th September 2017 between the Portuguese National Focal Point (NFP) and the Financial Mechanism Office (FMC), and amended by the 9th July 2021 to accommodate the increase of funds from the Reserve.

According with the Regulation and the Bilateral Agreement, the NFP prepared the first draft Work Plan for the FBR that was submitted for approval of the Joint Committee of the Bilateral Funds (JCBF) and adopted by written procedure by 27th July 2018. The first version of the Work Plan was intended to frame the bilateral fund for the first two years of implementation (2018-2020). In this regard, the Work Plan set the aim for an open call and several possible pre-defined activities to be explored in various priority areas identified as of high potential bilateral interest, such as, Business Development, Joint Research and Innovation, Public Health, Employment, Social Inclusion and Poverty Reduction, Disaster Prevention and Preparedness and Justice System and Correctional Services.

A 2nd version of the Work Plan was adopted by December 2020 to frame the use of the FBR for the following two years (2021-2022).

Regular updates and proposals were discussed and adopted throughout the various JCBF meetings over the last years, including the approval of six pre-defined bilateral initiatives in priority areas such as Business Development, Joint Research, Child and Youth at Risk, Gender Equality and Public Health.

FBR Open Call #1 was launched by December 2018 with a total amount available of €200.000 with cut-off dates every four months to remain open until December 2020. The Open Call was considered as a means to assess the potential bilateral interest from which conclusions could be drawn by the JCBF for latter implementation stages.

The success of the model adopted for granting part of the FBR through an open call with a very broad scope, has lead the JCBF to decide on the approval of the reinforcement of the initial allocation to the Open Call from €200.000 to €600.000 and the extended period for applications until December 2021.

Following official conversations in early 2021, within the context of the Financial Mechanism Committee, the three Donor countries Iceland, Liechtenstein and Norway have agreed that any open calls carried out through the JCBF will only be aimed at Norwegian partners.

To further enhance bilateral results from the FBR Open Call #1, the JCBF agreed to direct the scope to innovative bilateral initiatives and to focus on bilateral initiatives with entities from Norway and by July 1st 2021 FBR Open Call #2 was open.

The MoU initial FBR allocations to the Programmes (€500.000) were timely transferred to Programme Operators (PO) in 2018, allowing for the funding of several study trips to prepare bilateral pre-defined projects agreed within the Programmes, of matchmaking events and travel grants for potential applicants that lead to bilateral partnerships in applications in most of the open calls.

2. Main objective

The 3rd version of the Work Plan aims to incorporate the additional funds allocation and the new scope for the Open Call, framing the use of the FBR for the next two years (2021-2022).

The experience drawn from granting a significant part of the FBR through an Open Call with a broad scope has proven to deliver very interesting results, which have been highlighted as an innovative approach and referred to as a best practice among the other Beneficiary States.

Although there are some priority areas of special common bilateral interest between Portugal and the Donors States, such as the Blue Economy, Environment Protection or Gender Equality, it was verified that common bilateral interests can be found and fostered in several areas.

In this perspective, the Work Plan for the coming years will keep a broad approach, notwithstanding the particular focus on Business Development, Joint Research and Public Health and a special attention to possible support of bilateral initiatives aiming to tackle the negative impacts of the COVID-19 pandemic.

The coming UN Ocean Conference in 2022, should also be considered to explore strategic bilateral initiatives to be funded under the FBR.

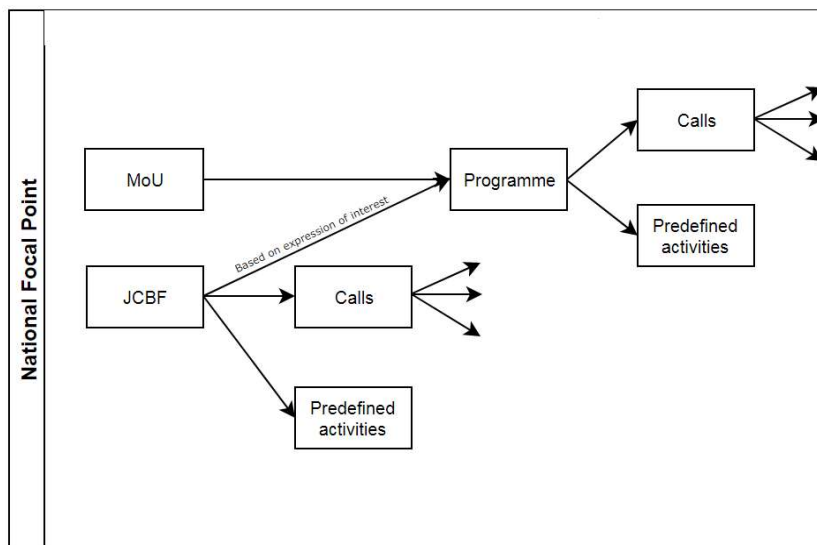
The reinforcement of the FBR to be use under the Programmes are also regard as a priority.

The additional funds allocated from the Reserve allowed for a high level of ambition that was set in former version of the Work Plan in what regards funding through the open calls, reinforcement of bilateral funds to Programmes and support to high bilateral interest initiatives to be identified by the JCBF.

In a future stage of implementation (2023-2024), facing the closure of the Financial Mechanism, a more targeted approach may be found efficient and necessary.

3. Implementation system

As NFP, the National Management Unit (UNG) is in charge of the management of the FBR. Part of the FBR is made available to the POs through pre-established allocations set in the MoU to which additional allocations decided by the JCBF may be approved, based on the evaluation of expressions of interest presented by the POs to finance activities organized under the Programmes.



The funds may be distributed through pre-defined initiatives or open calls.

Predefined activities are considered activities that have been previously agreed in the JCBF based on demonstrated bilateral

interest between entities from Portugal and from the Donor States, in compliance with the applicable national and European law on public procurement. Any member of the JCBF can present a pre-defined bilateral initiative proposal to be assessed. A template for this effect was developed and is made available by the UNG. After a positive assessment from the JCBF on proposed pre-defined initiatives, the UNG shall collect a detailed proposal from the respective beneficiary promoter, including an outlined activity plan and a detailed budget to be approved by the JCBF through written procedure. Comments from the JCBF appointed members on the proposed activity plan and detailed budget shall be taken into account in the contracting of the grants by the UNG.

cases where a bilateral initiative is identified and agreed upon by the JCBF but no project promoter is identified to carry it out, the NFP (UNG) can act as beneficiary promoter. Direct costs of the NFP, Audit Authority and Certifying Authority resulting from participation in bilateral activities or initiatives promoted under the EEA GRANTS shall be eligible under the FBR provided that the JCBF has given prior approval. This approval can be delivered by written procedure by the appointed members.

The granting of the FBR through **open call** shall be promoted by the UNG in accordance with the directions approved by the JCBF. The UNG proposes to the JCBF the call text for the support under the FBR. The adoption of the call text by the JCBF can be made by written procedure. Once the call text is adopted by the JCBF, the UNG shall promote a widely advertisement of the open call, in Portuguese and English, namely in the websites of EEA Grants Portugal, EEA Grants.org, and any other websites or media relevant for the open call. The UNG is responsible for the call text to meet the Regulation requirements.

The open call is launched for a period agreed by the JCBF, with cut-off dates for the selection of applications every 4 or 6 months. The timing of the launching and cut-off dates for selection of activities for funding will be detailed on the JCBF meetings. Natural persons are not considered eligible to ensure that support is given to meaningful partnerships with strong potential for sustainability for the future. Similar to a small grant scheme the open call shall continue to aim at a minimum grant amount of 5.000€ and maximum 15.000€, subject to different thresholds to be decided by the JCBF based on the level of interest received.

The UNG is responsible to carry out a formal analysis of the applications. If, following the formal analysis of the applications an essential element is missing, the UNG will notify the entities, within 10 working days, to eliminate the detected deficiency/insufficiency, under the penalty of immediate exclusion. Upon completion of the formal analysis of the application, the UNG will promote the merit assessment following the procedures agreed by the JCBF and taking into account the selection criteria and sub criteria published in the call text. The JCBF will recommend the entities for funding, their maximum allocations and the excluded entities, taking into account the evaluation of the merit carried out and the amounts available. The entities will be notified by the UNG of the final decision on the application. In the case of the entities whose applications are not approved, they will be given the deadline set in the Code of Administrative Procedure to appeal/express their comments.

The allocation of the **FBR to Programmes** included in the MoU is not subject to any further approval by the JCBF or the NFP, therefore the NFP has, upon request from the PO, ensured the timely disbursement of bilateral funds appropriate to cover the POs needs, not exceeding the MoU allocation. Additional allocations from the FBR to POs beyond those

made in the MoU shall be based on the expression of interest following the template available (Annex 4 of the bilateral guideline) submitted by the PO with an outline on the use and intended results from the funds requested and following the assessment by the JCBF. Payments under the additional allocations to POs shall be dependent on a minimum of 70% of reported and validated expenditure by the UNG regarding the previous payments.

FBR payments may take the form of advance payment, interim payment or final balance payment. All funds transfers shall be preceded by the signature of the beneficiary, including the POs, of an Acceptance Agreement, which shall define, namely: the scope, funding conditions, eligible expenditures, timeline, amount of the financial support and the co-financing rate, the payment method, beneficiaries bank account, the obligations of the beneficiary and the situations of suspension and/or reimbursement of the payment of the financial support in case of non-compliance.

The **report on the use of the FBR** at national level shall be delivered in each JCBF meeting and annually on the Strategic Report. The POs shall report regularly to the UNG on the use of the FBR allocated to its programme and the UNG shall compile aggregated Interim Financial Reports (IFRs) based on input from POs and other promoters under the FBR. The POs and the beneficiaries shall report to the UNG on initiatives completed under the FBR allocated to the programmes. These reports shall include, beyond the financial information, a detailed description of the initiative, the results achieved and what was the contribution to reach the overall objectives of the EEA Grants.

A more detailed description of the implementation system of the FBR can be found in the description of the management and control systems at national level.

4. Bilateral Priority Programmes

All Programmes are considered of bilateral priority and the partnerships at Programme level will ensure that close cooperation is promoted in the implementation. All Programmes have high bilateral ambitions and several bilateral initiatives have already been promoted or planned by the Programme Operators with the respective DPPs, in particular initiatives that aim to facilitate partnerships at project level by bringing together potential partners in the agreed pre-defined projects and matchmaking events and travel schemes to facilitate partnerships.

The NFP will continue to work closely with PO to support the effective use of the FBR allocations to PO. The NFP will continue to promote meetings with PO in order to operate the support to PO on the use of FBR and among other measures has demanded that POs adopt together with respective(s) DPP(s) a Work Plan of the agreed bilateral initiatives and estimated budgets in order to allow POs to have a timely estimation on future possible request for allocations of additional funds to be considered by the JCBF.

The level of use of the FBR on Programmes has decrease within the COVID-19 pandemic context, however it is very likely to expect that the PO will apply for additional funding in the next couple of years for bilateral initiatives of knowledge sharing and promotion of bilateral interest initiatives within their respective Programme Areas.

By the IFR#6 submitted by the NFP in 15.09.2021 with the reported expenditure incurred by 30.06.2021, PO have used up to on average 46% of the initial MoU allocations.

5. Major activities

FBR Open Calls

The open call in a first stage was considered as a means to assess the potential bilateral interest from which conclusions should be drawn by the JCBF for latter implementation stages (FBR Open Call #1).

The FBR Open Call #1 launched in December 2018 received a preliminary allocation of 200.000€ reinforced later to a total available amount of €600.000 due to the relevant interest generated and the valuable bilateral initiatives supported and later to extend the period of the open call for at least an additional of 12 months until end of December 2021.

Following official conversations in early 2021, within the context of the Financial Mechanism Committee, the three Donor countries Iceland, Liechtenstein and Norway have agreed that any open calls carried out through the JCBF will only be aimed at Norwegian partners.

With the perspective of changing the scope and focus of the Open Call the JCBF decided to anticipate the end of applications on FBR Open Call #1 to the 12th May 2021 with the 7th and last cut-off date and reinforce the amount available for approved applications.

By the end of the 7th cut-off date the results from the open call were:

- a total of 132 applications were received requesting a total amount for funding of about € 1,600,000;
- a total of about 60 bilateral initiatives were approved for the total amount of grants awarded of about €750,000.

By decision of the JCBF the FBR Open Call #2 was open by the 1st of July 2021 with a total amount available of € 200,000 to support Bilateral Initiatives between Portugal & Norway that clearly demonstrate innovative approaches and/or solutions with a clear bilateral aim and with tangible bilateral results.

The scope of support by FBR Open Call #2 will continue to be broad and actively stimulate bilateral partnerships, but with a special aim of supporting innovative approaches between entities from Portugal and Norway.

The cut-off periods were extended from 4 to 6 months in order to provide for the preparation of sound partnerships.

The agreed cut-off periods for decision are:

- 1st cut-off 26.11.2021;
- 2nd cut-off 27.05.2022;
- 3rd cut-off 25.11.2022 and
- 4th cut-off 26.05.2023.

The dissemination of the open call continues to be of crucial importance and the NFP shall continue to plan and perform actively in this matter, considering any target audiences and the adequate promotion channels.

FBR Pre-Defined Bilateral Initiatives

Priority areas for support by the FBR have been identified for the first implementation period (2 years) in order to concentrate the support and achieve a more focused intervention and ensure visible impact with the limited funds available. These priority areas

were considered of high bilateral interest, either by existing successful cooperation or by common interests in working in current challenges.

On the first implementation period (2018/2020) it was considered important that pre-defined initiatives should give priority mainly to the following agreed priority areas with high potential bilateral interest: Business Development, Joint Research and Innovation, Disaster Prevention and Preparedness, Employment, Social Inclusion and Poverty Reduction, Public Health and Justice System and Correctional Services.

The following pre-defined initiatives were approved:

Nr.	Bilateral Initiatives	Status	Budget
FBR/01	Business meeting AICEP & IN	Completed	€5.450
FBR/04	Gender Equality Iceland Event	Completed	€37.277
FBR/02	Public Health –Mental Health	Under revision*	€70.000
FBR/03	Children and Youth at risk	Completed	€36.092
FBR/05	NRP Sagres - Joint Research	On going	€63.169
FBR/06	Public Health – Communicable diseases	Under contracting	€99.345
TOTAL			333,676.94

* The initial promoter for the public health bilateral initiatives (ACSS) faced some internal constraints to promote these bilateral initiatives and the national Directorate for Public Health (partner to both initiatives) accepted to perform this role. This change of promoter, the timing for the Donor Partners participation and later the COVID-19 pandemic context, has led to delays in the start of these initiatives. However, it is considered that the bilateral interest remains high and in the current health situation even more relevant. The bilateral initiative on communicable diseases is under contracting.

On the implementation period the aim is to broaden the scope of priority areas for promoting bilateral activities and support shall be granted to any agreed priority areas identified by the JCBF of mutual strategic bilateral interest, while keeping a special focus on Business Development, Joint Research and Public Health the negative impacts of the COVID-19 pandemic.

Special attention will be given to the coming UN Ocean Conference in 2022, to explore strategic bilateral initiatives to be funded under the FBR and to any possibility to highlight bilateral results.

6. Budget

Considering the above mentioned approach, aims and progress in the first years of implementation of the FBR and the reinforcement of the FBR by the Reserve, the proposed budget is distributed as follows:

Title	Budget	Comments
Open Calls	€1.000.000	750.000 under FBR Open Call #1 and initial allocation of €200.000 to FBR Open Call #2 with possibility of reinforcement dependent on the level of interest
Pre-defined activities	€500.000	Total approved budget €333.677 by 2021
Bilateral funds for Blue Growth an Innovation Programme	€200.000	Additional Allocations to programmes are expected to be received
Bilateral funds for Environment, Climate Change and Low Carbon Economy Programme	€100.000	
Bilateral funds for Work-Life Balance Programme	€100.000	
Bilateral funds for Culture Programme	€100.000	
Funds still to be allocated	€957.000	
TOTAL	€2.957.000	