

# *STRATEGIC REPORT*

## *FM14-21*

Portugal

Reporting period:

01 August 2021 - 31 July 2022

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## 1. EXECUTIVE SUMMARY

The deep crises resulting from the COVID-19 pandemic continues to have a significant impact on the implementation of the Financial Mechanism in Portugal: not only because of the public health risks but also due to the economic and social consequences on economic growth, employment and on the increase of the labor market inequalities. Efforts to buffer these impacts created a wide range of exceptional measures and impacted the public national debt.

The consequences of the war in Ukraine have an impact on the implementation of the Financial Mechanism in Portugal as well: the increasing of prices and material costs have negative consequences on the projects and Programmes, especially the ones with a significant infrastructure component.

The country has shown remarkable resilience in this context of a pandemic, from which it is still recovering and hence the importance of the Recovery and Resilience Plan (PRR).

Regarding the consequences of the COVID-19 pandemic and the war in Ukraine, the effects of the Grants gain an utmost importance.

Since the last reporting period (from 1st August 2020 – 31st July 2021), the implementation of the European Economic Area Financial Mechanism (EEA FM) 2014-2021 has recorded significant development with the launching of the last open calls and progress with the selection and contracting of projects as detailed in the table below.

Programme	Nr. opened Calls	Call (re)launched or reinforced with reallocated amounts	Total Amount Available	Received Applications	Total amount Requested	Open calls ongoing	Open Calls to launch	Selected Projects	Nr. Projects with DPP	% Projects with DPP
Blue Growth	10	5	36 452 491,00 €	254	157 708 269,00 €	0	0	114	64	56,1%
Environment	8	0	24 038 681,00 €	159	62 848 715,00 €	0	0	57	27	47,4%
Culture	2	0	7 670 809,00 €	75	46 685 597,00 €	0	0	15	15	100,0%
Work-Life balance	7	0	4 170 000,00 €	147	22 259 900,00 €	0	0	26	25	96,2%
<b>Total</b>	<b>27</b>	<b>5</b>	<b>72 331 981 €</b>	<b>635</b>	<b>289 493 482,00 €</b>	<b>0</b>	<b>0</b>	<b>212</b>	<b>131</b>	<b>61,8%</b>

From a total of 382 selected projects, 347 projects contracts were signed including all 14 Pre-defined projects (PDP) and the Active Citizens Fund as detailed below.

Programme	Total Fund for Projects	Nr. Projects Selected	Total Fund selected Projects	% commitment for Projects	Nr. Projects Contracts signed	Total Fund Contracted	% commitment under contracts
Blue Growth	42 452 491,00 €	117	42 054 776,00 €	99,1%	90	27 433 335,00 €	65,2%
Environment	24 038 681,00 €	60	23 978 227,00 €	99,7%	60	23 978 227,00 €	100,0%
Culture	9 547 059,00 €	17	9 512 007,00 €	99,6%	17	9 512 007,00 €	100,0%
Work-Life balance	6 352 942,00 €	32	6 352 942,00 €	100,0%	32	5 600 000,00 €	88,1%
Active Citizenship	9 805 000,00 €	156	9 849 393,00 €	100,5%	148	9 357 779,00 €	95,0%
<b>Total</b>	<b>92 196 173,00 €</b>	<b>382</b>	<b>91 747 345,00 €</b>	<b>99,5%</b>	<b>347</b>	<b>75 881 348,00 €</b>	<b>82,7%</b>

In previous reporting period an agreement was reached for the allocation of the Reserve following the conclusion of the Mid-Term Review. The Blue Growth and the Environment Programmes received an additional 1 M € to the respective programmes (already reflected in the table above).

The implementation of the FBR was particularly affected by the pandemic COVID-19 context since the traveling for physical meetings and matchmakings were suspended for a significant period. However, despite limitations, bilateral initiatives have continued, and promoters have shown the capacity to adapt and continue the planned activities.

A new FBR Open Call #2 was launched in July 2021, to support partnerships between entities from Portugal and Norway that address innovative approaches with a clear bilateral aim and with tangible bilateral results. The results of the FBR Open Call #2, under the FBR at national level in the first of four decision periods foreseen, reflect the continued interest of the applicant entities, albeit under new admissibility requirements, and continue to show a diversity of areas of scope, from health to environment or technology.

An overall perspective on the financial execution shows an execution higher to 50% by the end of this year considering that all programmes already finalized the selection and contracting of the last projects and many projects will be completed by the end of the year (table below).

Programme	Total (Projects+Manag.)	Certified amount under the last IFR	% Certified	Financial Execution in quarter report 30.06.2022	% Financial Execution in quarter report 31.03.2022	Estimated Financial Execution by 31.12.2022	% Estimated Financial Execution by 31.12.2022
Blue Growth	45 882 353,00 €	8 724 073,00 €	19,0%	11 199 279,00 €	24,4%	23 719 244,00 €	51,7%
Environment	29 411 765,00 €	5 686 483,46 €	19,3%	8 589 667,47 €	29,2%	14 574 667,47 €	49,6%
Culture	10 588 235,29 €	1 800 956,00 €	17,0%	1 856 559,07 €	17,5%	5 630 079,07 €	53,2%
Work-Life balance	7 058 824,00 €	2 754 357,87 €	39,0%	3 521 983,23 €	49,9%	5 470 702,12 €	77,5%
Fund for Bilateral Relations	2 957 000,00 €	732 005,66 €	24,8%	770 399,00 €	26,1%	1 485 974,00 €	50,3%
Technical Assistance	1 540 500,00 €	984 575,00 €	63,9%	1 102 658,00 €	71,6%	1 264 920 €	82,1%
<b>Total</b>	<b>97 438 677 €</b>	<b>20 682 450,99 €</b>	<b>21,2%</b>	<b>27 040 545,77 €</b>	<b>27,8%</b>	<b>52 145 586,66 €</b>	<b>53,5%</b>
Active Citizenship	11 500 000,00 €	5 183 924,00 €	45,1%	6 081 000,00 €	52,9%	7 500 000,00 €	65,2%
<b>Total</b>	<b>108 938 677 €</b>	<b>25 866 375 €</b>	<b>23,7%</b>	<b>33 121 546 €</b>	<b>30,4%</b>	<b>59 645 587 €</b>	<b>54,8%</b>

No changes in relation to the national level Management and Control Systems and no major changes in the setup or staffing of the national authorities involved in the implementation of the EEA Grants was observed in the reporting period.

The joint procedure to procure the setting up of a joint IT system covering the implementation of the EEA FM 2014-2021 by the NFP and the Programme Operators (PO) is in the phase of loading the project data with entry into production scheduled for September/October 2022.

The NFP carried out various communication activities from August 2021 until July 2022. More than isolated communication activities, it is the NFP's concern to have strategic and aligned communication to promote and to raise awareness about EEA Grants. In this respect, one of the activities implemented was the Get Connected Campaign, focus on social media, which involved the NFP and the Project Operators. It was awarded last June during the annual communication workshop organized by the FMO and attended by all the beneficiary countries and donor country representatives.

Monitoring by the NFP on the progress, compliance and risk over the programmes was extensive and diverse covering several aspects of the implementation. The quarter reports from the PO were maintained. The monthly reports in the Culture Programme (for open calls #1 and #2) and in the Work-Life Balance Programme (regarding the new projects) were considered necessary due to the challenges that affect certain projects.

## 2. POLITICAL, ECONOMIC AND SOCIAL CONTEXT

Since March 2022, Portugal has a new Government with absolute majority and political stability, which allowed swift and targeted measures to be taken to combat COVID-19 pandemic.

The European Council, in view of the serious impacts of the pandemic on European economies, created the Next Generation EU, a strategic instrument for mitigating the economic and social impact of the crisis, capable of promoting economic convergence and resilience, helping to ensure the sustainable growth of long term and to respond to the challenges of the transition to a greener and digital society. The Portuguese Recovery and Resilience Plan (PRR) is the national instrument approved in late 2021 by the European Commission with an implementation period until 2026. PRR responds to the urgent need of fostering a strong recovery, helping Portugal to become more sustainable, resilient and better prepared for the challenges and opportunities of the green and digital transition.

Therefore, the Portuguese PRR is organized around three structural dimensions which group 20 components, 83 investments and promote 37 reforms:

- Resilience: improving economic recovery and increasing the capacity to react and overcome future crises and associated challenges, in all its aspects: social resilience, economic and productive fabric resilience and territorial resilience;
- Climate Transition: better and more sustainable use of resources, increased production of renewable energy and decarbonisation of the economy and society;
- Digital Transition: increasing skills so that the Portuguese can take advantage of the technological tools available, arising from the growing digitization of economic activity, maximizing the efficiency of their work and promoting participation in a more inclusive market.

The set of reforms presented in the PRR is an ambitious package of actions that aims to promote the transformation of the Portuguese economy and society with a view to adapting them to the challenges of the next decade. It also wants to ensure that the country can overcome the structural blockages preventing its economic, social and territorial development.

The Covid pandemic and the war effects are causing costs increases in current activities covered by the projects. Except for Work Life Balance Programme, which didn't identify any constraints, each PO already identified measures to mitigate the increasing of prices and material costs in the different Programmes. This current situation of exceptionality challenges particularly projects with a significant infrastructure component.

### 3. EFFECTS OF THE GRANTS

In the context of the COVID-19 pandemic and the war the effects of the Grants gain an utmost importance.

At the current stage of the implementation of the EEA FM 2014-2021, with all the projects already selected and contracted, it is still early to report any results and effects of the Grants, however many projects will be completed by the end of this year.

Although the effects of the grants towards reducing social and economic disparities are not yet available to assess, the progress towards strengthening bilateral relations with donor states entities is evident at project level: 62% of the selected and/or contracted projects entail one or more Donor States entities as partner entities, which represents an increase comparing to last year's data.

In the reporting period there was also a continued interest in the FBR, with two cut-off periods in the Open Call #2 that led to a total of 14 applications approved.

### 4. STATUS OF PROGRAMMES

#### PT-INNOVATION Blue Growth Innovation and SMEs

With the objective of increased value creation and sustainable growth, the Blue Growth, Innovation and SMEs Programme covers 3 Programme Areas (i) Business Development, Innovation and SMEs, (ii) Research and (iii) Education, Scholarships, Apprenticeships and Youth Entrepreneurship.

Despite the COVID-19 pandemic and the war effects, the estimated execution will reach 52% by the end of the year.

Budget Heading	Contracted Eligible Expenditure	Revised Eligible Expenditure*	Total Executed Amount**		%	Estimated Executed amount by the end of 2022	%
			By the end of Previous Reporting Period (31.03.2022)	By the end of Present Reporting Period (30.06.2022)			
Programme Management (1)	3 429 412 €	3 429 412 €	1 123 286,00 €	1 211 900,00 €	35%	1 668 059,00 €	49%
Outcome 1 Increased competitiveness for PT enterprises within Blue Growth	26 776 470 €	25 681 424 €	4 288 908,00 €	4 873 763,00 €	19%	12 267 223,00 €	48%
Outcome 2 Resource Efficiency of enterprises in Marine Sector supported	1 176 471 €	1 910 058 €	112 244,00 €	254 818,00 €	13%	663 593,00 €	35%
Outcome 3 Enhanced performance of Portuguese research organizations	9 423 529 €	9 423 529 €	2 498 144,00 €	2 498 144,00 €	27%	5 222 701,00 €	55%
Outcome 4 Education, training and cooperation in marine / maritime issues enhanced	3 900 000 €	5 437 931 €	2 166 796,00 €	2 226 814,00 €	41%	3 897 668,00 €	72%
<b>TOTAL</b>	<b>44 705 882 €</b>	<b>45 882 354 €</b>	<b>10 189 378,00 €</b>	<b>11 065 439,00 €</b>	<b>24%</b>	<b>23 719 244,00 €</b>	<b>52%</b>

The Programme entails a total of 5 Open Calls and 3 Small Grant Schemes (SGS) with all the calls already closed. As expected, the SG2 2 was opened in September 2021 and closed in November 2021, with the aim to promote blue economy competitiveness, through educational training on job for business and management skills, including but not exclusively, for enterprises with previously approved projects to develop business under the Blue Growth Programme.

In the reporting period, there were 3 Programme Agreement modifications submitted and approved: #8 Allocation from reserves and other technical updates in PA, #9 Technical modification: formatting of “number” as unit of measurement and #10 Reallocation of savings within the Programme.

A brief status on the open calls is presented in the table below:

Blue Growth	Name	Total Grant Available	Calls (re)launched / reinforced with / reallocated amounts	Dates		Applications Received	Total Requested Amount	Applications Approved with funds available	Total Approved Amount	Unallocated Amounts (if yes fill in table below)	Unallocated Amounts (after last PA modification)
				Launch	Close						
Call 1	1st call for Business, Development, Innovation and SMEs	14 200 000 €		12/06/2019	29/11/2019	35	48 025 983 €	23	9 435 984 €	4 763 001 €	
Call 2	2nd call for Business, Development, Innovation and SMEs	8 576 470 €	5 451 285 €	19/02/2021	30/06/2021	51	37 470 899 €	18	13 695 685 €		332 070 €
Call 3	Resource Efficiency of Enterprises in Marine Sector Supported	1 176 471 €		22/10/2019	31/12/2019	3	851 109 €	2	410 057 €	766 414 €	
Call 3	Resource Efficiency of Enterprises in Marine Sector Supported		1 500 000 €	10/02/2021	31/05/2021	6	2 856 408 €	3	1 385 287 €		
Call 4	Research	5 423 529 €	0 €	28/07/2020	30/10/2020	63	58 648 881 €	6	5 423 298 €	261 €	261 €
Call 5	Education	1 550 000 €	1 176 471 €	28/07/2020	11/12/2020	27	6 188 295 €	12	2 726 263 €	208 €	208 €
SGS 1	Call for initiatives for business growth in start-ups	3 000 000 €		23/10/2019	30/06/2020	6	875 485 €	6	836 316 €	2 163 684 €	
SGS 1	Call for initiatives for business growth in start-ups		1 029 469 €	10/02/2021	31/05/2021	7	1 111 803 €	7	939 503 €	89 966 €	
SGS 2	Call for initiatives for development of business and management skills – training on job	1 000 000 €		02/09/2021	30/11/2021	10	572 533 €	8	490 956 €		65 623 €
SGS 3	Ocean Literacy (including awareness of marine litter thematic and radical sports not included in curriculum)	350 000 €	361 460 €	24/10/2019	28/02/2020	46	1 106 873 €	29	711 450 €	0 €	
TOTAL		35 276 470 €	9 918 685 €	-	-	254	157 706 269 €	114	36 054 779 €	7 783 534 €	388 162 €

From the total of 117 projects selected under open calls (including the 3 PDP) a total of 90 projects contracts were signed. The table below presents the progress of commitment of funds for projects and contracting:

Programme	Total Fund for Projects	Nr. Projects Selected	Total Fund selected Projects	% commitment for Projects	Nr. Projects Contract s signed	Total Fund Contracted	% commitment under contracts
Blue Growth	42 452 491 €	117	42.054.776€	99%	90	27 433 335 €	65%

To ensure synergies with the Environment, Climate Change and Low Carbon Economy Programme, as stated in the MoU, resource efficiency in maritime sector was addressed in a joint approach aiming to contribute to the current global threat that marine litter poses to the Oceans, under a specific Outcome in the Programme (Outcome 2 Resource Efficiency of enterprises in Marine Sector supported) with a dedicated Open Call (Open call #3 Resource Efficiency of Enterprises in the Maritime Sector). On May 3<sup>rd</sup> 2022, it took place a joint event between the two Programmes “Synergies Environment-Blue Growth EEA Grants Programmes’ Circular Economy, Marine Litter Reduction” with a presentation of projects results.

## Challenges faced under the Blue Growth Programme

The impact of the COVID-19 pandemic as well as the war have negative consequences on the projects and Programme, namely leading to an increase in prices. These constraints are manifest mainly considering the weight of the business development and SMEs in the Programme. There is an impact on projects execution time as well. Following a NFP request, PO identified already the projects affected, the type of negative impact and the necessary measures to mitigate the impact.

National budgetary rules are identified as a constraint in the financial execution of the Programme, but measures are being taken by Portuguese Ministry of Finance to overcome this concern.

The sometimes lengthy reply by FMO to implementation issues has been noted as a constraint to the demanding timings of the Programme.

## PT-WORKLIFE Work-life Balance and Gender Equality

The Work-life Balance and Gender Equality Programme covers 3 Areas: (i) Work-life Balance, (ii) Domestic and Gender-based Violence and (iii) Good Governance, Accountable Institutions, Transparency.

The Programme has progressed well with an expected financial execution of 78% by the end of this year.

Budget Heading	Eligible Expenditure	Revised Eligible Expenditure*	Total Executed Amount		%	Estimated Executed amount by the end of 2022	%
			By the end of Previous Reporting Period (31.03.2022)	By the end of Present Reporting Period (30.06.2022)			
Programme Management	705 882 €	705 882 €	307 797,33 €	324 057,39 €	46%	486 562,28 €	69%
Outcome 1 Enhanced gender equal opportunities in the labour market	3 252 942 €	2 656 416 €	959 376,47 €	1 253 589,24 €	39%	2 189 944,19 €	82%
Outcome 2 Improved accountability systems for women's equal participation	2 100 000 €	2 299 999 €	990 000,00 €	1 156 976,25 €	55%	1 878 684,31 €	82%
Outcome 3 Improved system for protection and prevention of domestic and gender-based violence	1 000 000 €	1 396 526 €	690 027,78 €	787 360,34 €	70%	915 511,34 €	66%
<b>TOTAL</b>	<b>7 058 824 €</b>	<b>7 058 824 €</b>	<b>2 947 201,58 €</b>	<b>3 521 983,23 €</b>	<b>50%</b>	<b>5 470 702,12 €</b>	<b>78%</b>

The Programme has launched 7 open calls (4 Open Calls and 3 SGS) with all the calls already closed.

In the reporting period, there were 2 Programme Agreement modifications submitted and approved: #6 technical modification formatting of "number" as unit of measurement and #7 for the reallocation of savings from cancelled PDP5 to PDP6 and project on the reserve list in Call 2. This PA modification was approved on 9<sup>th</sup> August 2022.

A brief status on the calls is presented in the table below.



Work-life Balance Call	Name	Total Grant Available	Calls (re)launched with reallocated amounts	Dates		Applications Received	Total Requested Amount	Applications Approved with funds available <sup>1)</sup>	Total Approved Amount	Unallocated Amounts (if yes fill in table below)
				Launch	Close					
Call 1	System for assessing the value of work and pay and development of instruments for measuring gender inequalities in work organizations	900 000,00 €	0	28/02/2019	23/05/2019	10	2 206 676 €	2	441 690 €	458 310 €
Call 2	Projects to combat sex segregation in educational and professional choices and discrimination in the labour market	870 000,00 €	0	08/03/2020	19/06/2020	26	6 010 834 €	3	703 250 €	166 750 €
Call 4	Projects to improve protection of victims of violence against women and domestic violence	700 000,00 €	0	07/03/2019	30/05/2019	19	3 652 963 €	3	680 011 €	19 989 €
Call 5	Intervention projects to promote gender equality at local level	1 200 000,00 €	0	08/03/2019	31/05/2019	34	7 816 770 €	6	1 200 000 €	1 €
SGS 1	Studies on the economic impact of gender equality	200 000,00 €	0	08/03/2019	31/05/2019	10	562 998 €	4	228 535 €	-28 538,00 €
SGS 2	Prevention projects for children and young people and promoting non-violent masculinities	300 000,00 €	0	07/03/2019	30/05/2019	39	2 000 659 €	4	270 418 €	78 632 €
SGS 3	White book studies to foster gender equality	552 942,00 €	0	21/04/2021	30/06/2021	9	933 671 €	4	385 513 €	167 429 €
TOTAL		4 170 000,00 €	0	-	-	147	22 250 900 €	26	3 909 417 €	862 573 €

From the total of 26 projects selected under open calls, 5 will be signed in September (4 from the SGS 3) and one project from the reserve list in Call #2.

The table below presents the progress of commitment of funds for projects and contracting:

Programme	Total Fund for Projects	Nr. Projects Selected	Total Fund selected Projects	% Commitment for Projects	Nr. Projects Contracts signed	Total Fund Contracted	% Commitment under contracts
Work-Life balance	6 352 942,00 €	32	6 352 942,00 €	90%	32	5 600 000,00 €	88.1%

### Challenges faced under the Work-Life Balance Programme

The short implementation period of the projects recently approved increase the implementation risks. Because of this, the NFP requested monthly reports to monitor the development of new projects.

The PO faces some challenges in the management team due to the insufficient number of the PO team, but a new member is going to start in September.

## PT-ENVIRONMENT Environment, Climate Change and Low Carbon Economy

The Programme aims at improving the environmental status in ecosystems and reduce adverse effects of pollution and other human activities. It covers 2 Programme Areas (i) Environment and Ecosystems and (ii) Climate Change Mitigation and Adaptation.

Despite the COVID-19 pandemic and the war effects, the estimated execution will reach 50% by the end of the year. Considering a more regular and close monitoring by

the PO, the financial and material execution of the projects until the end of the year has already increased, with an average monthly payment of 300.000€.

	Eligible Expenditure	Revised Eligible Expenditure*	Total Executed Amount **		%	Estimated Executed amount by the end of 2022	%
			By the end of Previous Reporting Period (31.03.2022)	By the end of Present Reporting Period (30.06.2022)			
Programme Management	2 276 471 €	2 276 471 €	718 416,18 €	817 917,52 €	36%	1 117 917,52 €	49%
Outcome 1 Increased application of circular economy principles in targeted sectors	12 050 000 €	12 050 000 €	4 148 459,93 €	4 915 005,69 €	41%	8 215 005,69 €	68%
Outcome 2 Enhanced sustainable development in Biosphere Reserves	2 200 000 €	2 200 000 €	835 972,19 €	1 038 519,93 €	47%	1 838 519,93 €	84%
Outcome 3 Increased climate change resilience and responsiveness in targeted areas	11 708 823 €	12 885 294 €	1 561 564,01 €	1 818 224,34 €	14%	3 403 224,34 €	26%
<b>TOTAL</b>	<b>28 235 294 €</b>	<b>29 411 765 €</b>	<b>7 264 412,31 €</b>	<b>8 689 667,47 €</b>	<b>29%</b>	<b>14 574 667,47 €</b>	<b>50%</b>

\*\* Total Executed Amount = by the end of previous reporting period + by end of present reporting period

The Programme entails a total of 5 Open Calls and 3 Small Grant Schemes (SGS). As expected, and through the reinforcement of funds from the Reserve, the Open Call #5 was opened in October 2021 and closed in January 2022 to tackle the adverse effects of the desertification.

A brief status on the calls is presented in the table below.

Environment	Total Grant Available	Calls (re)launched or reinforced with reallocated	Dates		Applications Received	Total Requested Amount	Applications Ranked for funding (1)	Applications Approved with funds available (2)	Total Approved Amount	Nr. contracts signed	Unallocated Amounts (if yes fill in table below)
			Launch	Close							
Call 1	€ 6 400 000	0	05/09/2020	31/01/2020	13	€ 9 001 753	12	8	€ 6 400 000	8	€ 0
Call 2	€ 3 500 000	0	18/07/2019	31/10/2019	25	€ 10 317 693	23	10	€ 4 241 932	10	€ 0
Call 3	€ 2 200 000	0	29/11/2019	15/05/2020	7	€ 15 342 675	7	1	€ 2 198 666	1	€ 1 334
Call 4	€ 6 058 823	0	30/01/2020	01/06/2020	7	€ 9 092 042	7	7	€ 6 058 801	7	€ 22
Call 5	€ 1 229 858	0	04/10/2021	18/01/2022	13	€ 5 281 999	4	4	€ 1 229 858	4	€ 0
SGS 1	€ 1 000 000	0	18/07/2019	31/10/2019	24	€ 3 796 738	23	6	€ 1 000 000	6	€ 0
SGS 2	€ 1 000 000	0	18/07/2019	31/10/2019	4	€ 198 969	4	4	€ 198 969	4	€ 0
SGS 3	€ 2 650 000	0	02/12/2019	30/04/2020	68	€ 9 816 846	45	17	€ 2 650 000	17	€ 0
<b>TOTAL</b>	<b>€ 24 038 681</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>161</b>	<b>€ 62 848 716</b>	<b>125</b>	<b>57</b>	<b>€ 23 978 227</b>	<b>57</b>	<b>€ 1 355</b>

From the total of 57 projects selected under open calls and 3 PDP, all projects' contracts were signed.

In the reporting period, there were 2 Programme Agreement modifications submitted and approved: #7 for the modification of call amount and results framework and #8 technical modification: formatting of "number" as unit of measurement. On 7<sup>th</sup> July 2022 the PA modification #9 was submitted for the allocation of savings from the projects closed from Outcome 1 to Outcome 2.

The table below presents the progress of commitment of funds for projects and contracting:

Programme	Total Fund for Projects	Nr. Projects Selected	Total Fund selected Projects	% Commitment for Projects	Nr. Projects Contracts signed	Total Fund Contracted	% Commitment under contracts
Environment	24 038 681 €	60	23 978 227 €	99,7%	60	23 977 875 €	99,7%

The special concerns of the Programme in the MoU (Circular Economy in the building sector, living labs for low carbon cities and National Network of Biosphere Reserves)

translate in a strong focus on innovative approaches, in particular from private business. Innovation Norway as Donor Programme Partner (DPP) plays an important role in the implementation of the Programme.

To ensure synergies with the Blue Growth, Innovation and SMEs Programme, as stated in the MoU, resource efficiency in maritime sector was addressed in a joint approach aiming to contribute to the global threat that marine litter poses to the Oceans, under a specific small grant scheme (SGS #1 Plastic in oceans). On May 3<sup>rd</sup> 2022, it took place a joint event between the two Programmes “Synergies Environment-Blue Growth EEA Grants Programmes’ Circular Economy | Marine Litter Reduction” with a presentation of projects results.

### Challenges faced under the Environment Programme

The slow starting and full progress of contracted projects in the previous Strategic Report period has been the main challenge identified by the PO.

The impact of the COVID-19 pandemic and the war have negative consequences on the projects and Programme, namely leading to an increase in prices.

The short implementation period affects the projects execution time, especially the ones more recently approved.

Close monitoring has been implemented to ensure full support and management of risks stated above.

## PT-CULTURE Cultural Entrepreneurship, Cultural Heritage and Cultural Cooperation

The Programme aims at social and economic development strengthened through cultural cooperation, entrepreneurship and heritage.

Despite the COVID-19 pandemic and the war effects, the estimated execution will reach 55% by the end of the year.

Programme Lines	Eligible Expenditure	Revised Eligible Expenditure	Total Executed Amount		%	Estimated Executed amount by the end of 2022	%
			By the end of Previous Reporting Period (31.03.2022)	By the end of Present Reporting Period (30.06.2022)			
Programme Management	€ 1 041 176,00	NA	€ 83 318,91	€ 138 922,22	13%	€ 338 017,22	32%
Outcome 1 - Cultural Heritage management enhanced	€ 6 274 059,00	NA	€ 1 226 686,85	€ 1 226 686,85	20%	€ 2 627 465,85	42%
Outcome 2 - Improved access to contemporary arts	€ 3 273 000,00	NA	€ 490 950,00	€ 490 950,00	15%	€ 2 664 596,00	81%
<b>TOTAL</b>	<b>€ 10 588 235,00</b>	<b>-</b>	<b>€ 1 800 955,76</b>	<b>€ 1 856 559,07</b>	<b>18%</b>	<b>€ 5 630 079,07</b>	<b>53%</b>

The Programme entails two Open Calls that selected a total of 15 projects with all the calls already closed.

In the reporting period, there were 2 Programme Agreement modifications submitted and approved: #5 Technical modification: formatting of “number” as unit of measurement and #6 Small-scale modifications in the results framework.

A brief status on the calls is presented in the table below.

	Name (Fill according to the Annex I of PA)	Total Grant Available	Calls (re)launched or reinforced with reallocated amounts	Grant Rate	Dates		Applications Received	Total Requested Amount	Nr. Contracts signed	Unallocated Amounts (if yes fill in table below)
					Launch	Close				
Call 1	Local development through the Safeguarding and Revitalization of Coastal Cultural Heritage	4 397 809 €	0 €	85%	05/09/2019	04/05/2020	31	31 222 219 €	6	35 052 €
Call 2	Connecting Dots – Arts mobility and audience development	3 273 000 €	0 €	85%	05/09/2019	28/10/2020	44	15 463 378 €	9	0 €
TOTAL		7 670 809 €	-	-	-	-	75	46 685 597 €	15	35 052 €

The special concerns of the Programme in the MoU directs the focus on the role that arts, culture and cultural heritage play in local and regional development with emphasis on employment, social inclusion and cohesion, on cultural entrepreneurship, on cultural heritage management, preservation and conservation and on audience development and cultural activities in education. This aim is being tackled by the selected projects under the two open calls foreseen.

The goal set in MoU, where more than 20% of the total eligible expenditure of the Programme is to be set aside for cultural cooperation and exchange between the Donor States and Portugal, is accomplished through the Arts Outcome of the Programme where mandatory partnerships with the Donor States entities or artists is foreseen.

Although partnerships under Open Call #1 were not mandatory and the result shows that all 6 selected projects entail a bilateral partnership.

All projects were contracted, in specific 15 projects selected under Outcome 1 (Cultural Heritage management enhanced) and Outcome 2 (Improved access to contemporary arts) and 2 PDP.

The table below presents the progress of commitment of funds for projects and contracting:

Programme	Total Fund for Projects	Nr. Projects Selected	Total Fund selected Projects	% Commitment for Projects	Nr. Projects Contracts signed	Total Fund Contracted	% Commitment under contracts
Culture	9 547 059,00 €	17	9 512 007,00 €	99,63%	17	9 512 007,00 €	100%

### Challenges faced under the Culture Programme

The impact that the COVID-19 pandemic and the war have on projects and Programme led to an increase in prices and has an impact on projects execution time (specially on outcome 1).

The PO faces some challenges in the management team of the Programme and there is lack of experienced team members in the DGArtes team.

Internal financial procedures have been causing delays in payments.

Starting in September, the NFP will promote monthly meetings with the DGPC and DGArtes to closely monitor the development of the Program and support the identification of measures deemed necessary to mitigate the risks. The NFP also requested visits to projects from Call1 to closely monitor their development.

## 5. STATUS OF BILATERAL FUNDS

The year of 2021 was still strongly affected by the COVID-19 pandemic, which, as expected, brought challenges in the implementation of the FBR.

The main consequences identified in the implementation of the bilateral initiatives remained related to their physical execution, arising from the need to postpone or cancel planned trips and even to extend the planned implementation periods, to accommodate in a prudent and balanced way the implementation of all planned activities, without prejudice to the outlined results.

Mitigation strategies were put in place, consisting essentially in the rescheduling of trips and meetings, the adoption of mixed or digital models for holding meetings or conferences at the detriment of the face-to-face model and the extension of the bilateral initiatives closing date.

In the reporting period the Joint Committee for Bilateral Relations (JCBF) held 3 meetings scheduled to deliver timely decisions on the cut-off dates established in the Open Call #2 and other important decisions on bilateral initiatives of common interest:

- 15<sup>th</sup> JCBF Meeting – 27<sup>th</sup> October 2021, Paço de Arcos, (Revision proposal of FBR Work Plan 2021-2022, Bilateral activities for 2022);
- 16<sup>th</sup> JCBF Meeting – 12<sup>th</sup> January 2022, on-line Zoom, (Open Call #2 - 1<sup>st</sup> Cut-off period, Bilateral activities in 2022);
- 17<sup>th</sup> JCBF Meeting – 11<sup>th</sup> July 2022, Sintra, (Open Call #2 – 2<sup>nd</sup> Cut-off period, Bilateral activities in 2022).

### **FBR Open Call #1 and Open Call #2**

The results of the FBR Open Call, namely, FBR Open Call #1, shown to be broad, diverse and in consensus among JCBF members, the approach revealed to be very strategic and fruitful for the promotion of bilateral relations.

Following the instructions of the FMC, regarding the mandatory existence of Norwegian partners in the bilateral initiatives approved through the Call, it was necessary to close Call#1. Nevertheless, and to maintain this important support, it was launched Call #2 (Portugal & Norway - Partnerships for Innovation) on 1st July 2021, aiming to support partnerships between entities from Portugal and Norway that address innovative approaches.

The Call #2, open permanently until 26<sup>th</sup> May 2023, foresees a total of 4 semi-annual cut-off dates, and the first decision period was held on 26<sup>th</sup> November 2021 and the second one on 27<sup>th</sup> May 2022, whereby the decision of the JCBF members on the applications submitted was taken in July 2022.

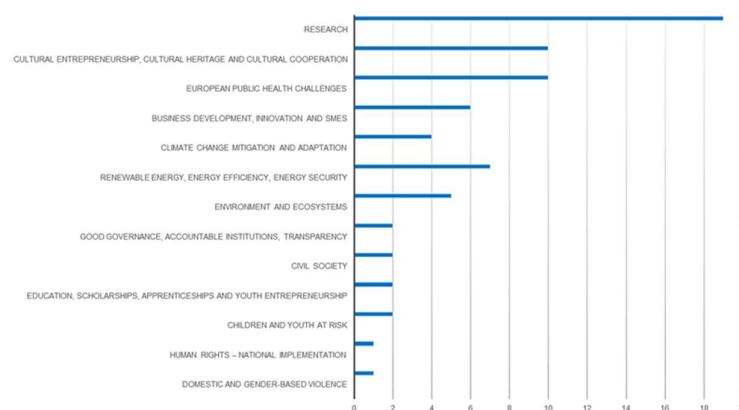
The main figures from the FBR Open Call #1 after 7 cut-off dates and the FBR Open Call #2 after the 1<sup>st</sup> and 2<sup>nd</sup> decision periods are presented in the tables below:

	CALL#1							TOTAL
	1 <sup>st</sup> Cut-off date 17.05.2019	2 <sup>nd</sup> Cut-off date 12.09.2019	3 <sup>rd</sup> Cut-off date 10.01.2020	4 <sup>th</sup> Cut-off date 08.05.2020	5 <sup>th</sup> Cut-off date 18.09.2020	6 <sup>th</sup> Cut-off date 15.01.2021	7 <sup>th</sup> Cut-off date 12.05.2021	
Applications received	26	9	23	12	13	37	12	132
Applications accepted	24	9	17	12	13	34	12	121
Amount requested	220 987,00 €	118 302,00 €	259 340,00 €	157 883,00 €	182 366,00 €	508 433,70 €	155 974,11 €	1 603 285,81 €
Applications approved*	11	5	9	6	8	13	6	58
Amount Approved*	142 795,22 €	66 386,51 €	109 682,14 €	81 290,43 €	102 713,07 €	166 727,88 €	76 797,53 €	746 392,78 €

\* Includes Initiative FBR\_OC1\_58 which have withdrawn after approval (11.2506) - Icelandic Partner

	CALL#2				TOTAL
	1 <sup>st</sup> Cut-off date 26.11.2021	2 <sup>nd</sup> Cut-off date 27.05.2022	3 <sup>rd</sup> Cut-off date 25.11.2022	4 <sup>th</sup> Cut-off date 26.05.2023	
Applications received	8	27			35
Applications accepted	5	24			29
Amount requested	99 809,00 €	374 617,11 €			474 426,11 €
Applications approved	2	12			14
Amount Approved	27 000,00 €	168 299,72 €			195 299,72 €

The core support areas and type of bilateral activities supported are detailed in the graphic below:



### Pre-defined Initiatives

A total of seven agreed pre-defined bilateral initiatives were contracted, out of which 1 was completed and 1 was contracted in the reporting period. 3 pre-defined bilateral initiatives were already completed in the previous reporting periods.

The following pre-defined bilateral initiative was completed in the reporting period:

**Route of Microplastics and Marine Litter** bilateral initiative was contracted with the Hydrographic Institute (IH) in partnership with the Norwegian Institute for Water Research (NIVA), with Associação para a Inovação e Desenvolvimento da FCT (NOVA.ID.FCT) and with Centro de Química Estrutural (CQE) - Faculdade de Ciências da University of Lisbon (CQE@FCUL).

The official kick-off of the Bilateral initiative took place on 5th of January 2020, following the sail training ship NRP Sagres departure from Lisbon for the planned circumnavigation voyage.

As a problem that has gained notoriety in the last years, a project of monitoring of marine litter and microplastics in the sea was associated from the beginning and the presence of microplastics in the water was studied by taking advantage of the circumnavigation voyage, with the collection of water samples throughout the Atlantic Ocean.

However, during the implementation period, the bilateral initiative was strongly affected by the COVID-19 pandemic context.

The original course of the Circumnavigation Voyage enabled the collection of the first samples, during the transit between the Canary Islands and Cape Verde but due to the beginning of the Covid-19 outbreak during the first trimester of 2020, the Portuguese Government decided that the NRP Sagres would arrive at Cape Town (South Africa) and would return to Lisbon.

Due to the interruption of the circumnavigation voyage and the consequent reduction of the number of samples, it was necessary to put in place a second voyage, the “Mar Aberto” campaign on board the NRP Gago Coutinho, taking advantage of the planned mission of the hydrographic vessel to the Cabo Verde Islands, between December 2020 and February 2021.

During this campaign, water samples were collected to complement the NRP Sagres samples.

The interruption of the circumnavigation voyage also suspended the analysis of marine litter and physicochemical parameters. Thus, studies on the determination of uncertainty and assessment of pollution levels were added to the project as a complement.

The main results of this bilateral initiative are the characterization of microplastics abundance and polymer composition by chemical analysis, the elaboration of a technical report and communication and dissemination of results.



IH reported that the partnership with the Norwegian Institute for Water Research "...allowed for a procedure standardization regarding samples analysis and results interpretation." and that "IH, NIVA and CQE@FCUL will have discussion related with the present results in order to have a scientific publication".

The following pre-defined bilateral initiative was contracted in the reporting period:

The pre-defined bilateral initiative **Portugal and Iceland: investigating biodiversity and world changes together**, approved by the JCBF in June 2022 and contracted with Público - Comunicação Social, S.A. in partnership with the University of Iceland, the Marine and Freshwater Research Institute (MFRI), the RIF Field Station and the Southwest Iceland Nature Research Centre (NAT), is expected to give to know to Portuguese readers how cooperation between Portugal and Iceland, on scientific level, helps to better understand the world and create the tools to fight the tragic consequences of climate change, by interviewing six Portuguese scientists who are developing research projects in Iceland, related to biodiversity and the changes the climate and the natural world are facing, in order to produce a journalistic work of an article for the online/paper edition and a video work about the project for the online edition. The bilateral initiative is currently completing the contracting procedures and will be implemented for 3 months, from June 2022 to September 2022.

An overview of the pre-defined bilateral initiatives is presented in the following table:

N.	Bilateral Initiatives	Status	Final Balance and/or Budget*	Executed to date*
FBR/01	Business meeting AI/CEP & Innovation Norway	Complete	5 449,93€ (Budget 28 070,00€)	5 449,93€ (Final balance)
FBR/02	Mental Health and Primary Health Care	Withdrawn	70 000,00 €	28 000,00€ (1 advance payment which has been returned)
FBR/03	Enhancing the Protection of the Rights of the Child in Priority Areas	Complete	Budget 36 092,00€	18 321,40 € (2 advance payments Final report under evaluation)
FBR/04	Gender Equality Seminar in Iceland Event & NFP participation	Complete	33 031,00€ (Budget 37 000,00€)	33 031,00€ (Final balance)
		Complete	5 143,00€ (Budget 3 000,00€)	5 143,00€ (Final balance)
FBR/05	Route of Microplastics and Marine Litter	Complete	63 168,96 €	25 267,59€ (1 advance payment) Final report under evaluation)
FBR/06	E-bug partnership and development project PT-NOR 2021-2023	On going	99 345,98 €	39 738,39€ (1 advance payment)
FBR/07	Portugal and Iceland: investigating biodiversity and world changes together	On going	7 450,00 €	0,00 €
TOTAL			334 850,94 €	115 212,91 €

\* Includes Initiative FBR/02 which have withdrawn after approval (70 000€)

## FBR on Programmes

All the MoU allocations of the FBR to Programmes in the total amount of €500.000 were transferred by order of the NFP to the PO in December 2018, after the signature of a formal contract setting the terms and conditions on the use of the FBR by Programmes including the reporting responsibilities.

Due to the current stage of the Covid-19 pandemic the bilateral initiatives promoted by the Programmes were severely reduced.



The Blue Growth Programme managed to organize a webinar and matchmaking online event, in collaboration with the donor states of Norway and Iceland, respectively, Innovation Norway and Rannís and to participate in a conference and matchmaking event in Athens “Business Cooperation on Blue Growth in Europe”. The Environment Programme promoted a study visit to some of the Biosphere Reserves and the Work-Life Balance Programme proceeded with the translation of “HARASSMENT” - «Guide to Prevent Domestic Violence at Companies» (Portuguese to English version).

The following table updates the reported financial execution by PO under the FBR:

Programme	MoU Allocation	Expenditure Executed by 30.06.2022 (verified and reported by NFP)
Blue Growth	200 000,00 €	84 702,77 €
Environment	100 000,00 €	61 201,07 €
Culture	100 000,00 €	78 671,70 €
Work-life Balance	100 000,00 €	21 284,16 €
<b>TOTAL</b>	<b>500 000,00 €</b>	<b>245 859,70 €</b>

The NFP has encouraged PO's to regularly update the bilateral activities plan and discuss it with the DPP, exploring possible bilateral initiatives, namely, in person activities, in relevant programme themes, as constraints have for the most part been overcome.

## Events

On 2<sup>nd</sup> May 2022, the NFP together with Innovation Norway and the Norwegian Embassy in Portugal organized the “Bilateral Event for Portuguese and Norwegian Companies - Portuguese Public Funds Opportunities” funded by the Joint Committee for Bilateral Funds in Portugal. This event aimed to outline the opportunities for cooperation between Norwegian and Portuguese businesses in Portuguese public funds and to match relevant partners from each country in specific areas related to: Business innovation; Decarbonisation of industry; Hydrogen and renewable energies; Sustainable mobility and Digital transition and Enterprises 4.0.

Additionally, in November 2022, is planned to take place in Oslo, Norway, a Business Opportunities event (follow up to the bilateral cooperation event held on 2<sup>nd</sup> May 2022, in Lisbon).

On 10<sup>th</sup> and 11<sup>th</sup> May 2022, the NFP participated on the Conference Business Cooperation on Blue Growth in Europe, in Athens. The conference aimed to understand how the blue economy can create business opportunities, cooperation and development of partnerships, contributing to sustainability. The NFP participation was important to acquire knowledge of priorities, sectors of investment and cooperation, opportunities and challenges in the blue economy.

## Financial Execution and Disbursements

The Donors agreement with the NFP proposal for the Reserve allocation, allowed to reinforce the amount available for the FBR in the total additional amount of €903.000.

The financial execution and disbursements are summarized in the following table:

Total Grant	Execution						Disbursements (including advance payments)	Balance
	2018	2019	2020	2021	1 <sup>st</sup> sem 2022	Total		
2 957 000,00 €	75 282,00 €	231 387,00 €	239 417,45 €	192 412,56 €	48 655,14 €	787 155,15 €	1 721 030,01 €	933 874,86 €
Rate	3%	8%	8%	7%	2%	27%	58%	

The financial execution of the FBR significantly slowed down in 2021 due to the outbreak registered in the country in the beginning of the year. This changed the expectations built upon better outcome on the pandemic situation, which justifies the high positive balance between expenditure and disbursement of funds to the country. However, at the end of 2021 and beginning of 2022, the acceleration of the implementation of the FBR was evident.

## 6. MANAGEMENT AND IMPLEMENTATION

### a. Management and control systems (MCS)

#### MCS at national level

During the reporting period, no changes were made to the MCS. However, when the new information system is adopted, it will be necessary to review the MCS.

Regarding NFP staffing, the Deputy coordinator Maria João Lois performed functions till 15<sup>th</sup> February 2022 and was replaced by Maria Mineiro in 7<sup>th</sup> April 2022.

#### MCS at Programme level

The Annual Audit Report setting out the findings of the audits carried out during the period of 1<sup>st</sup> July 2020 to 30<sup>th</sup> June 2021 stated that *“During the reference period, in order to overcome weaknesses identified by the IGF-Audit Authority, as well as to provide more detailed and updated information, some Programme Operators have revised their descriptions of the management and control systems established in Article 5.1 of the Regulation of the Implementation, as summarized below.*

*The Directorate General for Maritime Policy (DGPM PT), Programme Operator of the Blue Growth Innovation and Small and Medium Enterprise Programme, has provided more details about the established procedures to insure the quality control of the work performed by external entities and about the expert's selection process.*

*Besides, they clarified the procedures regarding with the advanced payments.*

*They also clarified the established procedures related to transfers within the scope of the Programme payments (Management and Promoters Costs). Concerning the cash payments, they also have set a limit amount of 100 Euros.*

*Concerning project promoters to open a dedicated bank accounts for each project, they argued that, according to practice and after consulting the Agency for Development and Cohesion (Agency), it's not a requirement, since it may imply bank costs to the promoters and that what should be ensured is that all receipts and payments allocated to the project are clearly identified.*

*In this case, we have no basis to consider that the above proposals are not comply with the legal requirements.*

*However, regarding the human resources allocated to the project, we consider that, when the worker is not exclusively affected, then the beneficiary entity must support the imputation rate used with the relevant documentation, namely by timesheets or other suitable time recording system, adequately supported by evidence of their reality and reliability.*

*In addition, we consider that the simplification measure adopted, in the context of EEA Grants funds, with the abolition of stamp on expense documents as an obligation, must be compensated by the adoption of alternative procedures that mitigate the risk of duplication of funding.*

*Concerning the proposed review of the Description of the Environment Programme Management and Control System, we consider that, in the case of advance payments not settled within the stipulated period of 90 to 180 days, the obligation to return the advance is not determined.*

*The review proposal of the Description of the UNG Programme Management and Control System presented an update of the procedures but nothing relevant deserves to be mentioned."*

*During the reporting period, the Environment Programme did some adjustments to the MCS.*

### **Information and reporting IT System**

*The joint procedure to procure the setting up of a joint IT system covering the implementation of the EEA FM 2014-2021 by the NFP and the PO is in the phase of loading the project data, with entry into production scheduled for September/October 2022.*

## b. Complaints

Two complaints were received by the NFP, one through the complaint mechanism and other by regular mail, but nonetheless treated equally.

Both complaints were under the Culture Programme. The first complaint - already reported in the previous Strategic Report, addressed the selection procedure regarding the position of candidates excluded in Call #1. After the judicial procedure, the application was accepted but it was not approved due to evaluation received. The applicant was notified of the final decision and requested the call documentation. Considering the lack of response within the legal administrative period, the case was closed in June 2022.

The second complaint, received by some projects promoters, addressed the delays in the payment of some projects from Call #2. The NFP is following the case encouraging the PO to keep an internal articulation and to support promoters by performing a close monitoring to projects including timely financial procedures.

## c. Irregularities

No irregularities were reported by the Irregularities Authority.

## d. Audit

The Annual Audit Report setting out the findings of the audits carried out during the period of 1<sup>st</sup> July 2020 to 30<sup>th</sup> June 2021 stated that *“there is a reasonable assurance that the underlying transactions financed by the European Economic Area Financial Mechanism 2014-2021, within the scope of projects and management costs as well as technical assistance and bilateral funds, are legal and regular.”*

Regarding audits on projects, the Control and Audit Unit of the Cohesion and Development Agency P.I. (Agency's UCA), under Audit Authority quality control procedures, has carried out audits in operations under the Technical Assistance, Blue Growth, Work-Life Balance, Environment and Culture and Programmes (between March and April 2022).

The results obtained in the audit report for the reliability and regularity of the amount audited and no anomalies and/or irregularities were detected.

# 7. COMMUNICATION

## Communication strategy

The NFP carried out various communication activities from August 2021 until July 2022.

These activities are in line with the Communication Strategy 2022-2024 that has been worked on over the last year and that the NFP expects to present very soon.

This exhaustive work has been articulated with the PO that have also brought their vision for improvements to the existing strategy and how they think the EEA Grants brand should be developed until the end of this Financial Mechanism.

More than isolated communication activities, it is the NFP's concern to have strategic and aligned communication. In this respect, one of the activities implemented was the Get Connected campaign which involved the NFP and the PO and that was awarded last June during the annual communication workshop organized by the FMO and attended by all the beneficiary countries and donor country representatives.

### **Working Together Award: Get Connected campaign**

To obtain better results during 2021 and 2022, it was given special importance to the social media networks of EEA Grants Portugal (presence on Facebook, Instagram, LinkedIn, Twitter and Youtube).

The NFP decided to take a lead in a communication action that was called Get Connected campaign carried out 100% on social media.

This campaign had no associated costs of communication agencies because it resulted from the close articulation and contribution of the NFP and the programmes' communication teams.

Each Programme has at least one person designated as communication officer, working closely with NFP communication officer.

The NFP works together with the PO communication officers, as a team, and with a well-oiled machine in which are defined communicational tools common to all, regardless of the area of activity.

The NFP work follows a bottom-up methodology. This chain of synergies had as objectives a more fluid, aligned and close communication with the target audience and citizens and with an increase of visibility of the brand and the projects.

This campaign was articulated among all and with supervision of the NFP. The campaign began with the evaluation of the social networks we were already working with, followed by a period of results analysis. After that, a more strategic path was taken for the positioning of the brand in general and on the social networks.

Once these points were defined, the whole campaign was designed in an operational way, consisting of a set of actions that together had a very strong synergy.

The NFP and PO create a Monthly Plan of organic content and, when necessary, Social Paid content. The communication team shares a folder in EEA Grants google drive where information is placed by date, content and structure.

### **Social Media context:**

- Initiative "Lunch with EEA Grants" - 12 lives with a weekly frequency and with an informal character. Using simple and clear language, promoters, NFP and PO talked about topics related to the projects and the funded areas.

- Programme Day Initiative - Independently of the daily publications, every day of the week includes a topic about one of the Programmes:

- Monday - Blue Growth Programme
- Tuesday - Environment Programme
- Wednesday - Culture Programme
- Thursday - Work Life Programme
- Friday - Bilateral Relations Fund

**Specific headings:**

- Blue Growth:
  - Popular Saints' contest to promote the brand;
  - Lockdown blues programme that showed the first approved projects and how they dealt with the pandemic crises (17 episodes);
  - Podcast “in the foam of the waves”, which made the projects in the area of literacy known (24 episodes).
- Culture:
  - #oneprojectalotofwishes- This programme was created with the objective of all the PP (Project Promoters) mentioning their wishes for the year 2022, not only for their projects but also at a general level (16 episodes);
  - #sayyestoculture -The creation of this rubric has the purpose of stimulating the cultural projects financed through the Culture Programme, for a wider public, and also intends the diffusion of the cultural heritage and arts by the local communities. It is currently underway.
- Special days: whenever appropriate special days related to the programme areas are celebrated (e.g. mother's day, father's day, 15 days of the Blue Growth Programme)
- Programme facts and figures: shared information about facts and figures
- Call updates and promotions: whenever there are calls or updates related to EEA Grants the team publish it.

Get Connected has been essential for the success of the communication activities developed at social media. To have this chain working with success, the NFP promotes daily contacts with the PO and monthly meetings to assess the ongoing strategy.

Whenever a need for training is identified, the NFP tends to address it (every year the NFP has promoted specific training to all the members of different PO teams).

NFP relationship with PO are close and constantly reinforced with new sharing, knowledge and skills. PO also serve as facilitators and amplifiers of guidelines and rules for PP.

Although this is an ongoing activity (started in 2021) the results reflect, for example, the increasing the number of followers, as can be seen in the next table:

Social Media Followers	November 2017	March 2018	July 2019	July 2020	July 2021	July 2022
Facebook	1091	1535	2614	3256	4425	5200
Twitter	26	87	263	490	727	955
LinkedIn	14	78	347	1388	2619	4191
Instagram	-	-	361	684	1277	1939

## Site EEAGrants.gov.pt

The EEA Grants Portugal joint website (NFP/PO) – [www.eeagrants.gov.pt](http://www.eeagrants.gov.pt) – is a very important communication tool in the current Financial Mechanism.

Since August 2021 until July 2022 the website had a total of 327.608 page views focusing on subjects related to calls and information of the programmes. In the table below we can see the top 10 preferences:

Page	Page Views	Unique Page Views	Avg. Time on Page	Entrances	Bounce Rate	% Exit
	327,608% of Total: 100.00% (327,608)	269,442% of Total: 100.00% (269,442)	00:01:27 Avg for View: 00:01:27 (0.00%)	150,957 % of Total: 100.00% (150,957)	72.05% Avg for View: 72.05% (0.00%)	46.08% Avg for View: 46.08% (0.00%)
1. /pt/	76,318 (23.30%)	63,856 (23.70%)	00:01:38	60,311 (39.95%)	75.46%	63.32%
2. /pt/concursos/	16,746 (5.11%)	13,642 (5.06%)	00:01:05	6,472 (4.29%)	69.08%	44.54%
3. /pt/programas/	10,606 (3.24%)	7,791 (2.89%)	00:00:17	669 (0.44%)	22.72%	6.62%
4. /pt/eea-grants/	9,070 (2.77%)	7,177 (2.66%)	00:01:05	1,158 (0.77%)	58.03%	27.87%
5. /pt/programas/fundo-de-relacoes-bilaterais/concursos/portugal-e-noruega-parcerias-para-a-inovacao-fbr-open-call-2/	6,335 (1.93%)	5,319 (1.97%)	00:02:44	2,487 (1.65%)	72.09%	51.60%
6. /pt/programas/crescimento-azul/	5,168 (1.58%)	4,156 (1.54%)	00:00:46	1,762 (1.17%)	35.24%	20.01%
7. /en/	4,810 (1.47%)	3,833 (1.42%)	00:00:47	1,646 (1.09%)	53.46%	29.60%
8. /pt/programas/conciliacao-e-igualdade-de-genero/	4,734 (1.45%)	3,838 (1.42%)	00:01:02	2,619 (1.73%)	64.68%	45.86%
9. /pt/programas/ambiente/	4,233 (1.29%)	3,384 (1.26%)	00:00:45	1,039 (0.69%)	54.67%	23.79%
10. /pt/programas/ambiente/concursos/aviso-projetos-de-preparacao-para-condicoes-meteorologicas-extremas-e-de-gestao-de-riscos-no-contexto-das-alteracoes-climaticas/	3,395 (1.04%)	2,795 (1.04%)	00:03:34	1,302 (0.86%)	76.11%	61.71%

The website had also developed important communication activities:

- A total of **215** news were published during the reporting period in Portuguese and **167** in English version (with the option of sharing directly on social networks);
- A summary of each contracted projects under the current period is being registered in Portuguese and in English.

## APP

The EEA Grants APP (EEA Grants PT), available for Android and IOS, allows its users to receive, through a push notification system, immediate information about the open calls and news.

A total of about **9.7k** push notifications were sent until July 2022.

The APP maintains a functionality that allows matching between Portugal and Iceland, Liechtenstein and Norway entities in order to strengthen bilateral relations and promote future partnerships.

### **Media relationship**

In the reporting period more than **345** news about EEA Grants Portugal, Programmes and projects were published. The NFP collects EEA Grants news on a weekly basis via Google Alerts (clipping).

Press releases to the Media are sent by the NFP, the PO and PP, whenever relevant. The NFP also replied to journalists' interviews upon request.

Other actions include, for example, journalist's visits to projects. During a three-day visit to biosphere reserves (Environment Programme) with a Norwegian and Portuguese delegation, there were journalists presented in different locations and a journalist from a national newspaper, that accompanied the delegation throughout the trip. This media connection was made through NFP, the PO and the Norwegian Embassy in Lisbon.

### **Direct Communication**

During this period the NFP promoted more than 130 meetings with potential beneficiaries, PO, PP, FMO, Embassies and other stakeholders.

The NFP also participated in more than 50 events organized by the NFP, PO, PP and other stakeholders such as project contract signature ceremonies or public presentation of projects, as well as matchmaking events like the 'Bilateral Event for Portuguese and Norwegian Companies Portuguese Public Funds Opportunities', held on 2<sup>nd</sup> of May 2022 in Portugal.

### **Network with Programme Operators**

The NFP continues to actively promote its close and efficient relationship with the PO communication officers.

The activities carried out during the reporting period were mainly:

- Monthly meetings with the communication team (at least one person from each PO);
- Monthly meeting with the communication officer of each programme;
- Daily contact with the communication officer of each PO;
- On-job training;
- Monitoring meetings.

The NFP also encouraged and supported the PO to hold meetings with PP to explain all the details about the tasks related with EEA Grants implementation, namely how to communicate the Grants.



### **With the FMO**

The relation with the FMO is very positive and active with:

- Monthly meeting with the head of communication of the FMO team for Portugal;
- Bi-monthly meeting with the FMO communications team and the beneficiary countries;
- Contact, whenever necessary, with the communication officer for Portugal;
- Joint participation in 3 editions of a communication workshop promoted by the NFP directed to Portuguese PP.

### **With the Embassy of Norway in Lisbon**

The NFP maintains an active and open relation with the communication officer of the Embassy of Norway in Portugal through communication meetings and informal contacts for sharing and identifying content on social media, support in requested activities and events like the visit of Norwegian ministerial delegation to Portuguese projects related to microalgae. On the occasion of United Nations Ocean Conference (UNOC), a visit by the Norwegian Minister of Fisheries and Ocean and the Minister of International Development took place on 30 June. This visit had also the presence of their communication advisors and a local journalist and it was possible to present two projects: Yum Algae and DoMAR.

### **Main activities for the next 12 months**

The NFP is working on a 12-film creation project with a film production company to promote EEA Grants Portugal (and the programme areas) and the importance of bilateral relations.

Two films will be made for each programme/fund, namely:

- 2 films of initiatives of the Bilateral Relations Fund;
- 2 films of projects from the Blue Growth Programme;
- 2 films of projects from the Environment Programme;
- 2 films of projects from the Culture Programme;
- 2 films of projects from the Work-life Balance Programme;
- 2 films from projects of Active Citizen Fund.

The films should be no longer than two minutes and contain English/or Portuguese subtitles.

The intention is also to create a teaser about each of the listed videos and, at the end, create a video with all the films or parts of each one.

Regarding the website, the NFP intends to develop a communicational database in Portuguese and English with all the projects approved in Portugal for the EEA Grants 2014-2021 with territorial references.

Finally, the NFP is organizing with a specialized company a training for EEA Grants communication trainers, which will be a way to give the Programmes' communication officers more and better skills to share the culture and communication rules with the PP.

At the end, participants will be able to share information with PP and empower them.

This training course has 38 hours and 5 modules:

**a) Marketing Strategy and Communication EEA Grants (one day - 7 hours):**

- Importance of Strategic Marketing
- Public Marketing
- Social Media Strategy
- Communication Plans Projects

**b) Operational Marketing EEA Grants (one day - 7 hours):**

- Communication and Graphic Manual and Annex\_3
- Identification of graphic material for dissemination
- Media Library EEA Norway Grants
- Events and protocol
- Communication evaluation

**c) Digital content (one and a half days - 10 hours):**

- Simple image creation and processing for social media
- Webcopywriting
- Directs
- Web Analytics / SEO (both related to metrics analysis / results optimization)

**d) EEA Grants Writing (one day - 7 hours):**

- Writing techniques
- How to make our project/initiative communication more attractive (writing posts, press releases)

- Communicating in numbers

**e) Video (one day - 7 hours):**

- How to make a 30's video using Mobile Phone and APP
- EEA Grants Videos
- EEA Grants Standards
- Simple Subtitling.

This project will start in early October and it will be developed over the coming year.

Considering that our Communication Strategy was approved in 2018, that more than 90% of its activities have already been carried out and a lot has changed in the way we communicate due to COVID, the NFP is preparing a new Communication Strategy (2022-2024) and is intended to come into force in the last quarter of the year.

## 8. MONITORING AND EVALUATION

### a. Monitoring

According to the description of the MCS at national level the different levels of monitoring (compliance, results and risk-based monitoring) are carried out through the performance in several activities, such as:

- Quarter reports from the PO;
- Regular control meetings, at least with a biannual periodicity, with the PO staff including the General Directors;
- Consolidation of the information on controls, audits and complaints;
- Follow-up, as an observer, of the meetings of the Cooperation Committees between the PO and their respective DPP and of the selection procedures by the PO;
- Validation of the open calls text in order to guarantee the accomplishment of the minimum requirements of the Regulation;
- Prior validations before submitting to the FMC/FMO the documents owed by the PO, pursuant to the Regulation, *inter alia*, provisional approval of proposals to amend the Programme Agreement (Article 6.9.3), approval of management and control systems for the PO (Article 5.7.2), positive appraisal of the Pre-defined Projects (Article 6.5.3);
- Review of the Annual Programme Reports.

In the reporting period the NFP has performed 2 rounds of meetings with each of the PO teams (November 2021 and July 2022) which provided important inputs to conclude the Risk Assessment at Programme level. The NFP also participated in several dedicated working meetings with each PO concerning the specific challenges identified along the implementation progress that proved to be very helpful and effective.

The NFP was observer in all Cooperation Committee Meetings and Selection Committees hosted by the PO, which is considered an important monitoring tool.

The NFP has assessed all the call texts compliance with the minimum requirements of the Regulation and informed the FMO of such assessment.

The NFP encourage all PO to revisit the Programme's Results Framework and identify any adjustments needed to be discussed with the FMO as well as the projects that contribute most for the planned results (anchor projects) for closer risk monitoring by PO. Dedicated meetings with the FMO and each PO were promoted (May 2021) to discuss the issues identified that may need correction or clarification (such baseline values, baseline year, frequency of reporting, etc.).

The NFP has being promoting continued support to all PO in the different stages of implementation of the Programmes by setting up workshops on specific issues relevant for the work planning of the PO and promoting joint training sessions.

In the reporting period the following joint trainings, with the participation of NFP and PO, were promoted by the NFP:

1. FMO Results & Evaluations Training (November 2021);
2. Digital Communication Training, Image Editing (November 2021);
3. Results&Evaluation (July 2022).

Despite the provision for a Monitoring Committee was not included in the Regulation on the implementation of EEA FM 2014-2021, the setting up of such committee was maintained under the current funding period in Portugal, with representatives from the different areas supported by the EEA Grants, either government or private agencies. In the reporting period the NFP conveyed 2 Monitoring Committee meetings (December 2021 and June 2022). The next meeting is planned for December 2022.

### **On the spot verifications**

In accordance with the MCS dedicated to "Presentation of expenses by the beneficiaries and their validation", the NFP is obliged to carry out on-the-spot verifications with a minimum incidence of 20% of the total of the effectively validated expenditure.

The on-the-spot verifications aim to verify, in particular, the reality of the bilateral initiatives, the delivery of products/outputs in accordance with the terms and conditions approved by the JCBF, the progress of the physical execution of initiatives, the respect for eligibility rules and for national and EU rules on public procurement, on state aids, environment financial instruments, on sustainable development, publicity, non-discrimination and equal opportunities and conflict of interest, and can also be used to check whether the promoter is providing accurate information on the physical and financial implementation of the initiative.

On the other hand, concerning Technical Assistance, on-site verifications aim to confirm the reconciliation of the expenditure certified by the Certifying Authority in the

corresponding IFR and in the final report of the Programme with the respective supporting documents of expenditure incurred and paid.

In this sense, during the reported period 3 out of 6 on-the-spot verifications selected were already carried out, representing 15% of the total 28% of the random sample selected, which focused in IFR submitted by the PO of the Blue Growth Programme.

The verifications carried out did not give rise to any noteworthy recommendations.

## **b. Evaluation**

No evaluations were performed at the current stage of implementation.

However, the framework of the EEA FM evaluation is being prepared to launch the public procurement procedure in 2023.

Based on the FMO's clarifications, the Evaluation Plan was changed, and the new version is attached. Particularly noteworthy is the increase in the budget for each evaluation. The NFP agreed with the PO that, whenever is possible, they will be responsible for the evaluation payment. In addition, the NFP will ensure that all principles relating to good governance and impartiality are taken into account.

## **9. ISSUES FOR THE ANNUAL MEETING**

1. Constraints that affect implementation of the projects;
2. Results and Evaluation;
3. EEA FM 2021-2027.

## **ANNEXES**

**A. Risk assessment and management plan**

**B. Evaluation plan**

**C. Cooperation with Donor Programme Partners and International Partner Organisations**

**D. Technical assistance report**

## Annex B: Evaluation plan

Please note this Annex is uploaded separately and is not visible in this document. Please download and print separately if needed.

## **Annex C: Cooperation with Donor Programme Partners and International Partner Organisations**

The NFP has observed all cooperation committee meetings and Selection Committee meetings held by the PO and DPP under all the agreed Programmes and the relevance of the cooperation at the current stage of the implementation of the EEA FM 2014-2021 was evident, particularly in the setting-up of matchmaking calls and events selection committees and other bilateral initiatives.

## Annex D: Technical assistance report

### Overview of main activities

The total amount of the TA for Portugal (€ 1,540,500) is eligible for the period extending from 23<sup>rd</sup> May 2017 to 31<sup>st</sup> August 2025, according with the TA Agreement entered into on the 26<sup>th</sup> September 2017, amended by June 2018.

The TA fund was allocated to Additional Management Systems, in line with article 8.11.2(a) of the Regulation and the eligible expenditure refers to salaries and statutory costs of NFP staff, as well as social security contributions, either from civil servants or other staff employed to carry out tasks related to the management of the EEA Grants 2014-2021, in accordance with article 8.11.3.

Pursuant to the Article 10.1 of the Regulation, the TA fund is also allocated to costs for evaluation on results from the EEA FM 2014-2021, eligible under the TA budget (Article 8.11.2 (g) of the Regulation).

### Budget overview

Year	Planned Expenditure TA Budget	Executed Expenditure	Difference	Execution rate
2021	257 200,00€	243 038,03€	- 14 161,97€	94%
1st half 2022	127 054,43€	118 082,66€*	- 8 971,77€	93%

\* To be confirmed in IFR to be certified in September 2022.

Total Grant	Execution						Received payments (including advance payment)	Difference
	2018	2019	2020	2021	1st half 2022	Total		
1 540 500,00€	240 017,00€	238 632,91€	251 078,43€	243 038,03€	118 082,66€*	1 090 849,03€	1 188 728,40€	97 879,37€
Rate	16%	15%	16%	16%	8%	71%	77%	6%

\* To be confirmed in IFR to be certified in September 2022.

Although the amount allocated to TA is eligible until 31<sup>st</sup> August 2025, the amount allocated only allows the financing of salaries until the end of the year 2023. The remaining period will be supported by funds from the Portuguese State budget.

In the case of the subsistence allowances for the NFP team, their payment has been supported from the beginning by the Portuguese State budget.

### Procurement

No procurements have been carried out by the NFP under the TA fund.

All the operating expenses of the NFP are supported by the Portuguese State budget.



## Staffing

The staff involved in the implementation of the EEA Grants 2014-2021 in Portugal in the reporting period are the following:

National Focal Point – National Management Unit (UNG)				
Name of staff	Official position	Main tasks	Level of effort (% of working time)	Funded through the Grants (Y/N)
Susana Ramos	Coordinator	Management and coordination of the EEA Grants 2014-2021, implementation and enforcement related activities, official representation of the National Focal Point.	100%	Y
Maria João Lois	Deputy coordinator and Legal Officer (until 15 <sup>th</sup> February 2022)	Assisting the coordinator in managing the EEA Grants 2014-2021, liaise with representatives of donor countries and replace the coordinator in its absences.	100%	Y
Maria Mineiro	Deputy coordinator and Legal Officer (since 7 <sup>th</sup> April 2022)	Assisting the coordinator in managing the EEA Grants 2014-2021, liaise with representatives of donor countries and replace the coordinator in its absences.	100%	Y
Filipa Rodrigues	Financial Officer	Budgeting, IFR and FLP preparation and reporting, relations with Certifying and Audit Authorities, FBR execution, including on the spot verifications, Irregularities data base and reporting.	100%	Y
Mónica Ângelo	Bilateral and Programme Officer	FBR managing and control, preparation of FBR open call selection, preparation of the monitoring materials for the programmes (Quarter Reports), monitoring and follow-up of programme implementation.	100%	Y
Rita Soares	Communication Officer	Communication and Media coordination. Social Media and related activities management. Management of website publications.	100%	Y
Ricardo Perdigão	Coordination Adviser	Support to general management, meeting schedule management, inventory control and procurement, administrative and communication tasks.	100%	Y

Certifying Authority – Cohesion and Development Agency (ADC)				
Name of staff	Official position	Main tasks	Level of effort (% of working time)	Funded through the Grants (Y/N)
Gisela Rodrigues	Director	Confirmation of IFR analysis and confirmation of eligibility of direct incurred expenditure analysis. Confirmation of forecasts and proposals for management and control systems description and internal procedures manual. Technical support to PO.	2.5%	N
Rogério Martins	Coordinator	Revision of the IFR analysis and revision of direct incurred expenditure eligibility. Revision of forecasts and proposals for management and control systems description and internal procedures manual. Technical support to PO. Following the annual AA audits.	10%	N
Graça Carvalho	Technician	Technical and financial IFR analysis. Eligibility verification of the direct incurred expenditure by PO and NFP. Forecast analysis. Management and control systems description and internal procedures manual elaboration. Technical support to PO. Audit reports analysis. Other functions as stated in article 5.4 of Regulation.	15%	N
Cesaltina Rodrigues	Technician	Technical and financial IFR analysis. Eligibility verification of the direct incurred expenditure by PO and NFP. Forecast analysis. Management and control systems description and internal procedures manual elaboration. Technical support to PO. Audit reports analysis. Other functions as stated in article 5.4 of Regulation.	15%	N

The CA kept the same staff over the reporting period.

Audit Authority - General Inspectorate of Finance (IGF)				
Name of staff	Official position	Main tasks	Level of effort (% of working time)	Funded through the Grants (Y/N)
Ana Cristina Rodrigues	Director	Operational direction and strategic coordination of all audits	5%	N
Teresa Silva	Head of Team	Audits Coordination	10%	N
Isabel Silva	Auditor/Inspector	Audit performance	15%	N
João Silva	Auditor/Inspector	Audit performance	15%	N

Irregularities Authority - General Inspectorate of Finance (IGF)				
Name of staff	Official position	Main tasks	Level of effort (% of working time)	Funded through the Grants (Y/N)
Ana Cristina Rodrigues	Director	Operational direction and strategic coordination of audits	5%	N
Teresa Silva	Head of Team	Audit Coordination	5%	N
Isabel Silva	Auditor/Inspector	Audit performance	5%	N
João Silva	Auditor/Inspector	Audit performance	5%	N