

FUND FOR BILATERAL RELATIONS

Work Plan

PORTUGAL

V.04

1. Background

According to the Memorandum of Understanding (MoU), signed on the 22nd 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 30th April 2025).

Based on to the Regulation and the Bilateral Agreement, the Portuguese National Focal Point (NFP) prepared the 1st Work Plan for the FBR, submitted for approval of the Joint Committee of the Bilateral Funds (JCBF) and adopted by written procedure in 27th July 2018. The 1st 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 in 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.

The FBR Open Call #1 was launched in December 2018 with a total amount available of €200.000 with cut-off dates every four months until December 2020. The Open Call was considered to assess the potential bilateral interest, so that the JCBF could draw and adjust or re-plan the strategy for better results for implementation.

The success of the model adopted for granting part of the FBR through an open call with a very broad scope, had led 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 (FMC), 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 on July 1st 2021 FBR Open Call #2 was open.

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

In 9th July 2021 the Agreement on the Fund for Bilateral Relations, signed on 21st September 2017 between the NFP and the FMC was amended to accommodate the increase of funds from the Reserve and the FBR was increased by € 903,000, from € 2,054,000 to €2,957,000. Therefore, a 3rd version of the Work Plan was adopted to incorporate this additional funds allocation and the new scope for the Open Call, framing the use of the FBR for the period 2021-2022.

On April 2023 was approved a MoU modification to accommodate the unspent amounts in the Blue Growth and Environment Programmes and it was possible to reinforce the FBR. Therefore, this document is the 4th version of the Work Plan and intends to accommodate the FBR reinforcement in € 465.000, from € 2,957,000. to € 3,422,000. This version will frame the use of the FBR for the following two years (2023-2025).

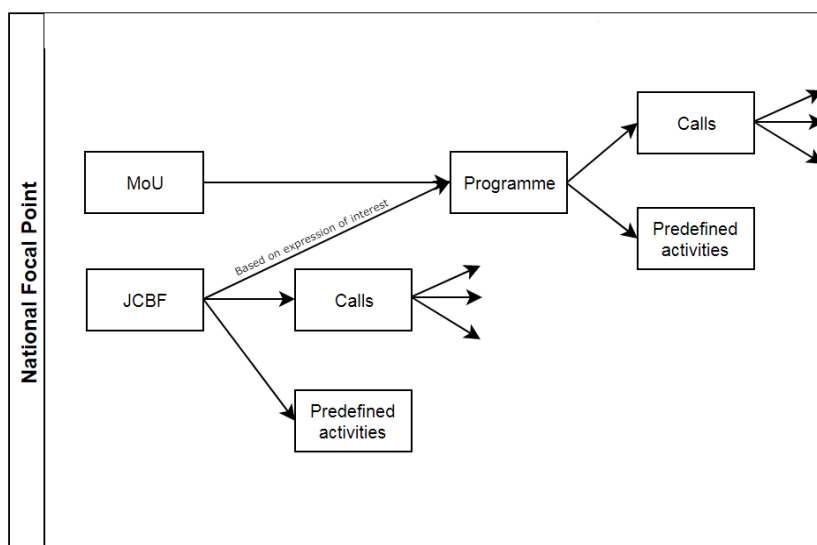
2. Main objective

Considering that we are approaching the closure of the European Economic Area Financial Mechanism (EEAFM) 2014-2021, it is considered in this version of the Work Plan that the intervention of the FBR will have to be more focused on strategic initiatives, through predefined activities.

Thus, the Call will be closed in 2023, despite its success, and priority will be given to predefined initiatives and the reinforcement of the bilateral component of the programs. A bridge will also be built with the next period of the EEAFM 2021-2027 which will focus on priority areas like Business Development and strategic cooperation between Blue Growth and Environment.

3. Implementation system

The NFP oversees 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 predefined 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 was developed and is made available by the NFP. After a positive assessment from the JCBF on proposed pre-defined initiatives, the NFP 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 by the NFP.

The NFP can act as beneficiary promoter when a bilateral initiative is identified and agreed upon by the JCBF and no direct promoter is identified to carry it out. Direct costs of the NFP, Audit Authority and Certifying Authority resulting from the 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 NFP in accordance with the directions approved by the JCBF. The NFP 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, the NFP 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 relevant media for the open call. The NFP is responsible for the call text considering the Regulation requirements.

The open call is launched for the 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 ensuring that support is given to meaningful partnerships with strong sustainable potential for the future. The open call is similar to a small grant scheme and shall continue to aim at a minimum grant amount of 5.000€ and maximum 15.000€, subject to different thresholds decided by the JCBF based on the level of interest received.

The NFP is responsible to carry out a formal analysis of the applications. If an essential element is missing, following the formal analysis of the applications, the NFP will notify the entities, within 10 working days, to eliminate the detected deficiency/insufficiency, under the penalty of exclusion. Upon completion of the formal analysis of the application, the NFP

will promote the merit assessment following the procedures agreed by the JCBF and considering the selection criteria and sub criteria published in the call text. The JCBF will recommend the entities for funding, 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 of the final decision on the application by the NFP. The entities whose applications are not approved have a 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 POs, ensured the timely disbursement of bilateral funds 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 POs 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 NFP 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 an Acceptance Agreement by the beneficiary, including the POs and shall define namely: scope, funding conditions, eligible expenditures, timeline, amount of the financial support and co-financing rate, payment method, beneficiaries bank account, obligations of the beneficiary and situations of suspension and/or reimbursement of 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 NFP on the use of the FBR allocated to its programme and the NFP 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 NFP 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 POs 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, matchmaking events and travel schemes to facilitate partnerships.

The NFP will continue to work closely with POs to support the effective use of the FBR allocations and to promote meetings to operate the support on the use of FBR, namely, to adopt, together with respective DPP, a Work Plan of the agreed bilateral initiatives and estimated budgets to allow POs to execute the allocations of the fund.

The level of use of the FBR on Programmes has decrease within the COVID-19 pandemic context since the traveling for physical meetings was suspended for a significant period and subject to limitations. Despite the reprogramming and extension of deadlines in some initiatives the situation is now outdated.

In the IFR#10 submitted by the NFP in 15.02.2023 with the reported expenditure incurred by 31.12.2023, the POs have used up to an average 55% of the initial MoU allocations. The Culture Programme already received the requested additional funding and the other POs will soon ask for a reinforcement as well.

Between 2024 and 2025, after the closure of the Programs and through the FBR, it will be possible to support bilateral cooperation in the different relevant areas.

5. Major activities

FBR Open Calls

In a first stage, the open call was considered to assess the potential bilateral interest, so that the JCBF could draw and adjust or re-plan the strategy for better results for the implementation of the Fund (FBR Open Call #1).

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

Following official conversations in early 2021, within the context of the FMC, the three Donor countries have agreed that any open calls carried out through the JCBF will need a Norwegian partner as a mandatory issue. 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 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 1.603.285,81€.
- a total of 57 bilateral initiatives were approved for the total amount of grants awarded of 735.142,78€.

By decision of the JCBF the FBR Open Call #2 was open on 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 to provide the preparation of 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.

By the end of the 3rd cut-off date the results from the open call were:

- a total of 73 applications were received requesting a total amount for funding of 948.343,45€.
- a total of 30 bilateral initiatives were approved for the total amount of grants awarded of 408.185,65€.

As agreed, the 4th cut-off date is set as the last decision period of the current open call FBR # 2.

FBR Pre-Defined Bilateral Initiatives

Priority areas for FBR have been identified 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 with current challenges.

In 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.

In the current 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 and Environment and Climate Change.

The following pre-defined initiatives were approved:

N.	Bilateral Initiatives	Status	Budget
FBR/01	Business meeting AICEP & Innovation Norway	Completed	5 449,93 €
FBR/02	Mental Health and Primary Health Care	<i>Canceled</i>	- €
FBR/03	Enhancing the Protection of the Rights of the Child in Priority Areas	Completed	36 092,00 €
FBR/04	Gender Equality Seminar in Iceland	Completed	33 031,00 €
FBR/05	Route of Microplastics and Marine Litter	Completed	63 168,96 €
FBR/06	E-bug partnership and development project PT-NOR 2021-2023	On going	99 345,98 €
FBR/07	Portugal and Iceland: investigating biodiversity and world changes together	Completed	7 450,00 €
TOTAL			244 537,87 €

Since almost the beginning of the EEAFM 2014-2021 implementation it was settled by JCBF that the initiatives approved but without promotor should be carried out by the NFP. These bilateral activities developed up to the moment are:

Bilateral Proposals		
Bilateral Activity	Implementation date	Incurred Costs/ Estimated Budget
Gender Equality Seminar	November 2019	4 246,00 €
Bilateral Event for Portuguese and Norwegian Companies Lisbon edition	May 2022	16 459,70 €
EEA Grants results filmmaking	September 2022	27 595,00 €
Bilateral Event for Portuguese and Norwegian Companies Oslo edition	November 2022	26 100,92 €

One Ocean Week	April 2023	17 067,16 €
Matchmaking Event on Renewable Energy in Madeira	May 2023	14 250,00 €
TOTAL		105 718,78 €

6. Budget

Considering the mentioned approach, aims and progress in the implementation of the FBR, with reinforcement of the FBR by the Reserve and in line with the 4th MoU modification, the proposed budget is distributed as follows:

Title	Allocation distribution
Open Calls	1 200 000,00 €
Pre-defined initiatives	715 000,00 €
Pre-defined activities carried out by the NFP	250 000,00 €
Bilateral funds for Blue Growth an Innovation Programme	200 000,00 €
Bilateral funds for Environment, Climate Change and Low Carbon Economy Programme	100 000,00 €
Bilateral funds for Work-Life Balance Programme	100 000,00 €
Bilateral funds for Culture Programme	118 550,00 €
Funds still to be allocated	738 450,00 €
TOTAL	3 422 000,00 €