

# *STRATEGIC REPORT*

## *FM14-21*

Portugal

Reporting period:  
01 August 2022 - 31 July 2023

## Contents

1. Executive summary .....	3
2. Country Developments and effects of the Grants.....	4
3. Status of programmes .....	5
GENERAL .....	5
PT-INNOVATION Blue Growth Innovation and SMEs .....	6
PT-WORKLIFE Work-life Balance and Gender Equality .....	9
PT-ENVIRONMENT Environment, Climate Change and Low Carbon Economy.....	11
PT-CULTURE Cultural Entrepreneurship, Cultural Heritage and Cultural Cooperation.....	13
4. Status of bilateral funds .....	16
5. Management and implementation .....	19
a. Management and control systems (MCS) .....	19
b. Complaints.....	20
c. Irregularities .....	21
d. Audit .....	21
6. Monitoring and evaluation .....	22
a. Monitoring.....	22
b. Evaluation.....	24
7. Issues for the annual meeting .....	24
ANNEXES .....	24
Annex A: Risk assessment and management plan .....	25
Annex B: Evaluation plan .....	28
Annex C: Cooperation with Donor Programme Partners and/or International Partner Organisations .....	29
Annex D: Technical assistance report .....	30
Overview of main activities .....	30
Budget overview .....	30
Procurement .....	31
Staffing .....	31
Annex E: Communication summary .....	35
1. Best projects .....	35
2. Visibility of the Grants and the Donors .....	36
3. Media coverage .....	36
4. Website and social media.....	37
5. Visuals .....	37

## 1. EXECUTIVE SUMMARY

Since the previous reporting period (1st August 2020 – 31st July 2021), progress has been achieved in the implementation of the European Economic Area Financial Mechanism (EEA FM) 2014-2021, as outlined in the table below:

Figure 1 - Programmes - Summary of the Calls for Proposals - without PDP

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 (without PDP)	Nr. Projects with DPP	% Projects with DPP
Blue Growth	10	5	42 452 942,00 €	254	157 708 269 €	0	0	115	64	56,1%
Environment	8	0	24 038 681,00 €	159	62 848 716,00 €	0	0	57	27	47,0%
Culture	2	0	10 094 118,00 €	75	8 712 105,55 €	0	0	15	15	100,0%
Work-Life balance	7	0	4 170 000,00 €	147	23 184 571,11 €	0	0	27	26	96,3%
<b>Total</b>	<b>27</b>	<b>5</b>	<b>80 755 741 €</b>	<b>635</b>	<b>252 453 662 €</b>	<b>0</b>	<b>0</b>	<b>214</b>	<b>132</b>	<b>61,8%</b>

From a total of 409 selected projects, all contracts were signed including all 14 pre-defined projects (PDP) and the Active Citizens Fund as detailed below:

Figure 2 - Overall Programmes - Selected projects summary - with PDP

Programme	Amount Available for Projects (total)	Nr. Projects Selected (with PDP)	Total Fund selected Projects	% commitment for Projects	Nr. Projects Contracts signed
Blue Growth	42 452 942 €	117	42 427 023,00 €	99,9%	117
Environment	24 038 681 €	60	24 016 774,68 €	99,9%	60
Culture	10 094 118 €	17	9 512 007,00 €	94,2%	17
Work-Life balance	6 352 941 €	33	6 352 941,15 €	100,0%	33
Active Citizenship	9 805 000 €	182	10 620 035,00 €	108,3%	182
<b>Total</b>	<b>92 743 682 €</b>	<b>409</b>	<b>92 928 780,83 €</b>	<b>100,2%</b>	<b>409</b>

During this reporting period, a significant development occurred with the 4th Amendment to the Annex B of the Memorandum of Understanding between Iceland, Liechtenstein, Norway, and the Republic of Portugal (MoU). This amendment facilitated a reallocation of savings out of the different Programmes.

The COVID-19 pandemic and the conflict in Ukraine have exerted negative impacts on both individual projects and the overall Programmes. Furthermore, the volume of projects, the large quantity of execution reports being reviewed, and numerous change requests have all contributed to the challenges faced in execution. To address these challenges, the Programme Operators (PO's) has implemented mitigation measures that involved closely monitoring.

The National Focal Point (NFP) conducted a close monitoring to track progress, compliance, and risks across the programs which encompassed various aspects of implementation. The quarter reports from the PO's were consistently upheld. Additionally, monthly reports were maintained for the Culture Programme (open calls #1 and #2) and for the Work-Life Balance Programme in relation to new projects.

The implementation of the Fund for Bilateral Relations (FBR) has remained affected by the COVID-19 pandemic. Several activities either could not be executed or required adjustments. Nevertheless, despite these constraints, bilateral initiatives have

persisted, and promoters had exhibited the ability to adapt and sustain the planned activities.

In the FBR Open Call #2, created to foster collaborations between entities from Portugal and Norway focusing on innovative strategies with a clear bilateral aim and with tangible bilateral results, two separate cut-off dates were launched. The results demonstrated the ongoing interest of the applicants, and continued to exhibit a diversity of thematic areas, encompassing subjects such as health, environment, research, and culture activities.

There were no major changes in relation to the national-level Management and Control Systems. However, the NFP had significant changes in its staffing, namely at the Coordination level and also at the Communication, Bilateral relations and Administrative teams. Despite the profound changes, the NFP is highly committed and motivated and embraced its duties and responsibilities remarkably.

The collaborative process for establishing a unified IT system, which oversees the implementation of the EEA FM 2014-2021 by the NFP and the PO's, had received final approval. The system will be progressively opened to users in smaller user groups to ensure its overall performance and quality.

In terms of communication, the NFP conducted numerous activities, going beyond individual communication efforts, but also putting an emphasis on achieving a cohesive and strategic communication approach to enhance the visibility of the EEA Grants. One of the most expressive activities involved the distribution of 12 films showcasing select funded projects that were widely disseminated through social media channels and engaged the collaboration of the NFP, PO's, and Project Promoters (PP's).

## **2. COUNTRY DEVELOPMENTS AND EFFECTS OF THE GRANTS**

Since March 2022, Portugal elected a new government with an absolute majority which contributed to political stability and facilitated the prompt implementation of targeted measures to combat the COVID-19 pandemic.

In response to the severe impacts of the pandemic on European economies, the European Council established Next Generation EU as a strategic tool to alleviate the economic and social repercussions of the crisis. The initiative aims to foster economic convergence and resilience while facilitating sustainable, long-term growth and addressing the challenges of transitioning towards a greener and more digitally-oriented society.

The Portuguese Recovery and Resilience Plan (PRR) has been formulated under this framework and designed to enact a series of reforms and investments intended to restore sustained economic growth, thereby supporting the objective of convergence with Europe over the next decade. The implementation will last until 2026 and consists in an investment strategy benefiting all Portuguese citizens, centered around three pivotal dimensions: Resilience, Climate Change, and Digital Transition.

On May 25<sup>th</sup> 2023, an update to the PRR was submitted to the European Commission, maintaining the alignment with national and European strategic objectives, enhancing the ambition of the PRR and ensuring the maximization of its effects in this new context.

Additionally to the European Commitments made under PRR, the Portuguese Government enacted several measures to support household incomes and addressed the escalating cost of living, resulting from the war in Ukraine, namely the challenges in the energy market, major disruptions in international supply chains, constraints on accessing raw materials, all them causing a widespread and globalized increase in the inflation rate.

These effects also affected the implementation of the EEA FM in Portugal, as the rise in prices and material costs is negatively affecting projects and programs, particularly those with significant infrastructure component.

Before the repercussions arising from the COVID-19 pandemic and the conflict in Ukraine, the significance of the Grants' effects becomes paramount.

At the present stage of implementing the EEA FM 2014-2021 all projects have been contracted, but it remains premature to report the results and impacts of the Grants. Nevertheless, numerous projects are being 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 since 62% of the contracted projects entail one or more Donor States entities as partner entities.

During the reporting period, the interest in the FBR remained steady, with two distinct cut-off periods within Open Call #2 resulting in the approval of 31 applications.

### 3. STATUS OF PROGRAMMES

#### GENERAL

The estimation for the financial execution demonstrates a significant progress of 83% will be achieved by the end of the year. In addition, numerous projects are progressing steadily and expected to reach completion within this specified timeframe (details provided in the table below):

Programme	Total (Projects+Manag.)	Certified amount under the last IFR	% Certified	Financial Execution 30/6	% Financial Execution	Estimated Financial Execution by 31.12.2023	% Estimated Financial Execution by 31.12.2023
Blue Growth	44 882 353 €	15 581 504 €	35%	17 151 724 €	38%	37 169 216 €	83%
Environment	28 882 353 €	12 214 742 €	42%	15 391 592 €	53%	25 468 722 €	88%
Culture	11 135 294 €	3 568 275 €	32%	4 354 914 €	39%	8 960 102 €	80%
Work-Life balance	7 176 471 €	4 291 254 €	60%	4 334 827 €	60%	5 818 458 €	81%
Fund for Bilateral Relations	3 422 000 €	732 006 €	21%	1 157 232 €	34%	1 779 682 €	52%
Technical Assistance	1 810 500 €	1 229 045 €	68%	1 344 117 €	74%	1 497 162 €	83%
<b>Total</b>	<b>97 308 971 €</b>	<b>37 616 826 €</b>	<b>39%</b>	<b>43 734 406 €</b>	<b>45%</b>	<b>80 693 342 €</b>	<b>83%</b>
Active Citizenship	11 500 000 €	7 352 977 €	64%	9 024 302 €	79%	10 005 000 €	87%
<b>Total</b>	<b>108 808 971 €</b>	<b>44 969 803 €</b>	<b>41%</b>	<b>52 758 708 €</b>	<b>48%</b>	<b>90 698 342 €</b>	<b>83%</b>

## PT-INNOVATION Blue Growth Innovation and SMEs

With the aim of fostering enhanced value creation and sustainable growth, the Blue Growth, Innovation, and SMEs Programme encompasses three distinct areas: (i) Business Development, Innovation, and SMEs, (ii) Research, and (iii) Education, Scholarships, Apprenticeships, and Youth Entrepreneurship.

The projected execution is estimated to reach 83% completion by the end of the year, as outlined in the table below:

**Figure 4 - Blue Growth Programme - Budget Performance - Programme Management and Outcomes**

Budget Heading	Contracted Eligible Expenditure	Revised Eligible Expenditure*	Total Executed Amount**		%	Estimated Executed amount by the end of 2023	%
			By the end of Previous Reporting Period (31/03/2023)	By the end of Present Reporting Period (31/07/2023)			
<b>Programme Management (1)</b>	3 429 412 €	2 429 412 €	1 500 589,00 €	1 647 466,00 €	68%	1 934 460,00 €	80%
<b>Outcome 1</b> Increased competitiveness for PT enterprises within Blue Growth	26 776 470 €	25 796 138 €	9 367 767,00 €	9 438 719,00 €	37%	20 152 196,00 €	78%
<b>Outcome 2</b> Resource Efficiency of enterprises in Marine Sector	1 176 471 €	1 795 344 €	552 062,00 €	552 062,00 €	31%	1 636 522,00 €	91%
<b>Outcome 3</b> Enhanced performance of Portuguese research organizations	9 423 529 €	9 423 529 €	2 498 144,00 €	2 498 144,00 €	27%	8 480 941,00 €	90%
<b>Outcome 4</b> Education, training and cooperation in marine / maritime issues enhanced	3 900 000 €	5 437 931 €	2 928 986,00 €	3 015 333,00 €	55%	4 965 097,00 €	91%
<b>TOTAL</b>	<b>44 705 882 €</b>	<b>44 882 354 €</b>	<b>16 847 548,00 €</b>	<b>17 151 724,00 €</b>	<b>38%</b>	<b>37 169 216,00 €</b>	<b>83%</b>

The Programme entails a total of 5 Open Calls and 3 Small Grant Schemes (SGS) with a total of 115 projects selected under open calls and 3 PDP. An overview of the status of the open calls is provided in the table below:

Figure -5- Blue Growth Programme - Call Performance summary

Blue Growth	Name (Fill)	Total Grant Available	Calls (re)launched	Dates		Applications Received	Total Requested Amount	Applications Approved	Total Approved Amount
				Launch	Close				
Call 1	1st call for Business, Development, Innovation and SMEs	9 435 984 €		12/06/2019	29/11/2019	35	48 025 983 €	23	9 435 984 €
Call 2	2nd call for Business, Development, Innovation and SMEs	14 256 902 €	5 680 432 €	10/02/2021	30/06/2021	51	37 470 899 €	19	14 256 902 €
Call 3	Resource Efficiency of Enterprises in Marine Sector Supported	410 057 €		22/10/2019	31/12/2019	3	851 109 €	2	410 057 €
Call 3 (2R)	Resource Efficiency of Enterprises in Marine Sector Supported	1 385 287 €	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	5 423 268 €
Call 5	Education	2 726 471 €	1 176 471 €	28/07/2020	11/12/2020	27	6 188 295 €	12	2 726 263 €
SGS 1	Call for initiatives for business growth in start-ups	836 316 €		23/10/2019	30/06/2020	6	875 485 €	6	836 316 €
SGS 1 (2R)	Call for initiatives for business growth in start-ups	836 514 €	1 029 469 €	10/02/2021	31/05/2021	7	1 111 803 €	7	836 514 €
SGS 2	Call for initiatives for development of business and management skills – training on job	430 421 €		02/09/2021	30/11/2021	10	572 533 €	8	429 972 €
SGS 3	Ocean Literacy (including awareness of marine litter thematic and nautical sports not included in curriculum)	711 460 €	361 460 €	24/10/2019	28/02/2020	46	1 106 873 €	29	686 460 €
<b>TOTAL</b>		<b>36 452 941 €</b>	<b>9 747 832 €</b>	-	-	<b>254</b>	<b>157 708 269 €</b>	<b>115</b>	<b>36 427 023 €</b>

In the reporting period, there were 2 Programme Agreement (PA) modifications submitted and approved: #11 and #12 Technical modifications. PA modification #13 “PT-Innovation low impact PA modification - Updated budget after reallocation of savings out of programme” was approved on 25<sup>th</sup> August 2023, allowing a reallocation of €1.000.000 remaining budget from Blue Growth management costs to other Programmes.

To enhance synergies with the Environment, Climate Change, and Low Carbon Economy Programme, as outlined in the MoU, One Ocean Week event took place in Bergen from 18th to 20th April 2023. This event was organized to commemorate the return of the Norwegian tall ship Statsraad Lehmkuhl after completing a 20-month circumnavigation of the globe. The One Ocean Week featured a series of conferences, workshops, and activities around maritime policy, marine research, and the sustainability of oceans. It served as an exceptional platform to showcase several ongoing bilateral collaborations namely in the areas of circular economy and marine litter reduction. A Cooperation Committee (CC) meeting was held with the Donor Programme Partners (DPPs) for the Blue Growth and Environment programmes to deliberate on the synergies between the two programmes and to address the most pertinent aspects for the future.

### **Challenges faced under the Blue Growth Programme**

- National budgetary regulations are a constraint affecting the financial implementation of the Programme. However, efforts are made annually to expedite the process.
- Projects execution: The COVID-19 pandemic and the conflict in Ukraine have exerted negative impacts on both individual projects and the overall Programme. Furthermore, the substantial volume of projects, a large quantity of execution reports being reviewed, and numerous change requests have all contributed to the challenges faced in execution.

To address these challenges, the PO has implemented mitigation measures that involves closely monitoring the projects and the company responsible for reviewing the execution reports. Additionally, the PO is facilitating the acceptance of change requests in projects until December 31, 2023.

### **Status of the bilateral funds**

The MoU allocation of €500.000 from the FBR, distributed to the various Programmes, was transferred from the NFP to the PO's in December 2018. In the Blue Growth Programme the current situation is as follows:



Figure -6- Blue Growth Programme -FBR Expenditure			
Programme	MoU Allocation and reinforcement	Expenditure	
		Executed by 30.06.2023 (verified and reported by NFP)	% Executed by 30.06.2023
Blue Growth	200 000,00 €	91 902,29 €	45,95%

Regarding activities, the Blue Growth and the Environmental Programmes organized the bilateral event "Show cases for synergies between Environment and Blue Growth Programmes", in January 2023. The objective of this event was to facilitate visits to projects that demonstrated synergies between both programs, particularly in the Lisbon and Oporto areas.

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

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

The Programme has advanced well and it estimates financial execution of 81% by the end of this year as outlined in the table below:

Figure - 7- Worklife Balance Programme - Budget Performance - Programme Management and Outcomes							
Budget Heading	Eligible Expenditure	Revised Eligible Expenditure*	Total Executed Amount		%	Estimated Executed amount by the end of 2023	%
			By the end of Previous Reporting	By the end of Present Reporting			
<b>Programme</b>	705 882 €	823 529 €	457 013,65 €	525 683,18 €	60%	674 820,55 €	82%
<b>Outcome 1</b> Enhanced gender equal opportunities in the	3 252 942 €	<b>2 677 418 €</b>	1 504 590,15 €	1 830 705,01 €	46%	2 067 034,77 €	77%
<b>Outcome 2</b> Improved accountability systems for women's	2 100 000 €	<b>2 099 999 €</b>	1 588 384,82 €	1 672 699,90 €	76%	1 754 795,10 €	84%
<b>Outcome 3</b> Improved system for protection and prevention of domestic and gender-	1 000 000 €	<b>1 575 525 €</b>	815 104,46 €	892 780,88 €	82%	1 321 807,88 €	84%
<b>TOTAL</b>	<b>7 058 824 €</b>	<b>7 176 471 €</b>	<b>4 365 093,08 €</b>	<b>4 921 868,97 €</b>	<b>61%</b>	<b>5 818 458,29 €</b>	<b>81%</b>

The Programme has launched 7 open calls (4 Open Calls and 3 SGS) with a total of 27 projects selected under open calls and 6 PDP. A brief status on the calls is presented in the table below:

Figure - 8 Worklife Balance Programme - Call Performance summary

Worklife Balance Programme	Name	Total Grant Available	Calls (re)launched with reallocated amounts	Dates		Applications Received	Total Requested Amount	Applications Approved with funds	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 €	3	172 235 €	27 765 €
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 €	5	270 418 €	78 632 €
SGS 3	White books/studies to foster gender equality	552 942,00 €	0	21/04/2021	30/06/2021	9	933 671 €	4	385 513 €	167 429 €
<b>TOTAL</b>		<b>4 170 000,00 €</b>				<b>147</b>	<b>23 184 571 €</b>	<b>27</b>	<b>3 853 117 €</b>	<b>918 875 €</b>

In the reporting period, there were 4 PA modifications submitted and approved: #8, #9 and #10 consisted of technical modifications and #11 Additional allocation to meet management cost needs of €117.647 - already approved through the 4<sup>th</sup> MoU modification.

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

- National budgetary regulations are a constraint affecting the financial implementation of the Programme. However, efforts are made annually to expedite the process.

- Projects execution: the short implementation timeframe of the most recently approved projects and PDPs has heightened implementation risks. In addition, the validation of expenses is being affected by the administrative delays on the tendering procedure to contract a company that will perform the report validation tasks.

To address these challenges, the PO had requested monthly reports to closely monitor the progress of the projects and the urgency of the tendering procedure was already highlighted by the NFP before the competent administrative hierarchies.

### Status of the bilateral funds

In the case of WLB Programme the current situation is as follows:

Figure -9- Blue Growth Programme -FBR Expenditure

Programme	MoU Allocation and reinforcement	Expenditure	
		Executed by 30.06.2023 (verified and reported by NFP)	% Executed by 30.06.2023
Worklife Balance Programme	100 000,00 €	60 109,48 €	60,11%

The WLB Programme promoted an online training session titled “Working with Judges to prevent and combat domestic and gender-based violence”. Additionally, they produced the “Rules of procedure” on Domestic Homicide and participated in the Workshop on the methodology of retrospective analysis on DV homicides, as part of the Bilateral Initiative titled "Retrospective analysis on Domestic Violence Homicides", which took place in Oslo, in September 2022. WLB also organized the International Seminar “First Results and next steps”, in March 2023.

Additionally, in June 2023 WLB organized a study visit to Iceland to understand the advantages and challenges of implementing a reduced weekly working hours system in that country. The Portuguese delegation, which included the NFP participation, met with the Human Resources Department of the Municipality of Reykjavik, labour unions, a confederation of employers, and learned from the experience of shift workers such as nurses or formal caregivers. The lessons learned and the report from the activity were already send to the competent governmental authorities.

### 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 areas (i) Environment and Ecosystems and (ii) Climate Change Mitigation and Adaptation.

The estimated execution will reach 88% by the end of the year, as outlined in the table below:

Figure -10- Environment Programme - Budget Performance - Programme Management and Outcomes							
Budget Lines	Eligible Expenditure	Revise Eligible Expenditure **	Total Executed Amount **+		%	Estimated Executed amount by the end of 2023	%
			By the end of Previous Reporting Period (31.03.2023)	By the end of Present Reporting Period 31/7/23			
<b>Programme Management</b>	2 276 471 €	1 747 059 €	1 030 513,12 €	1 107 368,20 €	63%	1 223 975,41 €	70%
<b>Outcome 1</b> Increased application of circular economy principles in targeted sectors	12 050 000 €	11 952 187 €	7 656 089,34 €	8 188 692,87 €	69%	11 502 413,25 €	96%
<b>Outcome 2</b> Enhanced sustainable development in Biosphere Reserves	2 200 000 €	2 297 835 €	1 431 651,88 €	1 682 491,77 €	73%	2 297 834,66 €	100%
<b>Outcome 3</b> Increased climate change resilience and responsiveness in targeted areas	11 708 823 €	12 885 273 €	3 674 790,14 €	4 413 038,98 €	34%	10 444 498,98 €	81%
<b>TOTAL</b>	<b>28 235 294 €</b>	<b>28 882 354 €</b>	<b>13 793 044,47 €</b>	<b>15 391 591,82 €</b>	<b>53%</b>	<b>25 468 722,30 €</b>	<b>88%</b>

The Programme entails a total of 5 Open Calls and 3 SGS with a total of 57 projects selected under open calls and 3 PDP. A brief status on the calls is presented in the table below:

Figure 11 - Environment Programme - Call Performance summary

Environment Programme	Name <i>(Fill according the Annex I of PA)</i>	Total Grant Available	Calls (re)launched or	Dates		Applications Received	Applications Approved with funds available <sup>(3)</sup>	Total Approved Amount	Nr. contracts signed
				Launch	Close				
Call 1	deposit-return solutions	€ 6 400 000	0	05/09/2020	31/01/2020	13	8	€ 6 400 000	8
Call 2	circular economy in construction	€ 3 500 000	0	18/07/2019	31/10/2019	25	10	€ 3 792 158	10
Call 3	biosphere reserves	€ 2 200 000	0	29/11/2019	15/05/2020	7	1	€ 2 297 835	1
Call 4	low-carbon economy measures	€ 6 058 823	0	30/01/2020	01/06/2020	7	7	€ 6 508 575	7
Call 5	climate change-related extreme weather preparedness and risk management	€ 1 229 858	0	04/10/2021	18/01/2022	13	4	€ 1 229 858	4
SGS 1	plastics in oceans	€ 1 000 000	0	18/07/2019	31/10/2019	24	6	€ 944 469	6
SGS 2	circular economy standards	€ 1 000 000	0	18/07/2019	31/10/2019	4	4	€ 193 879	4
SGS 3	local adaptation measures	€ 2 650 000	0	02/12/2019	30/04/2020	68	17	€ 2 650 000	17
<b>TOTAL</b>		<b>€ 24 038 681</b>	<b>0</b>	-	-	<b>161</b>	<b>57</b>	<b>€ 24 016 775</b>	<b>57</b>

In the reporting period, there were 4 PA modifications submitted and approved: #9 for the reallocation of savings to project on Biosphere Reserves, #10 and 11 technical modifications and #12: Deduction of programme management budget - already approved through the 4<sup>th</sup> MoU modification, allowing a reallocation of € 450.000 remaining budget from Environment management costs to other Programmes.

The special concerns outlined in the MoU, which include Circular Economy in the building sector, living labs for low carbon cities, and the National Network of Biosphere Reserves, have been considered through the development of activities and approaches involving the presence of Innovation Norway, as the DPP, which assumes a vital role in facilitating the implementation of the Programme.

To enhance synergies with the Blue Growth, Innovation and SMEs Programme, as outlined in the MoU, it was organized the One Ocean Week event in Bergen from 18th to 20th April 2023. This event intended to commemorate the return of the Norwegian tall ship Statsraad Lehmkuhl. The One Ocean Week featured a series of conferences, workshops, and activities around maritime policy, marine research, and the sustainability of oceans. It served as an exceptional platform to showcase several ongoing bilateral collaborations namely in the areas of circular economy and marine litter reduction. A CC meeting was held with the DPPs for the Blue Growth and Environment programmes to deliberate on the synergies between the two programmes and to address the most pertinent aspects for the future.

### Status of the bilateral funds

In the case of Environment Programme the current situation is as follows:

**Figure -12- Environment Programme -FBR Expenditure**

Programme	MoU Allocation and reinforcement	Expenditure	% Executed by
		Executed by 30.06.2023 (verified and reported by NFP)	30.06.2023
Environment	100 000,00 €	78 333,75 €	78,33%

In January 2023, the Blue Growth and Environmental Programmes organized the bilateral event "Show cases for synergies between Environment and Blue Growth Programmes" with the purpose of showcasing projects that benefited from this synergetic approach between the two programs, particularly in the Lisbon and Oporto areas.

### Challenges faced under the Environment Programme

- National budgetary regulations are a constraint affecting the financial implementation of the Programme. However, efforts are made annually to expedite the process.
- Projects Execution: The COVID-19 pandemic and the conflict in Ukraine have exerted negative impacts on both individual projects and the overall Programme. Furthermore, the delays in procurement processes, the delivery of equipment and materials, as well as price changes affected the execution.

To address these challenges, the PO implemented mitigation measures that include regular meetings with projects, setting up project monitoring alerts on a weekly basis and enhancing on-site inspections (encompassing both routine and exceptional assessments).

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

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

The estimated execution will reach 80% by the end of the year, as outlined in the table below:

**Figure 13- Culture Programme - Budget Performance - Programme Management and Outcomes**

Programme Lines	Eligible Expenditure	Revised Eligible Expenditure*	Total Executed Amount **		%	Estimated Executed amount by the end of 2023	%
			By the end of Previous Reporting Period (31.03.23)	By the end of Present Reporting Period			
<b>Programme Management</b>	€ 1 041 176,00	N/A	€ 344 271,64	€ 351 271,64	34%	€ 507 616,03	49%
<b>Outcome 1 - Cultural Heritage management enhanced</b>	€ 6 803 087,00	N/A	€ 1 460 048,38	€ 1 460 048,38	21%	€ 5 257 615,51	77%
<b>Outcome 2 - Improved access to contemporary arts</b>	€ 3 291 031,00	N/A	€ 2 490 526,27	€ 2 543 594,17	77%	€ 3 194 870,70	97%
<b>TOTAL</b>	<b>€ 11 135 294,00</b>	<b>- €</b>	<b>€ 1 111 446,65</b>	<b>€ 4 354 914,19</b>	<b>39%</b>	<b>€ 8 960 102,24</b>	<b>80%</b>

The Programme entails two Open Calls that selected a total of 15 projects under Outcome 1 (Cultural Heritage management enhanced) and Outcome 2 (Improved access to contemporary arts) and 2 PDP.

In the reporting period, there were 4 PA modifications submitted and approved: #7 and #8 Technical modifications, #9 Updating name of Norwegian DPP and #10 Follow up of MoU modification allocating 465.000€ additional funds to the programme, which reinforced the allocated amounts for outcome 1 and 2 that were approved through the 4<sup>th</sup> MoU modification.

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

**Figure - 14- Culture Programme - Call Performance summary**

	Name <i>(Fill according the Annex I of PA)</i>	Total Grant Available	Calls (re)launched or reinforced with reallocated amounts	Grant Rate	Dates		Applications Received	Total Requested Amount	Applications Approved with funds available <sup>(3)</sup>	Total Approved Amount	Nr. Contracts signed
					Launch	Close					
<b>Call 1</b>	Local development through the Safeguarding and Revitalization of Coastal Cultural Heritage	4 926 837 €	0 €	85%	05/09/2019	04/05/2020	31	31 222 219 €	6	4 362 757 €	6
<b>Call 2</b>	Connecting Dots – Arts mobility and audience development	3 291 031 €	0 €	85%	05/09/2019	28/10/2020	44	15 463 378 €	9	3 273 000 €	9
<b>TOTAL</b>		<b>8 217 868 €</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>75</b>	<b>46 685 597 €</b>	<b>15</b>	<b>7 635 757 €</b>	<b>15</b>

The special concerns outlined for the Programme in the MoU underscore the importance of arts, culture and cultural heritage 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. These objectives are being addressed through the projects selected within the framework of the two open calls.

The goal set in MoU, which specifies that around 20% of the total eligible expenditure of the Programme should be allocated for cultural cooperation and exchange between the Donor States and Portugal, is achieved through the Outcome 2. This particular outcome involves mandatory partnerships with entities or artists from the Donor States. Although partnerships under Outcome 1 were not mandatory, the result shows that all 6 selected projects entail a bilateral partnership.

### Status of the bilateral funds

In the case of Culture Programme the current situation is as follows:

Figure -15- Culture Programme -FBR Expenditure			
Programme	MoU Allocation and reinforcement	Expenditure Executed by 30.06.2023 (verified and reported by NFP)	% Executed by 30.06.2023
Culture	118 550,00 €	95 875,91 €	80,87%

Given that over 70% of the initially allocated amount for the Culture Programme has already been executed, an additional allocation of €18.550.00 was transferred by the NFP on 28<sup>th</sup> September 2022, to support the organization of a Seminar. The Seminar titled “Climate Changes – Heritage & Arts”, was held in October 2022. Alongside the presentation of Call 1 projects, the seminar included presentations of Blue Growth and Environment projects, fostering the establishment of synergies with these domains.

### Challenges faced under the Culture Programme

- Significant instability at the DGPC core team and insufficient experience in program management.
- Low execution rate of projects from Call #1: the impact that the COVID-19 pandemic and the conflict in Ukraine have exerted negative impacts on projects and the overall Programme. In particular, the price increase has a negative impact on projects execution (specially in outcome 1).
- The Programme demands a close monitoring procedure from the NFP, which includes a weekly report (journey model) and catch-up meeting to discuss the financial and material execution results and constraints, in addition to monthly meetings to track the progress of both calls which include the managing Directors from DGPC. Also, the NFP have been actively emphasizing to DGPC the importance of ensuring a stable team until the completion of the current EEA FM 2014-2021, with continuous follow-up of this matter.

To address these challenges, the PO implemented mitigation measures that include regular meetings, weekly updates to projects and on-site visits.

#### 4. STATUS OF BILATERAL FUNDS

The present reporting period was still influenced by the COVID-19 pandemic, affecting the execution of the FBR, mainly about the projects material execution. The delay on the execution resulted on the need to extend the time for successful completion of activities, while maintaining the intended outcomes. The time constraints were addressed by rescheduling trips, meetings, and conferences, and extending the deadlines for bilateral initiatives.

A fourth version of the Work Plan was developed, to answer the upcoming closing of the FM EEA, and the changes from the increase of €465.000 to the Bilateral Fund through the MoU modification. The revised plan was designed to concentrate the FBR's intervention on strategic initiatives, through pre-defined activities and it will be the framework for FBR over the next two years (2023-2025).

During this reporting period, the Joint Committee for Bilateral Relations (JCBF) held two meetings that were strategically arranged to make decisions concerning the cut-off dates outlined in Open Call #2. Additionally, these meetings addressed other important decisions concerning various bilateral initiatives:

- 18<sup>th</sup> JCBF Meeting – 31<sup>st</sup> January 2023, hosted in Queluz - Open Call #2 – 3<sup>rd</sup> Cut-off period, Bilateral activities in 2023 and FBR Work Plan 2023-2025.
- 19<sup>th</sup> JCBF Meeting – 14<sup>th</sup> July 2023, hosted in Nazaré - Open Call #2 – 4<sup>th</sup> Cut-off period, Bilateral activities in 2023.

The cooperation among all JCBF members has been paramount in ensuring the establishment, growth, and oversight of activities that promote and enhance bilateral relations between countries.

##### **FBR Open Calls**

The results arising from the FBR Open Call #1 have proven to be broad, diverse and in alignment with the consensus among JCBF members, stating the strategic relevance and demonstrating fruitful outputs the promotion of bilateral relations.

In accordance with the instructions provided by the FMC, stipulating the obligatory inclusion of Norwegian partners in bilateral initiatives from the Call, it became necessary to close Call #1.

On 1st July 2021, Call #2 (Portugal & Norway - Partnerships for Innovation) was launched with the aim of supporting partnerships between entities from Portugal and Norway that address innovative approaches.

Call #2 remained open continuously until 26th May 2023, encompassing a total of four cut-off dates: (1) the first decision period on 26th November 2021, (2) the second one



on 27th May 2022, (3) the third one on 25th November 2022, and (4) the fourth and final one on 26th May 2023. The JCBF members' decision on the last submitted applications was reached in July 2023.

The relevant statistics from FBR Open Call #1, after seven cut-off dates and FBR Open Call #2 after the four cut-off dates are presented in the tables below:

Figure - 16- FBR - Open Call #1 results

	OPEN CALL# 1							TOTAL	TOTAL with withdraw
	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	132
Applications accepted	24	9	17	12	13	34	12	121	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 €	1 603 285,81 €
Applications approved*	11	5	9	6	8	13	6	58	57
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 €	735 142,78 €
Applications approved with a Norway partner	11	5	8	3	7	12	6	52	52
Applications approved with a Iceland partner*	1	0	1	4	3	3	0	12	11
Applications approved with a Liechtenstein partner	0	0	0	0	0	0	0	0	0
Norwegian Partners	12	8	11	3	8	15	6	63	63
Icelanders Partners*	1	0	1	8	3	3	0	16	16
Liechtenstein Partners	0	0	0	0	0	0	0	0	0

\* Includes Initiative FBR\_OC1\_58 which have withdrawn after approval (11.250€) - Icelder Partner

Figure - 17- FBR - Open Call #1 results

	OPEN 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	38	53	126
Applications accepted	5	24	28	35	92
Amount requested	99 809,00 €	374 417,11 €	474 117,34 €	717 750,58 €	1 666 094,03 €
Applications approved	2	12	16	15	45
Amount Approved	0,00 €	167 242,05 €	213 943,60 €	208 886,25 €	590 071,90 €

### FBR Pre-defined Bilateral Initiatives

A total of seven pre-defined bilateral initiatives were approved, out of which one was subsequently cancelled and five of them have already been successfully completed in previous reporting periods.

The ongoing bilateral initiative titled "e-Bug," led by Direção-Geral da Saúde (DGS-General Directorate for Health), is set to continue until the conclusion of 2023. The objective of this initiative is to enhance the health literacy of children and young individuals aged 5 to 18, focusing on infection prevention and the appropriate use of antibiotics.

An outline of the pre-defined bilateral initiatives is provided in the following table:

Figure - 18- FBR - Bilateral Initiatives

N.	Bilateral Initiatives	Status	Budget	Execution
FBR/01	Business meeting AICEP & Innovation Norway	Completed	5 449,93 €	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	- €	<i>under analysis</i>
FBR/04	Gender Equality Seminar in Iceland	Completed	33 031,00 €	33 031,00 €
FBR/05	Route of Microplastics and Marine Litter	Completed	- €	<i>under analysis</i>
FBR/06	E-bug partnership and development project PT-NOR 2021-2023	On going	- €	<i>under analysis</i>
FBR/07	Portugal and Iceland: investigating biodiversity and world changes together	Completed	7 450,00 €	<i>under analysis</i>
TOTAL			<b>45 930,93 €</b>	<b>38 480,93 €</b>

### Bilateral activities carried out by the NFP

On 8<sup>th</sup> November 2022, the NFP together with Innovation Norway and AICEP, with the support from the Norwegian Embassy in Portugal and the Portuguese Embassy in Oslo organized the “Portugal and Norway, an Ocean of Opportunities” funded by the JCBF in Portugal. The event aimed to increase business cooperation in the marine/maritime sectors and in renewable energy from alternative sources by gathering businesses with green, innovative, and competitive solutions from Portugal and Norway to boost cooperation on the development, adaptation, commercialisation, and scaling.

On April 18, 2023, as part of the One Ocean Week, the NFP organized the seminar titled "The Blue in the Green: Portuguese-Norwegian Cooperation on Environment and the Ocean" in Bergen. This public seminar was designed to showcase ongoing bilateral cooperation projects between Portugal and Norway that focus on the sustainable use of the ocean, which are supported by the EEA Grants. The seminar aimed to explore the synergies between the Blue Growth and Environment areas, while identifying best practices and future cooperation opportunities. There was also a public screening of ocean-related films produced through the FILMar project within the Culture Programme. The following days of the event included scheduled visits to reputed institutions including the GCE Ocean Technology Cluster, the ViIVite Science Education Centre, the Institute of Marine Research, and the Bergen Port. Furthermore, participants also visited Nordhordland Biosphere Reserve, which is a project partner in the EEA Grants- Biosphere Reserves project.

**In the next 12 months**, the NFP focus will remain on managing and monitoring the implementation of the FBR initiatives and the pre-defined contracted initiatives.

Furthermore, efforts will be directed towards exploring new pre-defined initiatives with new partners who have expressed interest in developing innovative activities with bilateral significance.

Regarding the FBR on Programmes, the NFP will continue its close collaboration with PO's to ensure the effective utilization of FBR allocations. The NFP will keep on encouraging PO's to regularly update their bilateral activities plans and discuss them with the DPP, exploring potential bilateral initiatives within relevant programme themes.

Lastly, the Matchmaking Event on Renewable Energy in Madeira, which was postponed due to the limited participation, will be revisited in terms of scope and sector relevance to make it more attractive to participants. The goal is to ensure the event's success and promote meaningful bilateral exchanges.

### Financial Execution and Disbursements

Considering the MoU amendment approval to accommodate the unspent funds and the reinforcement of the FBR by €465,000, the financial execution and disbursements are summarized in the following table:

**Figure - 19- FBR - Bilateral Initiatives**

Total Grant	Execution							Disbursements (including advance payments)
	2018	2019	2020	2021	2022	1st sem 2023	Total	
3 422 000,00 €	75 282,00 €	231 387,00 €	239 417,45 €	192 412,56 €	209 784,12 €	216 042,71 €	1 164 325,84 €	1 894 798,00 €
Rate	2%	7%	7%	6%	6%	6%	34%	55%

The financial execution of the FBR significantly slowed down in 2021 due to the pandemic. However, during 2022, the acceleration of the implementation of the FBR was evident, which maintains the increasing curve in 2023.

## 5. MANAGEMENT AND IMPLEMENTATION

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

Throughout the reporting period, no significant changes were implemented in the Management and Control Systems (MCS). However, it is anticipated that a review of the MCS will be necessary upon the full implementation of the new IT system.

Regarding the staffing of the NFP, there were several changes during the reporting period:

- The Communication Officer Rita Soares left on 28<sup>th</sup> February 2023 and was replaced by António Fogaça on 1<sup>st</sup> April 2023;
- The Head of NFP Susana Ramos left on 30<sup>th</sup> May 2023 and was replaced by the Head Deputy Maria Mineiro on 1<sup>st</sup> June 2023;
- The Bilateral and Programme Officer Mónica Ângelo left on 30<sup>th</sup> June 2023 and her post will be fulfilled in September 2023.
- The Head Deputy Maria Mineiro remained in duty until 1<sup>st</sup> June 2023 and was replaced by Maria João Carapêto on 1<sup>st</sup> July 2023;

- The Coordination Adviser Ricardo Perdigão performed functions until 31<sup>st</sup> July 2023 and his post will be fulfilled in October 2023;

### **MCS at Programme level**

The Annual Audit Report presents the outcomes of audits conducted from July 1, 2021, to June 30, 2022 to the MSC of the Blue Growth Programme.

The audit concluded that *“it has obtained reasonable assurance that the Management and Control System, set up and operated by the Program Operator, is designed in compliance with the regulatory requirements, their requirements are proportional in relation to the effectiveness of achieving the objectives of the programme, and the Management and Control System are operating effectively. However, we identified the following:*

- a) Insufficiencies at the supervision and quality control level of the verification tasks conducted by external auditors;*
- b) The members of the team assigned to the programme, as well as external auditors contracted, did not subscribe a declaration of no conflicts of interests.*
- c) It has not yet been implemented a project management and control information system, in order to avoid project documentation dispersion;*
- d) A programme-wide anti-fraud policy has not been established, and the current risk assessment model does not consider fraud related features.”*

### **b. Complaints**

The NFP received two complaints, one through the formal complaint mechanism and another via regular email. Both complaints were treated with equal attention and consideration:

- The first complaint, received on October 28, 2022, via the complaint mechanism was submitted by a citizen who raised concerns about barriers to public library access, racism, bigotry and neglect civil rights, specifically at Auditório Manuel Cabanas - Biblioteca Municipal do Barreiro. There is no evidence that such activities or issues were related with EEA Grants, as the entity was never a beneficiary, partner or had any relation with the Mechanism. The complainant was advised to direct his concerns to the Municipality of Barreiro, as the managing authority of the facility,
- The second complaint was submitted by post and pertained to a potential violation of national law. However, it remains unclear whether this complaint carries any financial implications for the EEA Grants. According to Portuguese law, it is the responsibility of the NFP to communicate complaints that could potentially involve legal infringements to the Public Prosecutor's Office, which holds the exclusive authority for criminal proceedings concerning the determination of facts. This complaint was conveyed to the Public Prosecutor's Office on July 20, 2023, and the corresponding report was promptly forwarded to the Irregularities Authority on July 21.

### c. Irregularities

During the reporting period there was one irregularity reported by the Irregularities Authority:

- **IR 238**

Programme: PT-INNOVATION

Project: PT-INNOVATION-0001

The irregularity concerns to an incorrect allocation of expenses with human resources that results in a non-eligible expenditure.

Given that the certified MFEEE amount corresponds to an advance paid to the Promoter and not dependent on the amount of expenditure incurred, this ineligible expenditure does not imply correction to the certified amount. However, it must be corrected in the final balance.

Regarding the complaint above mentioned, which prompted an immediate communication to the Irregularities Authority, it is noted that as of July 31, a Grace registration code had not been assigned to this case.

### d. Audit

The Annual Audit Report setting out the findings of the audits carried out during the period between 1<sup>st</sup> July 2021 to 30<sup>th</sup> June 2022 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, Bilateral Fund, Blue Growth, Work-Life Balance and Environment and Programmes (February 2023).

The audit report identified three projects in Environmental Programme that required actions:

- **Project “Cascais Smart Pole by Nova SBE”**

Error in the amount of social security - the project promoter must carry out a financial correction; the situation will be corrected in the next payment request given the project is not financially closed.

- **Project "Reservas Da Biosfera: Territórios Sustentáveis, Comunidades Resilientes"**

Non-eligible expenditure - The promoter must promote the correction of ineligible expenditure, together with the PO. The situations identified by the PO, in terms of

analysis of payment requests or follow-up, must be reported to the promoter and corrected in the shortest possible time, and the adjustments must be included, preferably providing for regularization in the next payment request to be submitted regarding to the 7th Interim Report; Situation already regularized by the PO.

Existence of discrepancies in the presentation of Human Resources documentation - The promoter must carry out a reanalysis of the expense concerned, in consonance with the applicable guidelines. The PO must validate the reanalysis and carry out realization of adjustments identified, when applicable. Situation already regularized by the PO.

Need to rectify the amount declared in IFR#6 - The situations identified by the PO, based on the analysis of payment requests or accompaniment, must be reported to the promoter and corrected in the shortest time, owing the adjustments integrate, preferably and if possible, the certification after its detection. Situation already regularized by the PO.

- **Project "Mafra Reciclar a Valer +"**

Unpaid expense - The promoter must carry out a financial correction to remove the ineligible amount. The PO should give instructions for the realization of this correction. Situation already regularized by the PO.

The results obtained in the audit to the remain projects allowed to conclude by the reliability, regularity and legality of the amount audited and no anomalies and/or irregularities were detected.

## 6. MONITORING AND EVALUATION

### a. Monitoring

According to the description of the MCS at national level, the various levels of monitoring - compliance, results, and risk-based monitoring, are conducted through the implementation of several activities, including:

- 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 CC meetings between the PO and their respective DPP and of the selection procedures by the PO;
- 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.

During the reporting period, the NFP conducted two sets of meetings with each of the PO teams that were held in December 2022 and July 2023. The discussions during these meetings offered significant insights that contributed to the Risk Assessment at the Programme level. Additionally, the NFP actively engaged in numerous targeted working meetings alongside each PO. These meetings were focused on addressing specific challenges identified throughout the implementation process. These interactions were found to be highly beneficial and productive.

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

The NFP has also been proactively facilitating ongoing assistance to all PO's throughout the various stages of Programme implementation. This assistance has been delivered through the organization of workshops focusing on specific matters that are instrumental for the PO's work planning. Furthermore, collaborative training sessions have been fostered by the NFP and PO's.

During the reporting period, the NFP organized the following joint training initiatives, with participation from both the NFP and PO:

1. Training session addressing "Ethics and Integrity in Organizations", held in March 2023;
2. Communication Workshop "How to communicate results", held in May 2023;
3. Training delivered by FMO and AA on Irregularities, held in June 2023.

Although the Regulation for the implementation of the EEA FM 2014-2021 did not explicitly mandate the establishment of a Monitoring Committee, Portugal has chosen to maintain this committee during the ongoing funding period. The Monitoring Committee consists of representatives from various sectors that receive support from the EEA Grants, encompassing both governmental and private entities. Throughout the reporting period, the NFP organized a single meeting of the Monitoring Committee in December 2022. The subsequent meeting is scheduled to take place in September 2023.

### **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 were carried out three on-the-spot verifications:

- The bilateral initiative “Technical Cooperation and Exchange Meeting in Reykjavík, Iceland”, promoted by ARDITI. This on-the-spot verification belongs to the random sample selected in 2022 and represents 16% of the total 28% of the sample.
- The bilateral initiative “neoN between Norway and Aveiro”, promoted by Associação Arte no Tempo. This on-the-spot verification was not scheduled under the random sample but was done to assess the progress of the physical and financial execution of the initiative, considering the delay and difficulty of the entity in presenting the due reports.
- The bilateral initiative “InfoBank for Norwegians moving to PT and Portuguese to NO”, promoter by Dnkp - Clube Norueguês Em Portugal. This on-the-spot verification was not scheduled under the random sample but was done to assess the progress of the physical and financial execution of the initiative, considering the delay and difficulty of the entity in presenting the due reports.

All three bilateral initiatives were approved under Call#1 of the Bilateral Fund.

There is no irregular situation to report.

## **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 2023-2024.

The NFP will ensure that all principles related to good governance and impartiality are considered.

## **7. ISSUES FOR THE ANNUAL MEETING ANNEXES**

### **A. Risk assessment and management plan**

### **B. Evaluation plan**

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

### **D. Technical assistance report**

### **E. Communication summary**



## **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/or 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 (€ 1.810.500) 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 and April 2023.

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

Figure - 20- Irregularities Authority- General Inspectorate of Finance (IGF)- Staff				
Year	Annual Planned Expenditure TA	Executed	Difference	% Execution
2022	281 548,00 €	249 714,59 €	31 833,41 €	89%
2023	232 790,00 €	144 307,00 €	88 483,00 €	61%

Figure - 21-TA Execution and Balance			
Execution			
Total Grant	Until 2022	YTD 2023	Balance
1 810 500,00 €	1 229 383,91 €	144 307,00 €	436 809,09 €

Although the amount allocated to TA is eligible until 31<sup>st</sup> August 2025, the amount initially allocated was not enough to guarantee the financing of salaries until the end of this period. However, in April 2023 it was approved by FMO and additional allocation to TA.

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

National Focal Point				
	Official position	Main tasks	Level of effort (% of working time)	Funded through the Grants (Y/N)
Maria Mineiro	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 Carapêto	Deputy Coordinator	Assisting the coordinator in the management of the EEA Grants 2014-2021 mechanism, liaising with representatives of donor countries, and replace the coordinator in its absence	100%	Y
Susana Ramos <u>Leaving date:</u> <u>30/05/2023</u>	Coordinator	Management and Coordination of the EEA Grants 2014-2021 implementation and enforcement related activities; Official representation of the National Focal Point	100%	Y
Filipa Rodrigues	Financial Officer	Budgeting, IFR, and FLP preparation and reporting; liaise with certifying and audit	100%	Y

		authorities. FBR execution, including spot verifications. Irregularities database reporting		
Mónica Ângelo <u>Leaving date:</u> <u>30/06/2023</u>	Bilateral and Programme Officer	FBR managing and control, preparation of FBR open call selection, preparation of the monitoring materials for programs (quarter reports), monitoring and follow up of programme implementation	100%	Y
António Fogaça	Communication Officer	Communication and Media Coordination, Social Media and website content management	100%	Y
Rita Soares <u>Leaving date:</u> <u>29/02/2023</u>	Communication Officer	Communication and Media Coordination, Social Media and website content management	100%	Y
Ricardo Perdigão <u>Leaving date:</u> <u>31/07/2023</u>	Coordination Adviser	General management and event logistics support, inventory control and management, administrative and communication tasks	100%	Y
<b>Certifying Authority</b>				
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 expenditure analysis.	2,5%	N

		Confirmation of forecasts and proposal for management and control systems description and internal procedures manual		
Rogério Martins	Coordinator	Revision of the IFR 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	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	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	15%	N

		internal procedures manual		
<b>Audit Authority</b>				
Name of staff	Official position	Main tasks	Level of effort (% of working time)	Funded through the Grants (Y/N)
Ana Cristina Rodrigues	Director	Operation 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
<b>Irregularities Authority</b>				
Name of staff	Official position	Main tasks	Level of effort (% of working time)	Funded through the Grants (Y/N)
Ana Cristina Rodrigues	Director	Operation direction and strategic coordination of all audits	5%	N
Teresa Silva	Head of Team	Audits Coordination	5%	N
Isabel Silva	Auditor/Inspector	Audit performance	5%	N
João Silva	Auditor/Inspector	Audit performance	5%	N
Luis Oliveira	Auditor/Inspector	Audit performance	15%	N

## Annex E: Communication summary

### 1. Best projects

Throughout the year 2022, the NFP maintained a close collaboration with a film production company for an ambitious project encompassing the production of 12 films. The primary objective was to enhance the visibility of EEA Grants Portugal, focus on various programme areas, and emphasize the importance of bilateral relations. This initiative yielded a total of two films dedicated to each programme or fund, resulting in a comprehensive audiovisual exploration of these pivotal aspects, as detailed below:

- 2 films of initiatives from 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 of projects from the Active Citizen Fund.

Project / Initiative	GrACE ID
YUM ALAGAE	PT-INNOVATION-0075
e-Bug	PT-BI061
Centro Cultural Costeiro	PT-CULTURE-0004
MaRvel: Masculinidades (Re)veladas	PT-WORKLIFE-0019
MAIs - Mulheres Agricultoras em Territórios do Interior	PT-WORKLIFE-0013
Terra Incógnita	PT-CULTURE-0009
BridgingAll	PT-INNOVATION-0064
Gestão da Bacia Hidrográfica do Rio Ceira face às Alterações Climáticas	PT-ENVIRONMENT-0003
CircularBuild	PT-ENVIRONMENT-0023
ExtraSnack	PT-BI015
Gaia 100 Preconceito	N/A - Active Citizens Fund
Agentes de Transformação 3C's	N/A - Active Citizens Fund

These projects contribute to the strengthening of economic, social and cultural ties between beneficiary countries and donor countries. Furthermore, these initiatives were

designed to showcase the positive impacts of the grants in reducing economic and social disparities within the EEA region.



In 2023 the films were disseminated in the EEA Grants social media accounts and shared with the POs and the PPs, for further dissemination. To enhance the reach of these films, the NFP curated a dedicated playlist titled "[EEA Grants 2014-2021 Projects](#)" on the EEA Grants YouTube channel.

## 2. Visibility of the Grants and the Donors

The NFP carried out several communication activities during the reporting period. More than isolated communication activities, it is the NFP concern to have a strategic and aligned communication to promote and publicise the EEA Grants, throughout the following activities:

- **Dissemination of 12 films** that portray some of the funded projects, and under the motto #ourstories, a campaign launched by FMO. The sharing of these films was focused on social media and involved the NFP, the PO's and PPs.
- **Monthly meetings and informal exchanges of ideas** via email and WhatsApp to promote a close relationship between the NFP and the PO's and a dynamic that improves the way of communicating to the various audiences.
- **Brainstorming with PO's communication teams** to identify new targets and specific actions for the positioning of the EEA Grants brand and to redefine the target audiences and their levels of engagement.
- **Training programme**, led by a specialized company, designed to empower communication trainers. The objective was to enhance the capabilities of PO's communication officers with more and better skills to share the communication rules with the PPs. The training consisted of five modules covering topics like "EEA Grants Marketing and Communication Strategy," "EEA Grants Operational Marketing," "Digital Content," "EEA Grants Writing," and "Video." After the completion of the training, the NFP and POs conducted the same training for PP's.
- **Workshop on "How not to communicate results"**, targeting both the NFP and PO's. The aim was to discern and rectify common errors encountered while conveying outcomes through diverse media platforms like websites and social networks. The training encompassed practical exercises in writing and idea refinement, focused on optimizing information structuring and tailoring it for each medium. Additionally, the workshop fostered brainstorming sessions, promoting creative idea generation and collaborative engagement.
- On the website, a combined count of 153 news articles were released in Portuguese, complemented by 119 articles in English, each of them equipped with the convenient feature of seamless sharing on various social media platforms.

## 3. Media coverage

The news coverage of EEA Grants funded projects shows the program's dedication to openness, sharing information, and involving communities. When these stories are featured in national and local media, they enhance visibility and impact of the projects. The following examples help illustrate how news coverage can showcase the diverse and meaningful ways EEA Grants initiatives benefit various areas:

<https://pt.cision.com/cp2013/ClippingDetails.aspx?id=c90b495c-429b-4019-b57f-860e453337ec&analises=1&cp=1>

<https://smart-cities.pt/smn/circularbuild-evento-de-encerramento-e-resultadosdo-projecto-2023/>

<https://www.diarioimobiliario.pt/Portuguesa-dst-cria-betao-a-partir-de-residuos-da-construcao>

<https://pt.cision.com/cp2013/ClippingDetails.aspx?id=a77cfeea-2650-4f37-b35c-feb997bfc857&analises=1&cp=1>

<https://www.ambientemagazine.com/bluetide-universidade-de-coimbra-fortalece-ligacao-das-criancas-com-o-oceano/>

<https://observador.pt/2023/06/15/laboratorio-em-matosinhos-quer-transformar-desperdicio-do-pescado-em-produtos-uteis/>

<https://www.nauticapress.com/faroboats-apresenta-em-estreia-mundial-o-faro-powerdock/>

<https://hojeviviumfilme.blogspot.com/2023/07/motex-2023-brandon-cronenberg-e.html>

<https://pt.cision.com/cp2013/ClippingDetails.aspx?id=8c06cddf-2e0f-4a2e-aa9e-5ffd5ccf94f2&analises=1&cp=1>

<https://www.e-cultura.pt/artigo/31906>

<https://bloguedominho.blogs.sapo.pt/povoa-de-lanhoso-acolheu-foruns-25245892>

<https://pt.cision.com/cp2013/ClippingDetails.aspx?id=638d2abc-28e2-4e86-ae8d-12af78132098&analises=1&cp=1>

#### 4. Website and social media

Link to the National Focal Point's (EEA and Norway Grants) webpage		Total number of page views in the reporting year	
<a href="https://www.eeagrants.gov.pt/pt/">https://www.eeagrants.gov.pt/pt/</a>		346268	
	Link or account handle	Number of posts published in the reporting year	Number of followers
Facebook	<a href="https://www.facebook.com/EEAGrantsPor...">https://www.facebook.com/EEAGrantsPor...</a>	858	5667
Twitter	<a href="https://twitter.com/EEAGrantsPT">https://twitter.com/EEAGrantsPT</a>	302	1086
Instagram	<a href="https://www.instagram.com/eeagrantspt/">https://www.instagram.com/eeagrantspt/</a>	309	2737
LinkedIn	<a href="https://www.linkedin.com/company/eeag...">https://www.linkedin.com/company/eeag...</a>	258	5527
Other	<a href="https://www.youtube.com/@eeagrantspor...">https://www.youtube.com/@eeagrantspor...</a>	26	170

#### 5. Visuals

PO's and PP's consistently upload media files into the EEA Grants media library. A collection of photographs and videos can be found within the designated Portugal folder, contributing to the visual resources available:

<https://www.eealibrary.org/asset/17561/Coastal%20Memory%20Fort>

<https://www.eealibrary.org/asset/17563/Living%20Salt%20Science%20Farm>

<https://www.eealibrary.org/asset/17591/Fishing>

<https://www.eealibrary.org/asset/19808/MAIs%20-%20Women%20farmers%20in%20the%20inner%20territories>

<https://www.eealibrary.org/asset/20327/Academia%20Participo%21>

[https://www.eealibrary.org/asset/24839/PCA\\_WAVE4](https://www.eealibrary.org/asset/24839/PCA_WAVE4)

<https://www.eealibrary.org/asset/25080/20%20julho%20%281%29>

[https://www.eealibrary.org/asset/25090/31%20julho\\_festa%20tu%20est%C3%A1s%20aqui](https://www.eealibrary.org/asset/25090/31%20julho_festa%20tu%20est%C3%A1s%20aqui)

<https://www.eealibrary.org/asset/20812/Project%20Promova%20-%20Gender%20Equality%20Opportunities%20in%20Senior%20Management>

<https://www.eealibrary.org/asset/30332/Good%20Practices%20Showcase%20-%20On%20The%20Wave%20project%20%28English%29>

<https://www.eealibrary.org/asset/24115/SEA%20Giants>

<https://www.eealibrary.org/asset/22902/Environment%20Programme%20Project%20-%20More%20Pollinators%2C%20More%20Biodiversity%20>