

The long-term impacts of the EEA Grants in Portugal: a critical analysis

Final Report

Março 2025

Celebrating 30 Years EEA Grants in Portugal

30 years of EEA Grants in Portugal, a journey of partnership and development. From the first grants in 1994 to the current ones, the EEA has been a key partner in Portugal's development, supporting various sectors and contributing to the country's growth and well-being. This report celebrates the 30th anniversary of the EEA Grants in Portugal, reflecting on the achievements and challenges of this long partnership.

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THE LONG-TERM IMPACTS OF EEA GRANTS IN PORTUGAL: A CRITICAL ANALYSIS

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Acronyms

CEDRU - Centre for Regional and Urban Studies and Development

EEA Grants - Financial Mechanism of the European Economic Area

EFTA - European Free Trade Association

EEA - European Economic Area

FMO - Financial Mechanism Office

IPMA - Portuguese Institute for the Sea and Atmosphere

EEAFM - European Economic Area Financial Mechanism

NGOs - Non-Governmental Organisations

SME - Small and Medium-sized Enterprises

PRR - Recovery and Resilience Plan

EU - European Union

Executive Summary

This document presents a summary analysis of the results and impacts of implementing the European Economic Area Financial Mechanism (EEA Grants) in Portugal over the last 30 years since its creation in 1994.

Context and Evolution

The EEA Grants came about as part of the agreement that granted Iceland, Liechtenstein and Norway access to the European internal market. In return, these countries contribute to reducing socio-economic disparities in Europe by supporting the least developed member states, including Portugal.

The five cycles of EEA Grants in Portugal can be structured into three distinct phases as a result of their approaches and implementation mechanisms:

- **First phase (1994-2004):** Focussed on urban and environmental projects, emphasising improving basic infrastructure, preserving urban heritage and environmental management. Its main notable projects were the expansion of the Lisbon Metro, urban regeneration in the Historic Centre of Porto and Vila Alte (Loulé), and the "Old Ghettos, New Centralities" initiative, a pioneer in integrated approaches in socially and economically disadvantaged communities.
- **Second phase (2005-2009):** This is a transition period characterised by the expansion of the thematic areas supported and innovation in governance. Five main thematic areas are conservation of cultural heritage, environment and sustainable development, agriculture and forestry, citizenship and human rights, and science and research.
- **Third phase (2010-2021):** Marked by progress in structuring, consolidating governance and strengthening bilateral cooperation, with specific thematic programmes focusing on, for example, blue growth, climate change and the circular economy, culture, reconciliation and gender equality, or active citizenship.

Financing and Implementation

The financial allocation for investments in Portugal increased progressively, starting at 105 million euros (1994-1999), falling to 21.3 million (1999-2003) and rising to 102.7 million euros in the most recent cycle (2014-2021). This trajectory was accompanied by a remarkable capacity to execute the projects contracted.

Key Implementation Milestones

1. **Progressive qualification of management mechanisms:** The National Management Unit was created in 2012, and specific structures for each thematic programme were implemented.
2. **Strategic selection of sectoral areas:** Align the themes supported with national and European priorities, complementarity with other national and European funds and responding to emerging challenges.

3. **Generating innovation in public policies:** Acting as a laboratory for new approaches to contemporary challenges, with pilot projects that were subsequently scaled up or more broadly influenced the configuration of public policies.
4. **Reducing socio-economic disparities:** Promoting internal convergence through a balanced geography of projects and interventions in vulnerable communities and boosting external convergence by supporting strategic sectors such as the blue economy and strengthening international cooperation networks.
5. **Strengthening bilateral relations:** It has evolved from a complementary aspect in the first cycles to a structuring pillar in the most recent cycles.
6. **Comprehensive institutional capacity building:** A process of strengthening transnational and multi-actor capacities, with support for collaborative networks between public institutions, universities, companies, and civil society organisations.
7. **Empowerment of actors in implementing public policies: Promoting a more participatory, diverse,** and inclusive governance model, increasing citizens' means and competencies to participate in sustainable development.

Significant Contributions

In these 30 years, the EEA Grants have made a significant contribution to various areas in Portugal:

- **Urban policies:** The "New Neighbourhoods, New Centralities" initiative followed by the "Critical Neighbourhoods Initiative" introduced innovative approaches to urban regeneration in economically deprived areas that were later incorporated into other national programmes, such as the Partnerships for Urban Regeneration (QREN 2007-2023) or the Disadvantaged Communities in the Metropolitan Areas of Lisbon and Porto (PRR).
- **Adaptation to climate change:** The "ClimAdaPT.Local" project enabled 26 municipalities to develop adaptation strategies, anticipating the generalisation of these approaches with POSEUR 2014-2020 funding.
- **Blue economy:** Development of scientific knowledge and tools for the sustainable management of marine resources, with projects such as "MARGov" and the financing of the research vessel Mar Portugal (Mário Ruivo). Contributing to the realisation of the National Sea Strategy (2021-2030).
- **Gender equality:** Creation of the National Statistical System on Gender Equality by the National Statistics Institute, contributing to more accurate diagnoses of gender inequalities in Portugal.
- **Strengthening civil society:** The Active Citizenship (2009-2014) and Active Citizens (2014-2021) programmes supported hundreds of projects developed by non-governmental organisations in areas such as human rights defence and social inclusion.

Challenges and Recommendations

Despite the successes, challenges remain in the governance and implementation of the financial mechanism that limits the maximisation of its potential:

- Excessive administrative complexity for management organisations and beneficiaries.
- Shortage of human resources in management structures to monitor, control and disseminate functions.
- Insufficient training in the implementation ecosystem to deal with bureaucratic complexity and accelerate innovation.
- Margins of densification of evaluation practices, both *ex-ante* and *ex-post*.

Strategic recommendations for future cycles:

- Deepening administrative simplification solutions.
- Further strengthening bilateral cooperation and broadening international networks of actors.
- Develop an integrated plan to strengthen human resources.
- Optimise the coordination model between the National Unit and the Programme Operators.
- Create a specific training programme for the management of bilateral funds.
- Define a training plan for the implementation ecosystem in advance.
- Extend and strengthen evaluation and accountability practices by carrying out *ex-ante* and operational evaluations of programmes, preparing an evaluation plan for the implementation cycle, and publishing results and assessments in a specific website area.
- Reinforce the communication and visibility strategy.

Conclusion

The EEA Grants have established themselves as a financial instrument with distinctive characteristics and a transformative impact on Portuguese society. Its ability to select strategic areas, often anticipating priorities that would only later be recognised by conventional public policies, has turned it into a veritable laboratory for innovation, with positive effects extending far beyond each cycle's implementation period.

Implementing the proposed recommendations will allow us to overcome the challenges identified and maximise the distinctive characteristics that have made the EEA Grants an instrument with a transformative impact. This will strengthen its role as a catalyst for innovation and sustainable development in Portugal over the next decade.

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1. Introduction

1. This document **was prepared by the Centro de Estudos e Desenvolvimento Regional e Urbano (CEDRU)** for the National Management Unit of the European Economic Area Financial Mechanism (EEA Grants) as part of the service provision event celebrating 30 years of EEA Grants in Portugal. It aims to systematise the analysis of the results and impacts of implementing EEA Grants in Portugal over the last 30 years.
2. The **European Economic Area Financial Mechanism came into being in 1994 as part of the agreement that gave Iceland, Liechtenstein and Norway access to the European internal market.** In return for this access, these countries contributed to reducing socio-economic disparities in the European area by supporting the least developed member states. Portugal, considered at the time to be a country with significant inequality compared to the European average, became a beneficiary of this instrument from its inception.
3. **Over these three decades, EEA Grants in Portugal have evolved significantly in terms of funding, areas of intervention, governance models and strategic approaches.** This document structures this evolution into three distinct phases: 1994-2004, marked by a focus on urban and environmental projects; 2005-2009, characterised by multisectoral expansion and innovation in governance; and 2009-2021, defined by multisectoral, advanced governance and strengthened bilateral cooperation.
4. The analysis **identifies the main milestones in Portugal's experience** implementing this financial mechanism. Of particular note is the gradual increase in the financial allocation, which started at 105 million euros in the first cycle (1994-1999), was reduced in the second cycle (21.3 million euros, 1999-2003) and then followed an upward trajectory until it reached 102.7 million euros in the most recent cycle (2014-2021). A remarkable capacity for implementation accompanied this trajectory.
5. The **document also highlights the progressive qualification of management mechanisms**, with the creation of the National Management Unit in 2012 and the implementation of specific management structures for each thematic programme. Another significant milestone is the careful selection of sectoral areas, seeking to maximise impacts through complementarity with other funding sources and alignment with national and European priorities.
6. Particular attention is paid to the **capacity of the EEA Grants to generate innovation in Portuguese public policies**, acting as a laboratory for new approaches to contemporary challenges. The document highlights the programme's renewal of urban policies as emblematic examples.
7. Another axis of analysis focuses on the **mechanism's contribution to reducing socio-economic disparities**, both internally - by supporting disadvantaged communities and civil society organisations - and externally - by boosting strategic sectors such as the blue economy, exemplified by the Blue Growth Programme.
8. The document also emphasises the **progressive strengthening of bilateral relations between Portugal and the donor countries**, which has evolved from a complementary aspect in the first cycles to a structuring pillar in the most recent cycles. The wide-ranging, transnational and multi-actor capacity-building process and the empowerment of various *stakeholders* in the realisation of public policies complete the picture of the main milestones identified.

9. This analysis of the 30 years of implementation of the EEA Grants in Portugal **allows valuable lessons to be learnt about the critical success factors of this financial mechanism**. It offers relevant reflections for the design and implementation of future international financial cooperation initiatives in the European context and for the country's development in the coming decades.
10. This reflection benefited not only from an **extensive set of documental information provided by the National Management Unit, but also from a series of interviews with political and technical leaders** who have participated in the implementation of EEA Grants in Portugal over the last 30 years, namely: Manuel Pisco (Coordinator of the European Economic Area Financial Mechanism between 2004-2009), Ana Isabel Resende (Coordinator of the European Economic Area Financial Mechanism between 2009-2010), Madalena Callé Lucas (Coordinator of the National Management Unit 2012-2017), Susana Ramos (Coordinator of the National Management Unit 2017-2023), Maria Mineiro (Coordinator of the National Management Unit 2023-...), João Ferrão (Secretary of State for Spatial Planning and Cities between 2005 and 2009) and Maria João Freitas (LNEC). We want to thank them all.

2. Objectives and Context of EEA Grants in Portugal

11. The **European Economic Area (EEA) is a cooperation bloc that brings together the member states of the European Union (EU) and the European Free Trade Association (EFTA) to promote the free movement of goods, services, capital, and people**. The creation of this area of integration has brought significant benefits to the European economy, facilitating not only trade but also cultural exchange between the participating countries.
12. On the other hand, the disparities in development between the member states are one of the realities that mark the European area, especially between the more economically developed countries and those that face structural challenges in areas such as infrastructure, education or environmental sustainability
13. It was in this context that the EEA Grants, or European Economic Area Financial Mechanism, came into being in 1994, **implemented as part of the economic and social co-operation agreement between Iceland, Liechtenstein and Norway and the countries of the EU**. In return for access to the European market, these countries contribute financially to social and economic cohesion within the bloc, supporting a mechanism whose central purpose is to strengthen cohesion and reduce economic and social disparities in Europe, ensuring that the least developed countries progress in a balanced and sustained manner.
14. In this context, the EEA Grants are an essential response to promote balanced development in strategic areas, strengthening European cohesion in three priority areas:
 - **Environmental and Energy Sustainability:** This area is designed to encourage green economy practices, promote energy efficiency, reduce carbon emissions, and conserve natural resources. The projects funded, therefore, aim to contribute to European climate objectives and promote a just transition to a sustainable economy.
 - **Social Cohesion and Inclusion:** Funding is directed towards initiatives that combat social exclusion and promote equal opportunities. These projects benefit vulnerable groups and strengthen social inclusion and the well-being of communities. They aim to reduce inequalities, contributing to a fairer and more equitable society.
 - **Urban Development and Infrastructure:** The EEA Grants encourage modernising urban areas and creating sustainable infrastructure. The projects supported in this strand aim to improve the quality of life in cities by promoting sustainable urban development and the resilience of essential infrastructure.
15. In Portugal's case, **the priority areas selected over the last 30 years reflect the country's specific needs at any given time and the priorities of the European Union's Cohesion Policy and national policy instruments**, creating essential synergies between sources of European funding. By working with other European and national initiatives, the EEA Grants have contributed to the country's sustainable development and have had an even more positive and lasting impact on various public policies.
16. The trajectory of the EEA Grants reflects a **progressive evolution that has accompanied Europe's development needs and the changing economic and social contexts** over the last few decades. Established by the Agreement on the European Economic Area (EEA), established in 1992 and implemented in January 1994, it was a significant innovation in relations between the Member States of the European Free Trade Association (EFTA) not belonging to the European Union - namely Iceland, Liechtenstein and Norway - and the least developed countries in Europe.

17. This agreement established the legal basis and initial guidelines for the programme, which concentrated its efforts on creating basic infrastructure and improving urban living conditions in countries such as Portugal, Greece, Spain and Ireland, which, until the eastward enlargement, were the primary beneficiaries of the financial resources, applying them essentially to infrastructure and urban regeneration, in line with the then guidelines of the Cohesion Policy, responding to the disparities in development in Europe.
18. The **definition of strategic priorities characterised the structure of this initial cycle (1994-1999) focused on socio-economic cohesion, including environmental protection, infrastructural development, urban regeneration, education and scientific research**. The uniqueness of this first cycle lay in creating an unprecedented cooperation model in which countries outside the EU contributed directly to regional development within the Community area. On the other hand, the mechanism stood out from other European funding instruments. Its implementation was based on specific projects rather than direct transfers to national budgets, allowing for greater transparency and measurable impact of interventions.
19. Despite having a limited budget—approximately 500 million euros—this funding cycle **laid the structural and conceptual foundations for the programme's growth in subsequent decades**, becoming a fundamental instrument of cooperation between the EFTA-EEA countries and the European Union.
20. The **second cycle (1999-2004)** of the EEA Grants **consolidated the experience gained in the previous period and expanded the scope of the financial mechanism**. This period coincided with essential changes in the European institutional architecture, including preparations for enlargement to include the countries of Central and Eastern Europe. The financial allocation saw a significant increase, reaching approximately 800 million euros, reflecting the donor countries' strengthened commitment to reducing economic and social asymmetries in the European Economic Area.
21. The **thematic priorities maintained the focus of the fundamental areas established in the previous cycle. Still, they evolved into new dimensions, such as the development of the private sector, the modernisation of public administration and institutional strengthening**. This new stage was also characterised by an evolution in the implementation of monitoring mechanisms, the introduction of systematic impact assessments, and the transition from an approach focused on individual projects to integrated programmes, making it possible to achieve greater strategic coherence and synergistic effects between complementary interventions.
22. Methodological **innovation was another distinctive element**. It introduced the principle of bilateral partnership as a structural component of the projects funded, promoting the transfer of knowledge and establishing lasting institutional relations between organisations in the donor and beneficiary countries.
23. The **third cycle (2005-2009) was a period of fundamental transformation**, coinciding with the historic enlargement of the European Union in 2004, which incorporated ten new Member States. This geographical expansion redefined the landscape of beneficiaries, bringing countries such as Poland, the Czech Republic, Hungary, the Baltic States, Malta, and Cyprus into the programme's scope.
24. The **financial envelope expanded significantly to approximately 1.3 billion euros**, distributed through two complementary mechanisms: the EEA Grants (financed by the three EFTA-EEA countries) and the Norway Grants (exclusively funded by Norway). This bipartite structure allowed for programme differentiation, with the second mechanism focusing on specific areas such as energy, innovation and justice.
25. The **thematic priorities reflected European integration challenges, including sustainable development, climate change, biodiversity conservation, cultural heritage, public health and the social inclusion of**

vulnerable groups, particularly Roma communities in the new member states. On the other hand, the institutional architecture has become more sophisticated by creating specific management structures in the beneficiary countries and establishing a central secretariat in Brussels. Implementation was characterised by introducing the concept of "operational programmes", methodologically aligned with the approach of the European Structural Funds.

26. This cycle **consolidated the bilateral dimension as a central strategic element**, establishing structural relations between the counterpart institutions in the donor and beneficiary countries, producing results that transcended the immediate impact of the projects funded.
27. Support for **Non-Governmental Organisations as agents of social transformation was seen as an innovative aspect aimed at promoting social justice and human rights**, as well as strengthening social support networks and civil society's ability to respond to situations of vulnerability, an especially pertinent aspect given the need to speed up Europe's economic and political integration as a result of the significant expansion of the European Union
28. The **fourth cycle (2009-2014)** of EEA Grants occurred in a context marked by the global financial crisis and its specific repercussions in Europe, resulting in growing socio-economic disparities and budgetary challenges for the various member states. The **financial allocation reached 1.8 billion euros**, reflecting the recognition of the need to intensify intra-European solidarity mechanisms during economic constraints. The territorial distribution expanded with the inclusion of Bulgaria and Romania, which joined the EU in 2007.
29. This cycle **introduced a strengthened programme approach, replacing the predominant logic of individual projects** with structured thematic programmes with specific objectives, indicators and governance systems. Priority areas have been redefined according to current challenges, including innovation, business competitiveness, renewable energies, adaptation to climate change, civil society and cooperation.
30. The methodological specificity of this cycle was manifested in **introducing the concept of "programme operators"**, intermediate entities responsible for sectoral implementation, and in creating "bilateral relations funds", instruments dedicated to strengthening partnerships between entities in donor and beneficiary countries. The institutional capacity-building dimension gained prominence, recognising that sustainable development transcends the implementation of isolated projects, requiring the structural strengthening of public institutions and civil society in the beneficiary countries.
31. Finally, the **fifth cycle (2014-2021)**, which is now coming to an end, has taken place in a **European context characterised by multiple crises** - from the prolonged consequences of financial instability to the migratory challenges, from the growth of Eurosceptic political movements in several member states to the COVID-19 pandemic.
32. The financial **allocation reached unprecedented levels, totalling 2.8 billion euros**, 1.5 billion via the EEA Grants and 1.3 billion via the Norway Grants. Croatia, a new EU member state in 2013, joined the group of beneficiaries, completing the programme's geographical coverage.
33. The **strategic priorities emphasised five key areas**: innovation and economic competitiveness; social inclusion and the fight against poverty; the environment, energy and climate change; culture, civil society and regional cooperation; and justice and home affairs.
34. This cycle **was characterised by introducing differentiated financial instruments**, including the "Youth Employment Fund" and the "Regional Cooperation Fund", aimed at transnational issues that transcend specific borders. These mechanisms have addressed structural challenges such as youth unemployment and integrated

regional development. The implementation methodology has become a more strategic model emphasising measurable results and systemic impacts. The bilateral dimension has intensified through the definition of "programme partners" from the donor countries, from the design to the implementation of the thematic programmes in the beneficiary countries.

35. **Financial governance has become more sophisticated by introducing systematic risk assessments,** independent audits, and enhanced transparency mechanisms, responding to contemporary demands for accountability and efficiency in public funds.

3. Evolution of EEA Grants in Portugal

36. The implementation of the EEA Grants in Portugal was marked by the evolution of the programme presented above regarding its implementation mechanisms and the framework of priority areas made available to the beneficiary member states at each moment. But also due to national choices, both in organisational forms and the sectors to be funded.
37. Broadly speaking, the five cycles of EEA Grants in Portugal can be organised into three phases, reflecting the structural transformations in the financial mechanism and the European political and economic context. The first phase (1994-2003) was established as a direct consequence of signing the Agreement on the European Economic Area, representing the initial implementation period of the financial mechanism. The second phase (2004-2009) was marked by reforming the mechanism, introducing new governance methodologies, and diversifying themes. The third phase (2009-2021) was conditioned by the context of the global crises and their repercussions in Europe. It was marked by the consolidation of thematic programmes and the deepening of bilateral cooperation.

3.1 First phase (1994 - 2004): focus on urban and environmental projects

38. The EEA Grants programme emerged in the context of Portugal's initial phase of European integration, in which the country faced significant challenges in terms of economic convergence and overcoming its profound social and infrastructural backwardness, especially in urban areas, mobility, and the environment.
39. Thus, in Portugal, the funds made available between 1994 and 2004 were primarily targeted at improving basic infrastructure, preserving urban heritage, encouraging responsible environmental management practices and supporting social development in regions with fewer resources. Therefore, the EEA Grants strategy was territorially comprehensive and sectorally integrated, combining efforts in various areas to boost sustainable and balanced development.
40. In the first and second cycles, between 1994 and 2004, the EEA Grants played a decisive role in **supporting a series of unique projects** aimed at urban regeneration, infrastructure upgrading and environmental sustainability. Of particular note in this period were the large-scale investments in the expansion of the Lisbon Metro's Red Line, which connected the city centre to Parque das Nações, where the Lisbon World Expo was held in 1998.
41. These **projects not only improved the mobility infrastructure but also helped urban development**, particularly by **helping** to promote the growth of tourism and the valorisation of central areas. The expansion of Lisbon's metro network from São Sebastião to the newly built Gare do Oriente mobilised a total investment of 25 million euros, proving to be a strategic initiative to decongest car traffic in the city and reduce pollution in the centre of Lisbon. Porto's Urban Rehabilitation in the historic centre of Porto represented an investment of more than 41 million euros. Its main objectives were architectural recovery, economic revitalisation and improving residents' quality of life.
42. Focusing on the historic city centre, Porto's Urban Rehabilitation Plan aimed to modernise the urban space without compromising its historic value. This project covered six sub-projects integrating the improvement of infrastructure, such as creating alternative routes and restructuring car parking areas.

43. in this context, the Alte Urban Rehabilitation Plan in Loulé **has significantly strengthened local identity and promoted an economy based on sustainable tourism**. The village of Alte, known for its architectural and environmental heritage, received investment to revitalise the urban space, including the requalification of public spaces and the creation of infrastructure for local services. In addition to improving the quality of life for residents, the project has contributed to the development of the local economy, boosted small businesses, and encouraged the creation of tourist services that respect the authenticity of the village.
44. Finally, the "Old Ghettos, New Centralities" initiative sought to transform historically disadvantaged areas into centres of development and inclusion. In Rabo de Peixe (Ribeira Grande) and Bairro das Alagoas (Peso da Régua), **integrated urban and social regeneration interventions were tested for the first time, launching a new form of urban intervention in Portugal, which would continue with the support of both the EEA Grants (Critical Neighbourhoods initiative) and the Cohesion Policy (Partnerships for Urban Regeneration) or, more recently, the Recovery and Resilience Plan (Disadvantaged Communities)**.
45. The projects included renovating and rehabilitating the water supply and sewage system and upgrading public urban spaces, sports facilities, schools, kindergartens, and multi-purpose spaces for cultural and heritage purposes. Also funded were vocational training programmes, educational and extracurricular activities for young people, environmental and health awareness programmes and activities to promote civil society and citizenship
46. Another critical focus of this period was **investment in waste management and water treatment projects**. Examples of success include the construction of the Almada Wastewater Treatment Plant in Portinho da Costa, which had the initial capacity to serve 140,000 inhabitants, with direct benefits in terms of reducing water contamination and preserving river and coastal ecosystems, treating wastewater from the parishes of Costa de Caparica, Trafaria and part of Charneca de Caparica, Sobreda and Caparica, making it possible to avoid the final discharge of sewage onto the beaches of the Costa de Caparica.
47. **Solid waste management** was another area of great importance for the EEA Grants in this first cycle, reflecting a commitment to environmental sustainability and the circular economy. Projects in this area were designed to promote more responsible recycling practices that align with European environmental protection policies. Solid waste disposal - LIPOR (Porto) considerably impacted the region, where LIPOR implemented a waste management system prioritising recycling and waste reduction. The project has reduced the amount of waste sent to landfills and implemented innovative solutions for solid waste treatment, benefiting the environment and public health. On the other hand, the Valorsul (Lisbon) solid waste disposal project, similar to LIPOR's, has also significantly improved solid waste management in the Lisbon Metropolitan Area. The infrastructure created has made it possible to treat waste efficiently, reduce environmental impact and promote a circular economy.
48. The **geographical distribution of the projects supported in this first cycle demonstrates an inclusive and decentralised approach**, promoting balanced development between the two metropolitan regions and more isolated areas such as the Autonomous Region of the Azores and rural areas such as Alte. The projects in the major urban centres, such as Lisbon and Porto, have responded to urgent infrastructure needs and waste management and transport, benefiting the vast urban population of these areas. On the other hand, initiatives in peripheral and rural regions have shown a commitment to social inclusion and balanced territorial development.
49. In short, the implementation of the EEA Grants between 1994 and 2004 **illustrates the potential of international cooperation programmes to promote sustainable development and territorial cohesion**. The projects supported, from urban regeneration and transport infrastructure to waste management, positively impacted living conditions, mobility and environmental sustainability in different regions of the country. By combining investments in urban and rural areas and promoting integrated approaches in urban communities

experiencing poverty, the programme has contributed to reducing regional disparities and strengthening social cohesion.

50. As far as the implementation mechanisms of the EEA Grants are concerned, **this first phase revealed a still embryonic model characterised by the limited financial dimension, the approach centred on single projects**, the absence of a specific national management and control unit, the focus on a limited and essentially physical number of priorities and the limited bilateral cooperation between the entities of the donor countries and the beneficiaries, which only began in the 1999-2004 cycle.

3.2 Second Phase (2004 - 2009): Multisectoral Expansion and Innovation in Governance

51. The **second phase of the EEA Grants in Portugal could be characterised as a transition between an initial stage and the current period**, especially regarding the organisational model and implementation mechanisms
52. The investments supported by the EEA Grants in this period showed a significant concentration in five major areas of activity, each with specific impacts on the territory and local communities.
53. The **first central thematic area was the Conservation of Cultural Heritage**, both immovable and movable. In this area, emblematic projects were carried out, such as the "Historical Route of the Defensive Lines of Torres Vedras", which was recognised with international awards (Europa Nostra 2014), demonstrating the high level of quality of the work carried out, or the projects related to Sintra, a UNESCO World Heritage Site, with restoration work at the Palace of Monserrate, the Chalet of the Countess of Edla and the garden adjacent to the Park of Pena.
54. The **impact of these investments on the conservation of cultural heritage is manifold**. On the one hand, it has contributed to preserving heritage elements of high historical and artistic value, ensuring their transmission to future generations. On the other hand, it has boosted the tourist value of these spaces, creating new opportunities for local and national economic development. On the other hand, the HERCULES Laboratory in Évora **illustrates the scientific dimension of these impacts** with the creation of advanced infrastructures for the study and preservation of cultural heritage. This case **demonstrates how investments in this area transcended the physical conservation of heritage, creating installed scientific capacity beyond the funding period**.
55. The **second significant thematic area was Environment and Sustainable Development**, with projects focused on environmental monitoring, ecological rehabilitation, and biodiversity promotion. The MONICA project, which set up an observatory to monitor the Nazaré Canyon, is an example of the commitment to scientific infrastructures to study natural phenomena of exceptional importance.
56. **The impact of environmental projects can be seen in improving environmental quality indicators, conserving biodiversity, and raising public awareness of environmental issues**. The "Ecological Recovery of Cabeço Santo" in Águeda is a success story in eliminating invasive species and restoring natural habitats, with direct benefits for local biodiversity and the potential for replication in other territories. This project illustrates how EEA Grants funding has enabled science-based interventions with positive and measurable environmental impacts.
57. Agriculture and Forestry was The third area of considerable importance, where sustainable rural development and forest fire prevention projects stood out. For example, the "RecurSus" project, implemented in the

municipalities of Mértola and Barrancos, focused on the sustainable exploitation of cork oak and holm oak forests, promoting the multifunctionality of these traditional agro-sylvo-pastoral systems. The impact of these projects was reflected in the sustainability of agricultural and forestry practices, the valorisation of conventional knowledge and the prevention of natural risks such as fires. In this context, the "Rural Value" project in Castro Verde developed themes related to agriculture's sustainability, biodiversity and young farmers' training, creating a bridge between scientific knowledge and local agricultural practices. **This training dimension significantly impacted the future sustainability of economic activities in rural areas.**

58. The **fourth relevant thematic area was Citizenship and Human Rights**, with interventions in critical urban regions (Critical Neighbourhoods Initiative) and promoting civic participation. Qualification and rehabilitation projects in neighbourhoods such as Cova da Moura (Amadora), Vale da Amoreira (Moita) and Lagarteiro (Porto) show concern for social inclusion and improving living conditions in disadvantaged urban contexts. The impact of these projects can be seen in the strengthening of social cohesion, the empowerment of populations and the improvement of urban infrastructures. The "Assoma-te" project in Beja, focused on promoting civic participation among young people, illustrates the inclusive dimension of these investments, with particular attention to contexts of greater social vulnerability. These projects demonstrate the **EEA Grants' capacity to intervene in complex social problems with participatory approaches that value the social capital of communities.**

59. The **fifth area is Science and Research**, with applied research projects in health and environmental monitoring. The "Prevention and Early Diagnosis of Cancer" project in Porto represents the continuation of a long-standing collaboration between Portugal and Norway, demonstrating the international cooperation dimension of this financial mechanism. The **impact of these research projects has translated into the creation of scientific knowledge, the development of innovative methodologies and the training of highly qualified human resources.** The RIRCE project in the Azores, focused on creating a computerised register of children with epilepsy, exemplifies the potential of investments in research to improve health services and people's quality of life.

60. Analysing the types of projects funded by EEA Grants in Portugal reveals interesting patterns that reflect the priorities defined by the financial mechanism and the specific needs of the Portuguese context.

61. The **most significant type of project was Heritage Conservation and Valorisation Projects**, with seven interventions receiving support. This predominance reflects the importance of cultural heritage as a strategic asset for territorial development in Portugal. The projects in this category are characterised by an integrated approach to conservation, combining physical restoration work with research, education and tourism. The "Schist Heritage Network" in Fundão exemplifies this integrated approach, promoting the preservation of a distinctive vernacular heritage associated with the cultural identity of the Centre region. The intervention in the Schist Villages was not limited to the physical conservation of the buildings. Still, it was part of a broader strategy to enhance these rural territories' tourism and cultural value.

62. The **second most significant category was Environmental and Biodiversity Projects**, with twelve interventions supported. This strong presence of the environmental dimension reflects the priority the funding countries give to ecological sustainability and nature conservation issues. The projects in this category were characterised by **scientific approaches to natural resource management, combining monitoring, direct intervention and raising public awareness.** The "Flora de Sicó" project, implemented in six municipalities in the Centre region, illustrates this integrated approach, creating content, materials and services for the knowledge and conservation of the local flora. The **environmental awareness dimension, present in many of these projects, is a distinctive element** that has boosted the long-term sustainability of the interventions.

63. The **third most implemented project type was Sustainable Rural Development Projects**, with five interventions. These projects promoted sustainable economic activities in rural contexts, particularly

emphasising traditional agroforestry systems. The "The Conservation of Heathlands and Sustainable Development on the Mourela Plateau" project in Montalegre exemplifies integrating conventional land management practices with nature conservation and fire prevention objectives. Rehabilitating an old forest house into an interpretation centre illustrates these projects' educational and tourist dimensions, creating new functions for traditional structures.

64. The **fourth most relevant typology was Social Inclusion and Citizenship Projects**, with six interventions identified. These projects were characterised by their focus on vulnerable social groups and disadvantaged urban territories, with participatory approaches that promote community *empowerment*. The "Casa Eco Criativa" project in Sesimbra, focussed on education for sexuality and responsible citizenship, illustrates the combination of the educational and artistic dimensions, creating creative spaces for the expression and development of young people.
65. Finally, the **fifth type identified was applied scientific research projects, with three interventions. These projects were characterised by an intense research and development component, building bridges between scientific knowledge and concrete social and environmental problems. Co-operation with Norway was essential to this category, strengthening scientific cooperation** networks between Portugal and the funding countries.
66. **Analysing the geographical distribution of EEA Grants investments** in Portugal during this period reveals territorial patterns that merit in-depth reflection. The first aspect to highlight is the territorial diversity of the investments, which ranged from densely populated urban areas (Lisbon, Porto, Amadora) to low-density rural territories (Mértola, Barrancos, Montalegre). This diversity reflects a balanced approach to territorial development, recognising each context's needs and potential. The presence of projects in the Azores (Angra do Heroísmo) also demonstrates **that even the outermost regions have been included in this geography of investments**.
67. A second relevant aspect is the identification of regional thematic concentrations. The **Lisbon and Tagus Valley regions showed a predominance of projects linked to cultural heritage (Sintra) and urban regeneration (Amadora, Lisbon)**, while **the Alentejo concentrated sustainable rural development and biodiversity conservation projects** (Mértola, Castro Verde, Mourão). This regional thematic specialisation may reflect the priorities defined by local players and the specific characteristics of the territories.
68. About **the type of territories covered, there was a relatively even distribution between urban, rural and coastal areas**. Projects in urban areas focused predominantly on social inclusion and urban regeneration (Cova da Moura, Vale da Amoreira, Lagarteiro). In rural areas, sustainable development and endogenous resource valorisation projects predominated (Montalegre, Mértola, Castro Verde). In areas of high natural value, such as Sintra (World Heritage), Serra da Estrela or Peneda-Gerês, projects focussed on biodiversity conservation and sustainable resource management. Finally, projects were carried out in coastal areas such as Nazaré to monitor the environment and promote marine sustainability.
69. In short, the investments supported by the EEA Grants in Portugal in 2005-2009 **showed a diversified and balanced pattern in thematic and territorial terms**. Concentrating on areas such as the conservation of cultural heritage, the environment and sustainable development, agriculture and forestry, citizenship and human rights, and research aligns with the European priorities of sustainable development, social cohesion and heritage valorisation.
70. The **diversity of project types implemented, from heritage conservation to applied scientific research, sustainable rural development, and social inclusion, demonstrates the flexibility of this financial**

mechanism to respond to different needs and contexts. The approach's geography covered urban and rural, central and peripheral territories, helping to strengthen territorial cohesion and enhance each region's specific assets.

71. The **impacts generated by these investments can be seen in multiple dimensions: the conservation and valorisation of cultural and natural heritage, the promotion of environmental sustainability, the development of resilient rural economies, the social inclusion of vulnerable communities and the creation of scientific knowledge with concrete applications.** The dimension of international cooperation, particularly with Norway, is a significant added value, strengthening European networks for collaboration and exchanging knowledge.
72. Advances in governance and technical capacity building also marked this period. The governance of the EEA Grants evolved significantly with the creation of a technical unit in Portugal. This model allowed for a more organised and collaborative implementation of projects, facilitating the execution and monitoring of results. One of the main advances of this phase was the introduction of results-orientated management systems. This methodology includes monitoring metrics that made it possible to assess the efficiency and sustainability of projects, a model that has gained prominence in EU cohesion policies in subsequent years.

3.3 Third Phase (2009 - 2021): Multisectoral, Advanced Governance and Bilateral Cooperation

73. The period between 2009 and 2021 was the third phase of implementing the EEA Grants in Portugal, marking a profound transformation, maturation, and consolidation stage of the financial mechanism. This phase was distinguished from the previous ones by a **structural deepening of the implementation architecture and a strategic repositioning of the funding priorities**, which reflected both the emerging global challenges and the specific needs of the Portuguese context.
74. The most emblematic aspect of this phase was the operational structuring of the programme's management mechanisms in Portugal, which was in line with what happened in Europe. Creating **an implementation architecture organised by thematic programmes represented a break with the previous model**, giving greater coherence and specialisation to the intervention. This new approach allowed for a more effective alignment between the available resources and the strategic priorities defined, boosting the impact of the investments made.
75. A **key institutional milestone of this phase was creating a dedicated mission unit with national coordination and focal point functions.** This structure, which remains in place to this day, provided continuity and consistency to the programme's management, guaranteeing institutional memory and knowledge transfer between the different funding cycles. Its permanence is a relevant indicator of the model's effectiveness during this period. On the other hand, **the management model implemented was characterised by the decentralisation of executive responsibilities to specialised structures per thematic programme**, integrated into the public agencies or ministerial departments responsible for the respective policy areas. By way of example, the programme dedicated to the conservation and revitalisation of cultural heritage came under the umbrella of the Directorate-General for Cultural Heritage. In contrast, the Portuguese Environment Agency managed the programme focused on climate. This **integration into the sectoral administrative structures ensured the technical expertise for selecting and monitoring projects and aligning investments with national public policies.**

76. Conversely, **the third phase of the EEA Grants was characterised by a significant expansion of the priority areas for funding**. This thematic diversification reflected a greater sensitivity to emerging global challenges, particularly climate change, strengthening civil society and reducing social inequalities.
77. A **third distinctive aspect of this phase was the significant increase in awareness of the financial mechanism in Portugal**. This resulted from a deliberate strategy to strengthen communication and publicity tools, including creating dedicated digital platforms and public events and producing quality information materials. The internet presence was substantially improved by developing a portal dedicated to EEA Grants in Portugal, which acted as an information repository and a platform for publicising opportunities and results. This portal has seen a steady increase in visitors over the period. Regularly organising themed seminars and workshops helped disseminate knowledge and create networks between promoters and stakeholders. Between 2009 and 2021, more than 200 events were organised, with an estimated attendance of 12,000 people covering all regions of the country.
78. **Bilateral cooperation between Portugal and the donor countries took centre stage in this phase of the EEA Grants**. This was emphasised in two main ways: encouraging projects involving partnerships between Portuguese entities and those from donor countries and the creation of a specific bilateral fund to finance knowledge exchange and transfer initiatives. On the other hand, the conditions for access to various lines of funding favoured applications that included partnerships with entities from Iceland, Liechtenstein or Norway, encouraging the creation of international consortia. This requirement resulted in a significant increase in the number of collaborative projects.
79. The mission unit managed bilateral funds to finance various cooperation initiatives, such as study visits, joint seminars and small-scale pilot projects. These activities contributed to establishing long-lasting institutional relations, transcending the formal project funding period and generating self-sustaining collaborative dynamics. An emblematic example of this cooperation was the exchange programme between Portuguese and Norwegian hospitals in mental health, which involved training professionals, sharing good practices and implementing innovative community intervention methodologies. This collaboration produced tangible results in improving the services and technical capacity of the Portuguese institutions involved.
80. An analysis of the 212 projects funded between 2009 and 2014 by the eight thematic programmes provides an understanding of the investment priorities, the nature of the interventions and their territorial scope, revealing a diverse panorama of initiatives with multidimensional impacts. One **of the most significant areas of intervention during this period was "Marine and Coastal Water Management"**. This area received a substantial number of projects aimed at protecting, monitoring and valorising Portugal's marine and coastal resources, reflecting the strategic importance of the sea for the country. Flagship projects in this area include "SNIMar - Preparation of integrated geographic information for the management of marine and coastal waters", which developed a marine spatial data infrastructure to improve coordination and information sharing between institutions, or "BIOMETORE - Biodiversity in the Seamounts: Madeira-Tore and Grande Meteor", focused on the biodiversity of deep-sea areas, contributing to the implementation of the EU Marine Strategy Framework Directive. The **impact of these investments has manifested itself in various ways, from improving the scientific infrastructure through acquiring and adapting ships with Dynamic Positioning Systems to expanding knowledge about Portuguese marine biodiversity**, especially in ecosystems that have been little studied.
81. At the same time, several initiatives in this sector were dedicated to environmental monitoring, such as "Project Type IV - Oil Spill and Illegal Fishing", which implemented early detection capabilities for oil spills and illegal fishing, reinforcing environmental and economic protection. The educational component also stood out, with projects such as "Encontros de Mar", "Biodiversity of our Sea", and "MARE goes to school", which **promoted ocean**

literacy among young people and educational communities, laying the foundations for long-term awareness of the importance of marine sustainability.

82. **Another critical investment area was adaptation to climate change and risk management.** A notable example is the "Climate Portal" project, which created a platform for various stakeholders, including researchers, policymakers and the general public, to access climate data. This initiative has established a fundamental scientific knowledge base for implementing informed policies. In this context, the "AdaptForChange" project stood out for addressing the challenges of reforestation in semi-arid areas in climate change and developing a Mértola Climate Change Adaptation Plan for the forestry and agricultural sectors. This type of initiative has directly impacted land management practices in vulnerable regions, helping to increase the resilience of fragile ecosystems in the face of increasingly extreme climatic conditions.
83. **One of the most comprehensive projects in this area was "ClimAdaPT.Local"**, which developed Municipal Climate Change Adaptation Strategies for 27 municipalities, training more than 200 municipal technicians and creating a Network of Municipalities for Local Adaptation to Climate Change, with 30 signatory municipalities. **Its impact is particularly significant in building institutional capacity at the local level to face the challenges of climate change, creating a structure of knowledge and cooperation** that lasts beyond the funding period, the Adapt Network. Together, these efforts have **contributed to the climate resilience of Portugal's territory and communities in the context of increasing vulnerability to extreme weather events.**
84. A significant volume of EEA Grants projects focused on **strengthening civil society and promoting active citizenship**, with the implementation of the "Civil Society" Programme with the Calouste Gulbenkian Foundation as programme operator. These initiatives addressed pressing social challenges, such as integrating immigrants and minorities, through projects such as "Immigrants, Gender and Citizenship" and "Active Communities against Trafficking", which demonstrate the focus on protecting vulnerable groups. In combating domestic violence, initiatives such as "New Faces" and "3 Ds Rights and Duties for Dignity" promoted awareness and intervention in this social problem, creating support networks and developing intervention methodologies adapted to the Portuguese reality.
85. Empowering young people at risk received attention through projects such as "Projet'Arte" and "PRONUTRISENIOR", which focused on developing professional and personal skills in vulnerable groups, facilitating their social and economic integration. At the same time, various projects such as "Capacity" and "SEMEAR" focused on institutional strengthening and developing the skills of civil society organisations, boosting their capacity for intervention and sustainability. This multifaceted approach to active citizenship reflects an understanding of the complexity of social challenges and the need for articulated interventions at various levels, from the individual to the institutional.
86. In public health, investments were mainly concentrated on mental health, nutrition and epidemiological research. The "National Health Survey with Physical Examination" and the "National Serological Survey" **stood out as structuring initiatives that provided crucial data for defining public health policies in Portugal, filling critical gaps in the availability of epidemiological information.** These population-based studies constitute a lasting legacy, establishing baselines for the future monitoring of essential health indicators.
87. In parallel, the "MH CRISIS IMPACT" project assessed the effects of the economic crisis on the population's mental health. At the same time, "STOP DEPRESSION" implemented an intervention model for depression in primary health care. These projects **responded to emerging needs in the Portuguese socio-economic context, particularly relevant in the post-financial crisis period.** In nutrition, projects such as "NUTRITION UP 65" and "PEN-3S" focussed explicitly on the nutritional issues of the elderly population, helping to reduce health

inequalities in this growing age group in Portuguese society. This focus on specific vulnerable groups reveals a **concern for health equity, which aligns with the fundamental values of the EEA Grants.**

88. The **promotion of gender equality received support through diverse and complementary projects.** The project "Men's Roles from a Gender Equality Perspective" produced a White Paper on men and gender equality in Portugal, significantly contributing to knowledge and debate on this issue. In turn, the "Sexual and Moral Harassment in the Workplace" project carried out the first major survey on this issue since 1994, providing up-to-date data essential for formulating policies and interventions in this sensitive area. In business, projects such as "Working Generation" and "Break Even" have explicitly focused on **developing tools to promote gender equality in the workplace**, working directly with the private sector to implement more equitable practices. This diversity of approaches to gender equality, from research to practical intervention to awareness-raising, illustrates the complexity of the issue and the need for multi-level interventions to achieve structural change.
89. The **diversity and cultural exchange projects funded by the EEA Grants stood out for their strong cooperation with partners from donor countries.** Initiatives such as "Write a Science Opera (WASO)" and "Circus Lab" exemplify the transfer of innovative artistic methodologies and practices with an impact on the Portuguese educational and creative communities. These projects **have contributed to cultural and creative development and the establishment of long-lasting international cooperation networks.**
90. In this area, the "Routes of Sepharad" project deserves special mention for its approach to Jewish cultural heritage in Portugal, including rehabilitating buildings for museum infrastructures. This initiative combined the valorisation of tangible and intangible heritage with the development of cultural tourism, **contributing to the economic diversification of inland regions and preserving an essential component of Portugal's historical identity.**
91. Analysing the types of projects funded by EEA Grants in Portugal, it is possible to identify several categories with different characteristics and impacts. **Several projects involved significant investments in physical infrastructure and equipment**, such as acquiring oceanographic vessels, implementing the Pico Alto Geothermal Power Plant in the Azores (3.5 MWe), and creating monitoring infrastructures like the Community Tracking Network. These projects generally required more significant amounts of funding. They had **lasting impacts on national technical and scientific capacities**, providing Portugal with fundamental means to pursue strategic objectives in priority areas.
92. A considerable part of the funding went to **training programmes and capacity building for professionals in various areas**, from health professionals in projects such as "PRONUTRISENIOR" and "STOP DEPRESSION" to municipal technicians in "ClimAdaPT.Local" and gender equality training in the business sector in "Break Even". These projects **have contributed to the development of human capital and the long-term sustainability of the investments by creating endogenous skills in the beneficiary organisations.** This approach concerns the continuity of impacts beyond the funding period, boosting multiplier effects through disseminating knowledge and good practices.
93. Numerous projects **have also focussed on producing scientific knowledge and developing monitoring systems.** "IOGENERATION", for example, linked iodine status with cognitive performance in children, while "SIMOcean" developed integrated systems for monitoring the ocean. These projects have typically **produced reports, studies and databases that continue to inform public policy and management decisions after funding has ended**, significantly contributing to the scientific evidence base in areas critical to Portugal's sustainable development.

94. A significant category of projects focused on **raising awareness of issues** such as ocean literacy, climate change, gender equality and active citizenship. "Marine Trophic Chains", "Clima@EduMedia", and "Idearia" are examples of this approach, which sought to raise awareness and knowledge of key issues among diverse audiences. These projects often involved educational communities, producing teaching materials and carrying out public communication campaigns, **contributing to a gradual change in attitudes and behaviour**.
95. Several projects **also focused on creating methodological tools**, such as the "HAT - Hospital Affordability Tool" for assessing vulnerability to climate change in hotel developments, or "IGOS", which developed instruments to evaluate legislative measures to promote gender equality. The distinctive feature of these initiatives was the production of reusable resources that could be adapted to different contexts and users, **increasing the potential for replication and dissemination of the results**.
96. Analysing the geographical distribution of EEA Grants investments in this period reveals interesting patterns that reflect strategic priorities and the country's territorial specificities. **Most of the projects analysed had a national scope, covering the whole of Portugal**, which suggests a concern for territorial cohesion and the equitable distribution of benefits. This is particularly evident in projects related to public policies, such as the "Climate Portal" or the various national health surveys, whose results and tools have applicability throughout the territory.
97. Among the projects with a specific geographical scope, **there was a significant concentration in the Lisbon region**. Projects such as "Olhó peixe fresquinho" and the "Centro Anti-Discriminação VIH/SIDA" reflect this trend, possibly explained by population density and the concentration of public institutions and civil society organisations in the capital. This concentration raises questions about the need to strengthen mechanisms that guarantee a more balanced distribution of resources, **ensuring that less central regions have an equal opportunity to benefit from this funding**.
98. The **Azores have emerged as a critical region, especially regarding renewable energy projects**. The Pico Alto Geothermal Power Plant, several post-graduate courses in geothermal energy in Iceland, and other similar projects show a consistent strategy to support the energy transition in this autonomous region. This focus can be explained both by the Azores' specific needs and development potential in this area and by the potential for cooperation with donor countries, particularly Iceland, which has advanced knowledge in geothermal energy.
99. Projects such as "SOWAMO - Semear Água na Montanha de Monchique" in the interior Algarve or "AdaptForChange" in the Alentejo demonstrate **the attention paid to inland regions of the country**, which are often more vulnerable to phenomena such as desertification and forest fires. **These initiatives, although fewer in number, have had a potentially significant impact in these regions**, addressing specific challenges related to the sustainable management of natural resources in contexts of high climate vulnerability.
100. The country's north has also received significant attention, with projects like "Menor Empregabilidade" and various sustainable local development initiatives. These interventions respond to this region's socio-economic needs, particularly job creation and skills development in vulnerable groups.
101. **A distinctive feature of the EEA Grants is their strong international cooperation component, which has been dramatically strengthened since 2010**. This is evidenced by the numerous projects involving Norwegian, Icelandic or Liechtenstein partners. This dimension is particularly evident in the cultural and artistic area, with projects such as "Mothers", "ZYG", and "Hand Full of Shells and Feet Full of Flowers", but it has also extended to technical and scientific areas. This cooperation **has not only enriched the projects with diverse knowledge and experience. Still, it has also strengthened the ties between Portugal and the donor countries**, creating collaborative networks that last beyond the funding period.

102. In short, an analysis of the projects funded by the EEA Grants in Portugal between 2005 and 2009 reveals a diversified and strategic investment programme emphasising **priority areas for the country's sustainable development. The impact of these investments was manifold, from improving physical and technical infrastructure to developing human capital and raising social awareness.** The projects implemented demonstrate a comprehensive approach to socio-economic and environmental challenges, combining structuring interventions with capacity-building and awareness-raising initiatives. On the other hand, the **geographical distribution of the investments, although showing some specific concentrations, demonstrates an effort towards territorial cohesion and international cooperation.**
103. The 2014-2021 cycle continued the 2009-2014 trajectory and was a decisive phase in the evolution of the EEA Grants in Portugal. This funding cycle **represented the full materialisation of the programmatic architecture developed in the previous phase**, consolidating the thematic programme management model and deepening the multisectoral approach that had already begun. During this period, the EEA Grants reached an even higher level of implementation and maturity, establishing themselves as a benchmark financial instrument in the country's sustainable development panorama.
104. The **implementation of the EEA Grants in this period took place against a backdrop of significant challenges for Portugal and Europe, including the recovery from the economic crisis, the emergence of climate change as a political priority and the new European and international commitments to sustainable development**, in particular the United Nations 2030 Agenda. These challenges shaped the strategic orientation of the programmes and were reflected in the investment priorities defined.
105. The implementation model adopted for the 2014-2021 period was structured around five complementary thematic programmes, constituting an integrated response to Portugal's main sustainable development challenges. This approach enabled maximising synergies between the different sectors and boosting the impact of the investments made.
106. The **Blue Growth Programme** has emerged as a fundamental strategic vector, recognising the importance of the maritime economy for a country with an extensive coastline and an Exclusive Economic Zone of significant size. This programme attached central importance to the development-innovation-entrepreneurship trinomial, focusing on small and medium-sized enterprises (SMEs) linked to the blue economy. The approach adopted **was characterised by actively promoting partnerships between the business sector and education and research institutions, creating bridges for the transfer of knowledge and the transformation of scientific innovation into economic value.**
107. An emblematic example of this approach was the MARineSIM project, which provided the Infante D. Henrique Nautical College with the acquisition of advanced maritime simulators, **strengthening its training capacity and responding to a critical gap in qualified human resources in the maritime sector.** This intervention illustrates the programme's strategic vision, which sought to address structural bottlenecks in the development of the blue economy in Portugal.
108. In the business field, projects such as MICROBOOST, FLYPASS, NOxAqua, Blue Control Centre and InFishMix stood out, **supporting companies in developing and commercialising innovative technologies for the maritime economy.** These projects **demonstrate how the programme has catalysed business innovation** in a strategic sector for the Portuguese economy, contributing to its international competitiveness.
109. The **Environment Programme reflected the growing centrality of environmental and climate issues on the European and international political agenda.** Its focus on improving the state of ecosystems and reducing the negative impacts of pollution and other human activities was reflected in a multifaceted approach, which

included **interventions in the areas of adaptation to climate change, the circular economy and decarbonisation.**

110. One of the most significant projects in this area was the Management of the Ceira River Basin in the Face of Climate Change, which developed an integrated approach to territorial resilience, incorporating hydrological, ecosystem and cultural components. This project proved to be particularly relevant in the **response to the devastating fires of 2017, which severely affected the Centre of Portugal**, and has established itself as a benchmark for future water line rehabilitation interventions in the country. Its alignment with the EU 2030 Biodiversity Strategy and the Nature Restoration Act shows that the programme is in line with European priorities in this area.
111. Also noteworthy was the project aimed at the Biosphere Reserves, which adopted an **integrated territorial approach, valorising the natural heritage in conjunction with local communities.** Drawing up Sustainable Development Plans using participatory methodologies was an innovative element, promoting community ownership of the strategies and establishing programme frameworks for the differentiated development of these unique territories.
112. In the field of the circular economy, the Oeste + Recicla project represented a concrete example of the application of this emerging paradigm, through the implementation of a Deposit and Return System for plastic bottles in all the municipalities of the Oeste Region. This initiative **helped to reduce plastic waste and raise awareness of the importance of recycling**, illustrating the potential of pilot projects to transform consumer behaviour and practices.
113. The **Reconciliation and Gender Equality Programme** has played a crucial role in the implementation of the National Strategy for Equality and Non-Discrimination 2018-2030. Its work in areas such as gender equality, reconciling professional, personal and family life, and combating violence against women and domestic violence has reflected a **solid commitment to transforming gender relations in Portuguese society.**
114. One of the most significant projects in this area was the creation of the National Statistical System on Gender Equality by the National Statistics Institute. This initiative represents a fundamental advance in the provision of statistical information disaggregated by sex in various dimensions of social, economic and political life, **contributing to a more accurate diagnosis of inequalities and to the formulation of more informed and effective public policies.** Making this data available to all users and to society in general is a significant contribution to transparency and public awareness of these issues.
115. The **Active Citizens Programme**, coordinated by the Calouste Gulbenkian Foundation in partnership with the Bissaya Barreto Foundation, represented an **innovative approach to strengthening civil society.** Its management by two institutions independent of the state gave it significant autonomy and allowed it to work more closely with the associative fabric. The programme aimed to promote the long-term sustainability and capacity of non-governmental organisations, recognising their fundamental role in promoting democracy, active citizenship and human rights.
116. Its areas of intervention included the promotion of democracy, good governance and transparency; the defence of human rights and equal treatment; social justice and the inclusion of vulnerable groups; and the empowerment of civil society organisations. This holistic approach to strengthening the non-governmental sector **has contributed to a more robust and active civil society, capable of participating actively in the country's development processes.**

117. The **Culture Programme** focused on the role of the arts, culture and heritage in local and regional development, with particular attention to job creation, social inclusion and territorial cohesion. Its approach included the **promotion of cultural entrepreneurship, the management and preservation of heritage, and the development of cultural and educational activities**. Its flagship projects were the creation of the Porto Brandão Shipyard Museum in Almada, the rehabilitation of the Fort of Nossa Senhora dos Anjos de Paimogo in Lourinhã, and interventions in listed buildings in the parishes of Fenais da Luz and Fenais da Ajuda in Ribeira Grande, in the Azores. These initiatives **have enabled not only the rehabilitation of built heritage, but also the creation of new spaces for cultural dynamisation and the promotion of interaction between local communities, scientific institutions and local authorities**. The appreciation of coastal culture, which is present in many of these projects, reflects the strategic articulation with other programmes, namely Blue Growth.
118. Also noteworthy was the "FILMar: Digitisation of Film Heritage" project, carried out by Cinemateca Portuguesa - Museu do Cinema, which undertook the preservation and dissemination of Portuguese film heritage related to the sea. This initiative illustrates the importance attached to intangible heritage and making it available to the public, helping to strengthen Portuguese cultural identity and its international projection.
119. A distinctive aspect of the implementation of the EEA Grants in this period was their contribution to territorial cohesion, through a balanced distribution of investments across the different regions of the country, including the Autonomous Regions of the Azores and Madeira. **This territorial approach helped to reduce regional asymmetries and to valorise the specific assets of each territory**. The projects in the Biosphere Reserves and the rehabilitation of heritage on the Azorean islands exemplify this territorial dimension of the programme. Drawing up **Sustainable Development Plans for the Biosphere Reserves, using participatory methodologies, was an innovative territorial planning exercise** that sought to reconcile the preservation of natural values with the socio-economic development of local communities.
120. On the other hand, bilateral cooperation between Portugal and the donor countries - Iceland, Liechtenstein and Norway - took centre stage during this period. The **partnerships established in the various projects contributed to the transfer of knowledge and good practices, enriching the interventions carried out and contributing to their sustainability**. The MARineSIM project, for example, benefited from collaboration with Norwegian institutions with recognised experience in maritime training, enabling the adoption of the most advanced standards in this field. Similarly, the Ceira River Basin management project incorporated knowledge and methodologies developed in Norway for adapting to climate change in mountainous regions.
121. The programmes and projects implemented during this period made **a significant contribution to the implementation of national public policies and to the fulfilment of international commitments made by Portugal**. The alignment with the National Strategy for Equality and Non-Discrimination, with the EU 2030 Biodiversity Strategy and with the Sustainable Development Goals of the United Nations 2030 Agenda highlights the relevance of the EEA Grants for Portugal's positioning in the European and international context.
122. The creation of the National Statistical System on Gender Equality, for example, was a direct contribution to the fulfilment of Portugal's commitments under the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW) and the Beijing Platform for Action.
123. In short, the 2014-2021 cycle **represented a new phase of consolidation and deepening of the EEA Grants in Portugal**. The structured implementation of five complementary thematic programmes, the integrated approach to sustainable development challenges, the promotion of territorial cohesion and the strengthening of bilateral cooperation were distinctive elements that marked this phase. The projects developed during this period **left a significant legacy in various fields, from business innovation and environmental sustainability to gender equality and the valorisation of cultural heritage**. Their contribution to implementing national public

policies and fulfilling international commitments highlights the strategic importance of this financial mechanism for Portugal.

124. The experience accumulated during this period and the good practices identified form a solid basis for future funding cycles, allowing for continuous evolution and adaptation to the new priorities and challenges facing the country's sustainable development. **The demonstrated ability to tackle complex and multidimensional issues, mobilise diverse actors, and promote innovative approaches is a valuable asset for the future of EEA Grants in Portugal.**

4. Key milestones in the implementation experience

125. The evolution of the European Economic Area Financial Mechanism (EEAFM) in Portugal has been characterised by a progressive strengthening of the financial, governance and management structures and the thematic areas of funding, which has contributed decisively to the effective implementation and the achievement of the expected results.
126. Analysing this evolutionary path allows us to identify critical success factors that have underpinned Portugal's ability to effectively absorb the available funds and transform these resources into tangible impacts for Portuguese society. Identifying these vital factors offers valuable lessons for designing and implementing other international financial instruments and future programming phases of the EEA Grants in Portugal.

4.1 Gradual increase in the financial allocation

127. The evolution of the EEA Grants financial mechanism in Portugal **is characterised by a gradual increase in the financial allocation over the various programming periods**, allowing for a progressive expansion of the scope and depth of the interventions carried out. This trajectory reflects both the recognition of the importance of this instrument for the country's development and the capacity demonstrated in the effective implementation of the available funds.
128. Analysing the evolution of EEA Grants in Portugal reveals a significant, albeit non-linear, growth path throughout the different implementation phases. In the initial cycle, between 1994 and 1999, **Portugal benefited from substantial support of 105 million euros in non-repayable grants, complemented by 315 million euros in subsidised loans**. This considerable amount reflected the specific context of Portugal's relatively recent accession to the European Community and the need for significant investments to promote convergence with European standards in various areas.
129. However, **the subsequent period, between 1999 and 2003, saw a significant allocation reduction, totalling just 21.2 million euros**. This significant contraction represented a decrease of approximately 80 per cent compared to the previous period due to donor countries' overall reduction in financial allocations.
130. From this point onwards, **the financial allocation began to grow consistently. In 2004-2009, the amount allocated to Portugal totalled 30 million euros**, representing an increase of around 41% on the previous period. This partial recovery signalled a greater effort on the part of donor countries to ensure cohesion in Europe, a renewed commitment to the instrument, and recognition of the positive results achieved in previous phases.
131. The **2009-2014** period **consolidated this growth trend, with a net allocation of 53 million euros**, almost double the figure for the previous period. This substantial increase made it possible to broaden the scope of interventions significantly and contributed to the diversification of the thematic areas covered by the mechanism.
132. Finally, between 2014 and 2021, the grant awarded to Portugal reached its all-time high of 102.7 million euros, surpassing the 100 million euro barrier for the first time since the initial period. This amount represents an increase of almost 92 per cent compared to the previous period, allowing for an unprecedented expansion of Portugal's EEA Grants' intervention capacity.

133. This evolution of the financial allocation, from a high initial value through a sharp reduction and then a sustained growth trajectory until it reached a new all-time high, reflects the maturing of the mechanism at the **European level and the recognition of its importance for Portugal's development**. The return to funding levels comparable to those of the initial period, after more than two decades, demonstrates the growing value of this instrument in the context of relations between Portugal and the donor countries.
134. A crucial aspect of the implementation of the EEA Grants in Portugal **has been the remarkable effectiveness in the execution of the funds made available and the fulfilment of the established objectives**. The 100 per cent completion of contracted projects over the previous programming periods is an unequivocal indicator of this effectiveness, which is especially notable compared to other international financial instruments. This ability to fully implement the available funds reflects the existence of efficient management structures and appropriate monitoring mechanisms, as well as the quality of the projects selected and the competence of the organisations implementing them. It also shows that there is high demand from potential beneficiaries, which allows for choosing the most promising projects with the most significant potential for impact.
135. **Successful financial implementation was accompanied by the achievement of tangible contractual results, contributing to fulfilling the strategic objectives defined for each programming period**. This effectiveness in achieving the expected results is a determining factor in donor countries' progressive appreciation of the mechanism, which is reflected in the consistent increase in the financial allocation to Portugal.
136. The progressive increase in funding from the EEA Grants in Portugal has significantly impacted several fronts. Firstly, it has **made it possible to broaden the thematic scope of interventions, progressively covering new priority areas**. While in the initial periods, the focus was on a more restricted set of areas, the increase in resources made it possible to include new areas such as climate change, the circular economy, blue growth, and strengthening civil society, to name but a few. Secondly, the **increased availability of resources has made it possible to significantly expand the number of direct and indirect beneficiaries of the interventions, maximising the territorial and social reach of the mechanism**. Previously uncovered communities have benefited from projects in their areas of residence, contributing to territorial cohesion and reducing regional asymmetries.
137. Finally, **the increase in funding made it possible to strengthen the bilateral cooperation component, one of the fundamental pillars of the EEA Grants**. More significant resources could be channelled into exchange initiatives, knowledge transfer and the establishment of partnerships between Portuguese entities and those from donor countries, strengthening institutional relations and creating the conditions for lasting collaborations that transcend the formal funding period.

4.2 Progressive qualification of management mechanisms

138. The trajectory of the EEA Grants in Portugal is characterised by a **progressive strengthening of its governance model, the development of which had as its fundamental milestone the creation 2012 of the National Management Unit of the European Economic Area Financial Mechanism** (EEAFM). This structure is responsible for strategically managing the mechanism, monitoring and coordinating its implementation and establishing close relations with the donor countries and the Financial Mechanism Office (FMO).
139. This **unit has filled previously identified gaps as a focal point for all involved and ensures the overall coherence of the mechanism's implementation in Portugal**. Its institutional stability has made it possible to

accumulate and capitalise on knowledge, contributing to increased operational efficiency and a more fluid and productive dialogue with international partners.

140. In addition, **specific management structures were established for each thematic programme, increasing the capacity for coordination, monitoring, and coordination at the sector level. This operational decentralisation of management initially faced difficulties due to these structures' inexperience** in the specific procedures of the EEA Grants, which were gradually overcome through training processes and the accumulation of practical experience.
141. Entities with strong links to the respective sectors which designed and implemented the programmes proved to be the right strategic choice. This made it possible to mobilise specialised technical knowledge, align interventions with sectoral public policies, and develop a high capacity to adapt to specific contexts. This sectoral anchoring of the management structures resulted in greater efficiency in delivering results and greater relevance of the interventions funded to national needs and priorities.
142. Adopting rigorous Management and Control Systems and effective and systematic mechanisms for verifying and controlling expenditure was a fundamental pillar of the model's robustness. This thorough approach to financial management has resulted in residual levels of irregularity and the absence of fraud situations, reinforcing donor countries' confidence in national management capacity and contributing to the long-term sustainability of the mechanism.
143. **There has also been a significant evolution towards results-based management, with increasing attention paid to the effects and impacts of interventions, as opposed to an exclusive focus on financial and physical execution.** This paradigm shift contributed to greater transparency and a better understanding of the mechanism's added value for Portuguese society.
144. At the same time, communication activities and the visibility of the mechanism and the projects funded were given greater importance, with positive results in awareness and the valorisation of the EEA Grants brand. This strategy took the form of regular events and the publication of information materials on the implementation of the EEAFM, close cooperation with the Royal Norwegian Embassy in Lisbon, an increase in the number of initiatives with **national visibility promoted by beneficiaries and programme operators, and the growing use of digital tools.**
145. This evolutionary path of the EEA Grants governance model in Portugal, characterised by progressive structuring, sectoral specialisation of management structures, rigorous procedures and an orientation towards results, is **a relevant experience in the development of institutional capacity for the effective implementation of financial mechanisms, with valuable lessons for other contexts and programmes.**

4.3 Careful selection of sectoral areas to maximise impacts

146. The implementation of the EEA Grants was characterised by a gradual broadening of the sectoral areas supported until 2009, followed by a phase of stabilisation in a compact but strategic portfolio of intervention areas. **This evolution reflects a deliberate approach to concentrating resources in priority areas**, allowing critical mass to be achieved and tangible and sustainable results to be produced.
147. A distinctive aspect of this financial mechanism has been its ability to **select sectoral areas that simultaneously fulfil multiple strategic criteria**. Firstly, there has been a careful alignment between the priorities defined by the donor countries within the framework of the EEA Grants, the European priorities of the Cohesion Policy and the priorities established in national public policies, creating synergies and maximising the added value of the interventions funded.
148. In addition, **the mechanism has demonstrated its ability to respond quickly to new challenges in national public policy, positioning itself as a complementary instrument that contributes to implementing innovative strategies in emerging areas**. This flexibility has allowed the EEA Grants to play a catalysing role in areas where traditional approaches have proved insufficient.
149. A **third important criterion in selecting intervention areas has been identifying areas where there is a greater lack of funding under the European Union's Cohesion Policy. This strategic complementarity has made it possible to fill important gaps and, in several cases, anticipate investments that were later integrated into European financial instruments, demonstrating the mechanism's precursor and innovative nature**.
150. The EEA Grants **have also shown a capacity to respond to emerging international challenges, aligning themselves with global agendas such as climate change, gender equality, or strengthening civil society. This international dimension of the interventions contributes to Portugal's positioning in the context of multilateral commitments and projects** an image of a country committed to responding to common challenges.
151. Finally, **the selection of intervention areas has favoured areas in which bilateral cooperation with donor countries can bring added value to Portugal and these countries**. This criterion reflects the dual nature of the mechanism, which aims to reduce socio-economic disparities and strengthen bilateral relations, creating opportunities for mutual learning and the development of lasting partnerships.
152. The **sectoral choices and the consistency in their management over time have made consolidating changes and investments in strategic areas possible**. Significant examples include support for urban regeneration between 2004 and 2009, which contributed to the revitalisation of dilapidated historic centres; continued investment in adapting to climate change between 2009 and 2021, anticipating the centrality that this issue would assume in public policies; funding for the Mário Ruivo Research Vessel between 2009 and 2021, filling a critical gap in national scientific infrastructure; consistent support for gender equality over the same period, contributing to significant advances in this area; and continued investment in strengthening NGOs since 2004, recognising the vital role of civil society in a vibrant democracy.
153. This strategic and consistent approach to selecting and managing intervention areas is a differentiating element of the EEA Grants in Portugal, contributing decisively to their effectiveness and lasting impact on Portuguese society.

4.4 Generating innovation in public policies

154. The **implementation of EEA Grants in Portugal has been characterised by a strategic focus on innovation, acting as a laboratory for new approaches to contemporary challenges**. The mechanism has consistently favoured projects introducing new or significantly improved methodologies to solve social, environmental and economic challenges, positioning itself as a catalyst for change in various areas of Portuguese society.
155. This **innovative dimension often manifests through projects that involve adapting international practices to the local context, benefiting from the opportunities provided by bilateral networks with donor countries**. Co-operation with entities from Norway, Iceland, and Liechtenstein has enabled the transfer of knowledge and good practices that are adapted to national specificities. In addition, **the mechanism has supported pilot experiments with the potential to inform and influence the development of public policies**, acting as an incubator for innovative solutions which, once proven effective, can be expanded and integrated into more comprehensive strategies.
156. This **innovative dimension can be seen in concrete initiatives such as the "ClimAdaPT.Local" project (2014-2016), which enabled 26 Portuguese municipalities to develop strategies for adapting to climate change, anticipating the generalisation of these approaches**. The "Building Green Infrastructure for Biodiversity" project (2018-2021), implemented in Lisbon, also introduced nature-based solutions for urban management, adapting practices already consolidated in Norway to the Mediterranean context. On the other hand, cooperation with entities from donor countries has provided significant transfers of knowledge, for example, **in the areas of health or ocean literacy**.
157. Another **example of innovation and impact can be identified in urban policies**. The "New Neighbourhoods, New Centralities" programme supported by EEA Grants marked the beginning of operationalising urban policies in Portugal, introducing integrated and participatory approaches to regenerating degraded areas. This methodology evolved significantly in the "Critical Neighbourhoods Initiative", consolidating innovative practices that combined physical intervention with socio-economic dynamism. The holistic vision and governance models developed in these programmes were subsequently incorporated into multiple urban regeneration interventions supported by European and national funds over the last two decades, structurally transforming the forms of urban intervention in multi-problematic contexts.
158. Another crucial aspect of implementing the EEA Grants in Portugal **has been their preventive and anticipatory action, identifying emerging challenges and developing pioneering interventions that precede more robust and generalised approaches**. This ability to anticipate, combined with a strategic and forward-looking vision, helps to ensure that the mechanism's impact on the various public policies in Portugal is significant and long-lasting, transcending the time horizon of individual projects. The anticipatory nature of the EEA Grants is evident in interventions such as the "Oeste + Recicla Programme" (2019-2021), which implemented a system for depositing and returning plastic bottles in the Oeste region, anticipating the implementation of the European Directive on Single-Use Plastics. Also, the "FILMar Project" (2018-2021), by digitising and preserving Portuguese film heritage related to the sea, anticipated broader policies for the digital preservation of cultural heritage.
159. The **sustainability of the changes generated by the EEA Grants has been widely recognised by the various stakeholders involved, demonstrating the mechanism's ability to produce structural transformations that last beyond the funding period**. Nevertheless, the need to ensure the continuity of projects and to finance their maintenance after the initial support has ended is sometimes pointed out. This concern has been partially mitigated by the gradual integration of successful initiatives into programmes funded from other sources, demonstrating the catalytic and multiplier effect of the EEA Grants in mobilising additional resources for priority areas. The sustainability of the interventions can be seen in cases such as the "Serra da Estrela Environmental

Interpretation Centre" (2008-2011), which continues to operate as an educational and tourist centre more than a decade after the initial funding. The National Statistical System on Gender Equality, developed by the National Institute of Statistics with funding from the EEA Grants (2015-2018), was subsequently integrated into the institution's regular operations, ensuring the continued collection and analysis of gender-disaggregated data.

160. The **ability to mobilise complementary funding** can be seen in the case of the "Living Lab for the Decarbonisation of Mata do Buçaco" (2017-2020), which, after the pilot phase funded by EEA Grants, obtained support from the National Environmental Fund to expand its activities. Similarly, the methodologies developed in the "IMPEC - Inclusion of Women Prisoners through Education and Culture" project (2016-2019) were later adopted and funded by the Directorate-General for Reintegration and Prison Services.
161. **This combination of documented innovation, proven strategic foresight and verifiable sustainability is a hallmark of the implementation of EEA Grants in Portugal, contributing decisively to its recognition as a financial instrument with a transformative** and lasting **impact** on Portuguese society.

4.5 Reducing internal and external socio-economic disparities

162. The **EEA Grants in Portugal have been achieving a double structuring objective**: on the one hand, reducing internal socio-economic disparities through transformative interventions in vulnerable communities; on the other, boosting the country's external convergence by catalysing the development of emerging and strategic economic sectors, such as the blue economy, decarbonisation and the creative industries.
163. The **implementation of the EEA Grants in Portugal has been characterised by transversal and strategic intervention in crucial areas for the** country's **sustainable development**, particularly support for disadvantaged communities and the boost to the blue economy.
164. Over two decades, the financial mechanism has built up **a significant track record of interventions centred on disadvantaged communities**, following two complementary and equally relevant lines of action. On the one hand, funding integrated urban projects between 1994 and 2009 introduced innovative approaches to the regeneration of vulnerable territories, combining physical requalification with socio-economic dynamisation and cultural enhancement.
165. The "New Neighbourhoods, New Centralities" initiative, implemented between 2004 and 2009, was a milestone in this trajectory, developing interventions in run-down neighbourhoods in the metropolitan areas of Lisbon and Porto that established new paradigms for intervention in disadvantaged urban contexts. The participatory methodology, integrated approach and appreciation of local assets that characterised these interventions later influenced the "Critical Neighbourhoods Initiative". They spread **to multiple urban regeneration programmes supported by European and national funds**.
166. At the same time, **consistent support for civil society organisations between 2004 and 2021 was another key aspect of the EEA Grants' contribution to combating poverty and promoting social inclusion**. The Active Citizens Programme, managed by the Calouste Gulbenkian Foundation in partnership with the Bissaya Barreto Foundation, funded hundreds of projects developed by non-governmental organisations in areas such as the defence of human rights, the integration of vulnerable groups and the promotion of active citizenship.
167. Emblematic initiatives such as the "ECOAR—Employability, Skills and Resources" project (2015-2017), which supported the socio-professional integration of homeless people in Lisbon, or the "É UMA VIDA Programme"

(2018-2020), which focused on preventing violence against elderly people in the interior of the country, exemplify the diversity and impact of the interventions supported.

168. The **effects of the projects funded by the EEA Grants in this field have been multiple and long-lasting**. The innovative nature of the approaches developed has been reflected in other funding programmes through the appropriation of successful practices and their integration into public policies. At the same time, continued support has contributed to the empowerment of citizens' organisations, strengthening their technical, organisational and intervention capacity and consolidating their role as relevant actors in promoting social inclusion.
169. In the **field of the blue economy, the EEA Grants have also left a significant mark through successive and complementary programmes**. The Integrated Management of Marine and Coastal Waters Programme, which was implemented between 2009 and 2014, focused on developing scientific knowledge and tools for the sustainable management of marine resources, laying solid foundations for the economic valuation of these resources. Projects such as "MARGov - Collaborative Governance of Marine Protected Areas" (2010-2013), developed in the Professor Luiz Saldanha Marine Park (Arrábida), introduced innovative participatory governance models that subsequently influenced the management of other marine protected areas in the country.
170. The **Blue Growth Programme, implemented between 2014 and 2021, broadened this approach, focusing more directly on sustainable economic development based on marine resources**. The funding of the research vessel Mar Portugal (later renamed Mário Ruivo), the creation of business incubators specialising in marine biotechnology and support for innovative *start-ups* in the field of the blue economy exemplify the diversity and scope of the interventions supported.
171. **Both programmes were strategically aligned with the National Strategy for the Sea**, helping to achieve its objectives and positioning Portugal as a benchmark in the blue economy. This alignment was significantly reinforced by the bilateral relations established with Norway, a country with consolidated experience in this field, which provided valuable opportunities for transferring knowledge, sharing good practices and developing lasting partnerships.
172. The EEA Grants' double contribution to fighting social exclusion and developing the blue economy illustrates the versatility and transformative impact of this financial mechanism on Portuguese society, demonstrating its ability to intervene strategically in priority areas for the country's sustainable development.

4.6 Strengthening bilateral relations between Portugal and donor countries

173. **Bilateral cooperation between Portugal and the donor countries - Iceland, Liechtenstein and Norway - is a differentiating element of the EEA Grants and a decisive catalyst for the efficiency, effectiveness and quality of the intervention processes and results**. This bilateral dimension has evolved significantly over the various programme cycles, transforming it from a complementary aspect into a structuring pillar of the mechanism.
174. **In the initial cycles between 1994 and 2003, bilateral cooperation was incipient and seen essentially as a vehicle for transferring financial resources**. Partnerships between Portuguese organisations and those from donor countries were conceived mainly as opportunities for a one-off exchange of knowledge and experience without an integrated strategic vision. During this period, the mechanism's primary focus was on transferring

resources to support the socio-economic development of Portugal, which was considered among the European Union countries with the most significant disparities compared to the European average. The **partnerships established were characterised by limited scope and depth**, often involving isolated projects with little integration into broader strategies.

175. The absence of a formal system for monitoring the benefits of bilateral cooperation reflected the still embryonic stage of this mechanism dimension. Despite these limitations, Portugal has begun to recognise the strategic potential of this cooperation from the perspective of institutional capacity building and mutual learning between entities.
176. The **2009-2014 programming cycle marked a significant turning point in the appreciation of bilateral cooperation**. Partnerships between Portuguese entities and those of the donor countries became more relevant. They were progressively recognised as an instrument for creating lasting impact in terms of economic development and strengthening institutional ties between Portugal and the donor countries.
177. This period **was characterised by more explicit and structured encouragement for entities on both sides to get involved in joint projects**. NGOs, universities, research centres, and public institutions in Portugal and the donor countries were encouraged to develop substantive partnerships beyond the formal and generate real added value for all involved. **Bilateral cooperation thus became a relevant criterion for selecting and approving projects, contributing to developing a culture of international collaboration**. This development was reflected in the significant increase in the number of projects developed in partnership.
178. The **most recent cycle, between 2014 and 2021, represented a paradigm shift in the role given to bilateral partnerships**. Co-operation between Portuguese entities and those from donor countries went from a complementary dimension to a central and structuring pillar of the EEA Grants, becoming mandatory for a significant proportion of the projects funded. Creating **the Bilateral Relations Fund materialised this new priority, providing specific resources for developing and strengthening partnerships**. This instrument made it possible to finance preparatory initiatives, such as study visits and joint workshops, which facilitated the development of applications in partnership and complementary activities that strengthened cooperation during project implementation.
179. The relevance of bilateral partnerships has expanded into increasingly specialised and strategic areas, such as technological innovation, renewable energies, democratic governance and the fight against climate change. **This thematic specialisation has fostered the development of more profound and more sustainable partnerships, with tangible benefits for both parties**.
180. A particularly innovative aspect of this cycle was the **explicit recognition of the added value of bilateral cooperation for the funding countries themselves**. The exchange of ideas, methodologies and creative solutions with Portuguese organisations has enabled significant learning for the Iceland, Liechtenstein and Norway institutions, transforming cooperation into an accurate two-way value-creation process.
181. This evolution of bilateral cooperation from a complementary aspect to a structuring pillar illustrates the maturing of the EEA Grants mechanism and the deepening of relations between Portugal and the donor countries, contributing decisively to its effectiveness and sustainability.

4.7. Extensive networking, transnational and multi-actor capacity building process

182. The **EEA Grants have established themselves in Portugal as a unique mechanism for promoting innovation and institutional capacity building, through a distinctive approach that combines experimentation, multi-actor collaboration and shared learning**. Their impact goes far beyond the direct funding of projects, contributing to structural changes in the country's institutional practices and public policies.
183. The **strategic focus on projects that introduce innovative approaches to contemporary challenges has acted as a catalyst for involving new institutional players and creating unprecedented collaborative dynamics**. This programme orientation particularly stimulates the transfer of knowledge from universities to public administration, enabling scientific research to be translated into more efficient and effective administrative practices.
184. Projects such as "ClimAdaPT.Local", which mobilised university knowledge to enable 26 municipalities to draw up local strategies for adapting to climate change, exemplify this dynamic of knowledge transfer.
185. The systematic promotion of national partnership networks, simultaneously involving central administration, local authorities, research centres, universities, companies and non-governmental organisations, **has made the EEA Grants the main programme for experimentation and capacity building in new areas of social, environmental and economic policy in Portugal**. This multi-actor approach has enabled combining complementary perspectives and mobilising diverse resources to develop integrated solutions.
186. The **Blue Growth Programme exemplifies this collaborative dynamic, having established partnerships between entities** such as the Portuguese Institute for the Sea and Atmosphere (IPMA), universities such as Aveiro or the Algarve, companies in the maritime sector, and civil society organisations to develop innovative solutions in the maritime economy. These collaborative networks often last beyond the funding period, generating valuable relational capital for the development of future initiatives.
187. The importance given to communication and dissemination of results is another differentiating element of the EEA Grants, **allowing capacity-building benefits to extend far beyond the programme operators and partnerships directly involved in the projects**. Regular thematic seminars, the production of quality information materials and the use of digital platforms to share knowledge amplify the impact of the interventions, transforming localised pilot projects into sources of learning for a wide range of institutions. The "FILMar" project, for example, in addition to digitising Portugal's film heritage related to the sea, developed a comprehensive dissemination programme that included exhibitions in various cities across the country, the production of educational material for schools and the creation of a digital platform for public access, maximising the cultural and educational reach of the intervention.
188. The **results of this approach to capacity building have subsequently manifested themselves in formulating and implementing more mature public policies or developing new responses to emerging challenges**. The experience accumulated in social inclusion projects in an urban context, for example, has significantly informed the design of national programmes such as the approach to disadvantaged communities in the metropolitan areas of Lisbon and Porto with support from the PRR.
189. Similarly, **pioneering experimentation in the circular economy or climate change field, supported by EEA Grants, has contributed to the development of new national policies in these areas**. The "ClimAdaPT.Local" project, for example, was decisive in defining the methodological references for local adaptation to climate change and has served as a model for a vast generation of plans and strategies that have been carried out in

Portugal since 2016, including the Municipal Climate Action Plans that have been drawn up since 2021 as a result of the Basic Climate Law.

190. **Bilateral cooperation with donor countries, notably Norway, has emerged as a fundamental accelerator of this capacity-building process.** The approach based on co-creation and mutual gains establishes a dynamic and fluid environment for exchanging experiences, boosting institutional learning and innovation. The regular exchange of professionals, study visits and the implementation of joint projects have created privileged channels for transferring knowledge and good practices.
191. In summary, the **EEA Grants have established themselves in Portugal as a laboratory for innovation and a catalyst for institutional capacity building, making a decisive contribution to modernising public policies and developing more effective responses to current challenges.** Their impact, which goes far beyond the direct funding of projects, can be seen in the transformation of institutional practices, the creation of lasting collaborative networks and the consolidation of a culture of innovation in Portuguese public administration.

4.8 Empowerment of actors in the realisation of public policies

192. The **EEA Grants have played an essential role in Portugal's governance landscape, promoting a more participatory, diverse, and inclusive model.** Through a multidimensional strategic approach, this financial mechanism has contributed to strengthening democracy and building a more equitable society.
193. Strengthening civil society is a fundamental pillar of this contribution. The **direct funding and technical training provided to non-governmental organisations and community associations working in areas such as human rights, social inclusion, gender equality, and sustainable development have enabled these entities to take on a growing role in formulating and implementing public policies.** The Active Citizens Programme, managed by the Calouste Gulbenkian Foundation in partnership with the Bissaya Barreto Foundation, exemplifies this commitment, having supported over a hundred projects that have boosted the development of these organisations' institutional capacities and *advocacy* skills.
194. The **systematic promotion of bilateral and multi-sector partnerships involving local authorities, non-governmental organisations, universities and private sector entities has encouraged a collaborative approach to defining and implementing solutions to complex challenges.**
195. **Another distinctive aspect of EEA Grants in Portugal is encouraging the development of collaborative networks between public and private actors.** These networks create synergies that facilitate the integration of new knowledge and innovative approaches into the processes of defining and implementing public policies.
196. **Targeted support for local and regional authorities has significantly strengthened their capacity to manage resources and implement public policies more efficiently,** particularly in emerging areas such as social inclusion, environmental sustainability or cultural valorisation. On the other hand, **the inclusion of vulnerable groups as a priority target audience, through projects focused on social inclusion, gender equality, minority rights and support for marginalised communities, has provided a platform for these voices to be effectively considered in political debate and decision-making.**
197. To summarise, through these multiple dimensions of intervention - strengthening civil society, promoting multisectoral partnerships, developing collaborative networks, empowering local authorities and including vulnerable groups - the **EEA Grants have made a decisive contribution to the evolution of the governance model in Portugal, making it more participatory, more capable of responding to citizens' needs** and more effective in responding to contemporary challenges.

5. Conclusive summary

198. **Analysing 30 years of EEA Grants in Portugal reveals a remarkable journey with significant contributions to the country's development.** This financial mechanism has established itself as a distinctive instrument in the international funding panorama, with distinctive characteristics that have boosted its transformative impact on multiple dimensions of sustainable development.
199. The evolution of the financial allocation, which, after an initial reduction, resumed an upward trajectory to 102.7 million euros in the 2014-2021 cycle, was accompanied by a positive implementation capacity. This **operational efficiency is a clear indicator of the maturity achieved by the management systems and the quality of the projects supported, contrasting positively with the often more modest implementation rates of other financial mechanisms.**
200. The **mechanism has also distinguished itself by its ability to carefully select strategic areas of intervention, often anticipating priorities that would only later be recognised by mainstream public policies.** Examples such as integrated urban regeneration, adaptation to climate change or the blue economy illustrate this forward-looking vision, which **has transformed the EEA Grants into a veritable laboratory for innovation in the development and implementation of public policies,** with multiplier effects that have far exceeded the volume of funding made available.
201. Particularly significant was **the contribution to innovative urban policies,** the origins of which can be traced back to the "New Neighbourhoods, New Centralities" programme and which subsequently influenced initiatives such as the "Critical Neighbourhoods Initiative", the "Partnerships for Urban Regeneration" and, more recently, the interventions in disadvantaged communities under the Recovery and Resilience Plan. This case **exemplifies how a pioneering approach can be incorporated, adapted and expanded through other funding instruments, generating a lasting legacy.**
202. The **progressive valorisation of bilateral cooperation, evolving from an ancillary component to a structuring pillar of the mechanism, was another differentiating factor,** creating unique opportunities for transferring knowledge and establishing lasting partnerships between Portuguese entities and those from donor countries. In areas such as mental health, geothermal energy and marine management, this cooperation has produced tangible results that have benefited both parties, transcending the traditional donor-recipient relationship.
203. The **multi-level governance model, with centralised strategic coordination and decentralised operational implementation, made it possible to combine global coherence with adaptation to sectoral specificities.** Using specialised entities as Programme Operators ensured the technical expertise for selecting, monitoring and evaluating projects, guaranteeing their quality and alignment with national policies. This approach differed positively from other financial mechanisms with more centralised and less specialised management structures.
204. Despite these successes, **the implementation of EEA Grants in Portugal continues to face significant challenges that limit maximising their potential.** These operational and strategic challenges require attention to ensure the sustainability and future impact of the mechanism.
205. **Administrative complexity remains a significant obstacle.** The application, contracting, implementation and accountability procedures impose considerable administrative burdens on both the management structures and the beneficiaries. This situation is dire for smaller organisations, such as small NGOs or small municipalities, limiting their ability to access funding and compromising the principle of territorial and institutional inclusion.

Despite the simplification efforts made over successive cycles, procedural requirements could still **be rationalised without compromising rigour in the management and implementation of the funds.**

206. The **shortage of human resources in the management, control, monitoring and communication structures is another persistent challenge.** The National Management Unit and the Programme Operators face limitations in their operational capacity, aggravated by the difficulty in retaining qualified technicians due to uncompetitive pay conditions compared to the market. This situation jeopardises the implementation of essential functions, particularly during peak work periods associated with the launch of calls for proposals or the closure of programming cycles, generating risks for monitoring quality and timely fulfilment of contractual obligations.
207. **Although the effectiveness of the National Unit's work has evolved positively since its creation in 2012, it continues to face challenges related to its capacity for strategic coordination and technical support for Programme Operators.** With minimal human resources because of the range of responsibilities assigned, the Unit has managed to fulfil its essential functions. Although stable and functional, the current coordination model between the National Unit and the Operators presents opportunities for optimisation that have not been fully exploited, particularly in developing standard tools.
208. Although the future granting of greater autonomy to Programme Operators in the management of the bilateral fund is positive for boosting bilateral cooperation, it creates new burdens and requires specific skills that are not always available in these structures. This challenge is exacerbated by donor countries' insufficient proactivity in attracting partners. The lack of effective *matchmaking* mechanisms between Portuguese and donor country organisations is an additional barrier to developing balanced and mutually beneficial partnerships.
209. **Capacity building in the implementation ecosystem, including beneficiaries, evaluators and monitoring bodies, remains insufficient to guarantee consistently regular, effective and efficient implementation.** This is particularly evident in specialised or emerging technical areas, such as adaptation to climate change or the circular economy, where the necessary technical knowledge is rapidly evolving. The discontinuity between programming cycles, with periods of hiatus in implementation, contributes to the loss of institutional knowledge and the difficulty in maintaining specialised teams, compromising the ability to respond to new challenges.
210. Finally, **there are conditions for further evaluation of the mechanism's impacts**, starting with increasing the visibility of evaluation processes, the absence of ex-ante evaluations of programmes, or verification of compliance with environmental standards by projects from a "Do No Significant Harm" (DNSH) perspective.
211. Given these challenges, the following strategic recommendations are made for future EEA Grants implementation cycles in Portugal:
- **Deepen administrative simplification solutions**, including the harmonisation of procedures, the digitisation of processes, the broader adoption of simplified costs and the creation of a one-stop-shop system for interaction with beneficiaries. This approach could significantly reduce administrative burdens without compromising rigour in managing funds.
 - **Strategically strengthen bilateral cooperation** by creating more structured mechanisms for identifying potential partners in donor countries, implementing a *matchmaking* portal and developing specific training actions for managing international partnerships. Greater involvement by embassies and business and scientific networks could significantly boost cooperation opportunities.

- Develop an **integrated plan to strengthen and empower the human resources involved in managing the mechanism**, including reviewing remuneration conditions, implementing specialised training programmes and creating mechanisms for sharing resources between structures during peak work periods. The stabilisation of technical teams is a critical factor for the quality of implementation.
- **Optimise the articulation model between the National Unit and the Programme Operators**, clarifying responsibilities, developing collaborative tools, and implementing communities of practice to share knowledge and good practices. A more efficient task distribution could free up resources for strategic functions with more excellent added value.
- Create a **specific capacity-building programme for managing the bilateral fund aimed at Programme Operators**, complemented by a roadmap for the proactive involvement of entities from donor countries, developed in close collaboration with the embassies of these countries. Early identification of complementary interests and capacities could foster more substantive and lasting partnerships.
- Define a capacity-building plan for the implementation ecosystem in advance, including training and technical assistance for potential and actual beneficiaries, particularly in specialised or emerging technical fields. Developing learning networks between projects with similar themes could maximise synergies and promote the dissemination of good practices.
- Develop a **structured approach to evaluation**, including systematic *ex-ante* evaluations, *on-going* operationalisation evaluations, prior definition of an evaluation plan, greater visibility for evaluation processes and results on the EEA Grants website, and the integration of DNSH methodologies in the appraisal of applications and project monitoring. Transparency about the environmental impacts of projects would significantly contribute to the mechanism's credibility.
- **Strengthen the communication and visibility strategy, emphasising disseminating results and impacts**, *storytelling* based on success stories and involving relevant influencers in each thematic area. Demonstrating the mechanism's added value is essential to ensure public and institutional support for its continuity.

212. Implementing these recommendations will not only enable the challenges identified to be overcome. Still, it will also enhance the distinctive characteristics that have made the EEA Grants a financial instrument with a transformative impact on Portuguese society, strengthening its role as a catalyst for innovation and sustainable development in the coming decades.



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