



# **BILATERAL AMBITIONS GUIDELINE**

**for Applicants and Final Beneficiaries  
in Programmes: Justice, Human Rights,  
Good Governance and Health**

**EEA and Norway Grants 2014-2021**

**Version No. 1 valid from: 23 April 2019**

**Ministry of Finance of the Czech Republic**

[www.eeagrants.cz](http://www.eeagrants.cz)

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## List of abbreviations

BA	Bilateral Ambitions
BF	Fund for bilateral relations
CC	Cooperation Committee
Donor States	Iceland, Liechtenstein and Norway
DPP	Donor Programme Partner
EEA	European Economic Area
EFTA	European Free Trade Association
FB	Final Beneficiary
FMO	Financial Mechanism Office
IPO	International Partner Organization
IS CEDR	Information System CEDR for Administration of Initiatives and Projects
NFP	National Focal Point
PO	Programme Operator
PP	Programme Partner
SCO	State Contributory Organization
SOU	State Organizational Unit

## I. Introduction

### Objective and focus of the Fund for bilateral relations

The overall objective of **the EEA and Norway Grants** is to contribute to reducing economic and social disparities in the European Economic Area (hereinafter referred to as “**EEA**”) and to strengthening bilateral cooperation between donor and beneficiary states through financial contributions in specified priority sectors.

**The Fund for bilateral relations** (hereinafter referred to as “**BF**”) was established within the framework of the EEA and Norway Grants 2014-2021 to **strengthen bilateral relations between Iceland, Liechtenstein and Norway** (hereinafter referred to as “**Donor States**”) and the **Czech Republic**.

The BF is functioning as a flexible source of funding for a wide range of initiatives of mutual interest with the aim to create or strengthen cooperation between the Czech Republic and the Donor States, increase mutual understanding and exchange of knowledge.

The total allocation of the BF is divided among the allocation managed by the Joint Committee for Bilateral Funds and allocations of given programmes managed by the Programme Operator - Bilateral Ambitions (hereinafter referred to as “**BA**”).

This Bilateral Ambitions Guideline for Applicants and Final Beneficiaries (hereinafter referred to as “**Guideline**”) is intended for bilateral cooperation under the programmes **Justice, Human Rights, Good Governance** and **Health**, namely for entities active in the programme areas<sup>1</sup>, including final beneficiaries of already approved projects within the above mentioned programmes, unless stated otherwise in the particular Open Call.

### Legal framework

All procedures outlined in this document are set out in accordance with the Regulation on the implementation of the EEA/ Norwegian Financial Mechanisms 2014-2021 and Bilateral Guideline, adopted by the Financial Mechanism Committee, and must be in line with the state aid rules, procurement rules and internal procedures of grant applicants. The Guideline is intended to provide applicants and final beneficiaries (hereinafter referred to as “**FB**”) with instructions and procedures for receiving and administering funds, including procedures for commitment, award and disbursement of funds. This Guideline defines general procedures. Specific conditions relevant for the particular programme will be stipulated in the relevant Call.

The Fund Operator of the BA is the Programme Operator (hereinafter referred to as “**PO**”) of the relevant programme - the Ministry of Finance. The PO is designed to manage and control the use of the BA of its programme. The initial allocations of the BA under the given programmes for funding of initiatives are stipulated in the Memorandum of understanding, which sets out the basic conditions for the implementation of the EEA and Norway Grants 2014-2021. Grants under the BA are administered

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<sup>1</sup> The individual programme areas, in which the initiative may be supported, are described in more details in the Open Call.

by the PO through pre-defined initiatives<sup>2</sup> and Open Calls<sup>3</sup>. Released BA allocations under the particular programmes are set out in the relevant Calls, which are published on the websites [www.eeagrants.cz](http://www.eeagrants.cz) and [www.norwaygrants.cz](http://www.norwaygrants.cz).

### **Bilateral Ambitions**

Bilateral initiatives (hereinafter referred to as "initiatives"), funded from the BA within a particular programme, are one way of strengthening the bilateral cooperation. Initiatives are intended to finance primarily one-off or short-term initiatives and serve to:

- strengthening the bilateral scope of the programme and supporting future bilateral cooperation during the whole programme lifecycle;
- search for partners for donor partnership projects and joint preparation of project proposal prior to or during the period of announced Open Calls for submission of grant applications for projects (hereinafter referred to as "Open Call");
- establishing and deepening cooperation, exchange, sharing and transfer of knowledge, technology, experience and best practices between Czech and Donor States entities and/or International Organisations<sup>4</sup>.

## **II. Rate of grant assistance**

Minimum and maximum grant amount shall be stated in the relevant Open Call. The BA covers 100 % of the eligible costs (rounded down to whole CZK). FBs are not required to provide co-financing for the initiatives.

Any planned costs related to the initiative that will be covered by other sources that the grant shall not be included in the Grant Application, i.e. the total eligible cost equal to the amount of requested grant (the grant is always 100 %).

The eligibility of expenditures from the BA is described in detail in chapter V. of this Guideline and in **Annex 1**.

## **III. Eligible applicants**

**Any entity, public or private, commercial or non-commercial and non-governmental organisations, established as a legal person** in the Czech Republic are considered eligible applicants.

Eligible applicants are entities that intend to fund initiatives in cooperation with Donor States and/or international organizations<sup>5</sup>. The specifications of the eligible applicants and partners of the initiatives

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<sup>2</sup> Intentions to implement pre-defined initiatives, listed in the Concept Note or proposed by the Cooperation Committee (hereinafter referred to as "CC") of the particular programme, are to be approved by the CC of the relevant programme prior to the submission of the grant application, if relevant. Applicants of pre-defined initiatives are to follow this Guideline. If the applicant and the FB of the pre-defined initiative is the PO or PP, they follow steps outlined in chapter XV.

<sup>3</sup> Applicants defined in chapter III. of this Guideline may apply for a grant under relevant Open Calls.

<sup>4</sup> International Organizations are considered eligible partners only when approved by the Cooperation Committee of the relevant Programme.

<sup>5</sup> International Organizations are considered eligible partners only when approved by the Cooperation Committee of the relevant Programme.

will always be stated in the Open Call of the relevant programme. Limitations that determine the eligibility of applicants may be stipulated by the PO in the relevant Open Call.

Concluding a partnership agreement is recommended in order to clearly articulate responsibilities of the partners, set the terms and conditions for mutual cooperation and ensure administrative compliance with the Fund for bilateral relations.

The section below refers to minimum recommended content of the partnership agreement, however, the decision on its conclusion and its scope are at full discretion of contracting parties and the NFP does not accept any liabilities stemming thereof.

- definition of the agreement objective and subject-matter;
- roles and responsibilities of the partners;
- workplan with clear allocation of partners' capacities and resources;
- specification of eligible expenditures, definition of the budget share of each partner with respect to particular items in the Application; financial flows between the partners and the payment arrangements incl. deadlines (respecting provisions in this Guidelines and Annex 1);
- obligation to inform the partner on all circumstances which have/may have effect on initiative implementation or achievement of its objective, provide access to all relevant documentation;
- relevant provisions of the Implementation contract which require cooperation of the partner (publicity requirements, documentation keeping, provision of information for monitoring and statistical purposes, cooperation during audits or controls);
- entry into force and duration of partnership agreement, terms for its termination.

#### **IV. Eligible initiatives**

The range of activities eligible for support under the BA is broad. Eligible initiatives include activities leading to establishing and strengthening bilateral relations, enhancing cooperation and improving mutual knowledge and understanding between the Czech Republic and the Donor States, provided that they are implemented in cooperation with the partner of the initiative. Both the FB and partner(s) of the initiative are actively involved in planning and organizing joint activities.

Areas of support refer in general to:

- establishing and strengthening bilateral cooperation;
- search for partners for donor partnership projects during the programme preparatory phase prior to or during the preparation of a project application, joint preparation of an application for a donor partnership project;
- dissemination, share and transfer of knowledge, technology, know-how, experience and best practice between Czech and Donor State entities and/or international organizations<sup>5</sup>;
- initiatives to increase awareness of bilateral/multilateral relations between the Czech Republic and the donor states.

Examples of activities that can be carried out under the BA:

- study and business trips, visits to the donor states and/or the Czech Republic with the aim of establishing or deepening cooperation, sharing information, experience and know-how;
- workshops, meetings, conferences, seminars on topics of common interests;
- capacity building and short-term education;
- secondments, internships and exchange of experts;
- data collection and sharing, studies, documentation and publications;
- promotional and information actions to strengthen bilateral partnerships.

This list is non-exhaustive and it is meant just as an example of possible activities. Generally, the activities shall have a clear bilateral profile and serve the purpose of strengthening bilateral relations between the donor states and the Czech Republic. Having attendants from Donor State entities at the actual event held in the Czech Republic (e.g. conference) is not considered sufficient to define it as bilateral.

Initiatives **may not generate an economic profit**. If an initiative generates any income, the use of this income shall be described in the application and subsequently in the monitoring report.

Eligible activities are always stated in the Open Call. Limitations that determine the type of eligible activities can be set by the PO in the Open Call.

## **V. Eligible expenditures**

Eligible expenditures are those actually incurred within the initiative, which meet the following criteria:

- they are incurred between the first and final date of eligibility as specified in the Approval Letter of the Grant Award (hereinafter referred to as “Approval Letter”) and subsequent Implementation Contract on the Grant Award (hereinafter referred to as “Implementation Contract”);
- they are proportionate and necessary for the implementation of the initiative;
- they are connected with the subject of the initiative and indicated in the detailed budget of initiative (see the form in Annex 2B);
- they are used for the sole purpose of achieving the objective of the initiative and its expected outcome(s), in a manner consistent with the principles of economy, efficiency and effectiveness;
- they are identifiable and verifiable, in particular through being recorded in the accounting records of the FB and project partner(s) and determined according to the applicable accounting standards of the country where the FB and project partner(s) is established and according to generally accepted accounting principles.

The eligibility is determined by (a) the content and (b) time frame:

(a) From the content point of view, there are following types of eligible expenditures:

- travel<sup>6</sup> and accommodation costs and fees associated with organizing/co-organizing and attending seminars, workshops, conferences, working meetings, study visits, secondments and internships, courses or other actions listed in the grant application for bilateral initiative (hereinafter referred to as “application”);
- per-diems<sup>7</sup> (accommodation, local travel, travel insurance, meals);
- expert fees;
- costs of feasibility studies, costs of preparation of analyses and documents;
- interpretation and translation of documents;
- costs associated with promotional and informational activities for strengthening bilateral relations;
- external consultancy fees;
- travel health insurance, cancellation insurance for flight/railway/bus ticket/s;
- cost of the audit report proving the eligibility of expenditures within the monitoring report;
- other necessary expenses directly related to bilateral initiative (must be described in the application).

Within the preparation and implementation of initiatives, the applicant/FB is obliged to follow the Guideline of the PO on Small Scale Public Procurement - EEA and Norway grants 2014-2021 (available in Czech at [www.eegrants.cz](http://www.eegrants.cz); [www.norwaygrants.cz](http://www.norwaygrants.cz)).

In case of expenditures for flight/railway/bus ticket/s and accommodation, it is not required to follow the Guideline of PO for Small Scale Public Procurement, as the prices are variable in time. Such purchases can be made by orders and subsequent invoices or by direct purchase documented by relevant accounting documents. Nonetheless, cost-efficiency is essential.

Eligible expenditures including their **financial limits** are described in detail in **Annex 1**. Limitations that determine the type of eligible expenditures can be set by the PO in the Open Call. If not stipulated in the rules in this Guideline and Annex 1, applicants/final beneficiaries are to follow the NFP Guideline on eligible expenditures.

(b) Time eligibility of expenditures is determined by the date specified in the Approval Letter and subsequently in the Implementation Contract. **No expenditures incurred before the approval of the application shall be eligible.** The realization of the subject of the contract and the related payment must be made after the initial eligibility date of the expenditure. This means that the contract with the winning contractor can be signed earlier, provided that the subject of the contract will be executed only when the grant is approved. **The expenditures are eligible up to 3 months after the final date for achievement of the purpose of the initiative (initiative completion).** In duly justified cases, extension of the eligibility after the completion of the initiative may be requested (see chapter XI.).

#### **Eligibility of expenditures for unrealized journey**

- 1) Individual expenses of a participant to attend the event – travel and accommodation costs, attendance fee

<sup>6</sup> Expenditures referring to international travels are set as a lump sum.

<sup>7</sup> Expenditures referring to international travels are set as a lump sum.



Costs associated with an unrealized journey of a participant to a bilateral/multilateral event (e.g. travel costs, accommodation costs, attendance fee) are considered ineligible due to non-fulfilment of the purpose of the participant's journey. When purchasing a flight/train/bus ticket, it is recommended to buy a ticket including the cancellation insurance allowing cancelling a ticket due to unforeseeable causes preventing a person from travelling. Cancellation insurance is an eligible expenditure, but not the cost of the cancelled ticket. It is also recommended to select accommodation which is possible to cancel shortly before arrival, if necessary. Expenses for unrealized accommodation are also considered ineligible.

2) Expenditures of an event organizer - refreshment costs, travel and accommodation costs of invited participants

In case of larger events organized by the FB, the PO may, in exceptional cases, accept expenditures (e.g. travel and accommodation costs, refreshment) for an unrealized journey of an invited participant as eligible. In this case, the PO will assess whether the applicant complied with the principle of sound management, i.e. tried to solve the situation of absence of the invited person in the event with relevant service providers (e.g. hotel, travel agent) with the aim to respect the principle of economy. The PO will assess the situation individually based on the explanation and relevant documentation provided by the FB.

Reimbursement of expenditures

The mechanism for the reimbursement of expenditures is based on the **ex-post** payments of eligible expenditures actually incurred **in CZK**. The grant application must be submitted and approved prior to the start date of the implementation of the planned initiative. Expenditures associated with the initiative will be paid by the FB from its own funds. The final beneficiary will then apply for those expenditures to be reimbursed.

The FB can ask for an advance payment up to 60 % if such a possibility is stipulated in the text of bilateral Open Call. Except of an advance payment provided ex-ante, eligible expenditures will always be reimbursed to the FB ex-post at the amount of **100 % of actually incurred eligible expenditures**, i.e. the grant does not require compulsory co-financing by the FB.

## VI. Procedures for submission of grant applications

The applications may be submitted either through an Open Call or pre-defined initiatives.

### A. Open Call

Eligible applicants submit their applications in Czech through the information system CEDR (hereinafter referred to as "IS CEDR").<sup>8</sup> The applicant submits an application on the basis of a published Open Call within the set time period so that approval of the application takes place before the start of the initiative to be supported under the BA (see point 2 below).

Application submission and evaluation procedure:

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<sup>8</sup> Procedures and requirements for submitting the application shall be specified in the relevant Open Call. The application is submitted electronically through the IS CEDR, unless stated otherwise in the Open Call.

1. The application must be filled in on the prescribed form (see Annex 2 and 3), signed by the statutory representative of the applicant or the authorized person and submitted in accordance with the permissible methods of delivery. If the application is submitted through the IS CEDR, the application must be completed and signed electronically.
2. The signed application must be submitted to the PO at least **25 working days before the start of the planned initiative** unless stated otherwise in the Open Call. If the proposed initiative includes public procurements, including small-scale contracts, the application shall be submitted in due time, taking into account the time necessary for the public procurement implementation. In exceptional and duly justified cases, the application may be submitted in shorter period of time.
3. The PO first review the application for compliance with the administrative and eligibility criteria:
  - administrative criteria;
  - eligibility of the applicant and partner;
  - eligibility of the initiative for which funding is requested;
  - eligibility of expenditures including the limits set out in the Annex 1;
  - excluding the possibility of duplicate use of funds.
4. While reviewing the application, the PO may ask the Donor Programme Partner (hereinafter referred to as “DPP”)/International Partner Organisation (hereinafter referred to as “IPO”)/Programme Partner (hereinafter referred to as “PP”) or relevant Donor State embassy for their statement whether the partner specified in the application exists and complies with the expected professional qualifications (eligibility of the applicant/Donor State partner).
5. Following the completion of the administrative and eligibility review, the unsuccessful applicants whose applications are rejected at this stage will be notified of the rejection by the Letter of Grant Rejection (hereinafter referred to as “Rejection Letter”), including the reasons why the initiative was not approved for funding. Unsuccessful applicants may appeal to the PO within 15 days of the delivery of the Rejection Letter. The applicant will be informed of the final decision of the PO within 20 working days of the delivery of the appeal.
6. After positive review of compliance with the formal and eligibility criteria, the PO makes the content assessment of the application by appraising the relevance towards the aim of strengthening bilateral cooperation including the impact on the objectives of the BA. Where relevant, the PO may co-operate with the PP/DPP/IPO if relevant for given programme.
7. The application will be approved/rejected by the PO within 20 working days of its submission. In the event of insufficient information provided in the application, the applicant will be asked by the PO to add the supplementary information. In such a case, the deadline for approving/rejecting the application, i.e. 20 working days, is suspended. The deadline for approval/rejection will commence again once all the requested information has been provided by the applicant.
8. Information about the results of the evaluation procedure

The successful applicant will be notified of the approval of the application and the eligibility period in the **Approval Letter** in 20 working days of the submission of the complete application. Upon the notification of the applicant by the Approval Letter, the PO will issue the Implementation Contract, the legal basis for funding to be provided to the FB.

If the application is rejected, the unsuccessful applicant will be notified by the Decision of Rejection, including the reasons why the initiative was not approved for funding. The Decision on not awarding the grant cannot be appealed. Complaints concerning the selection process may be submitted electronically to the PO's email stated in the Open Call. The PO shall assess such complaints and send the final opinion to the complainant within max. 30 days of the complaint delivery.

## **B. Pre-defined initiatives**

The intentions of pre-defined initiatives including conditions and submission procedure are agreed by the Cooperation Committee, if relevant for the particular programme, prior to the submission of the application. Based on the agreed intention, the applicant subsequently submits the application to the PO through the IS CEDR in line with the procedure applied for the Open Call initiatives, unless the method of submitting the application is set out otherwise.

If the applicant of a pre-defined initiative is the PO or the PP, the procedures of the PO/PP with regard to the administration of their bilateral initiatives are stated in chapter XV.

### **Attachments to the application**

The applicant is obliged to attach prescribed annexes to the application. If the application is submitted by an authorised person, the authorisation for signature on behalf of the applicant must be attached as the mandatory attachment.

Following attachments are mandatory:

- Confirmation of intention of bilateral cooperation within the initiative (previous communication with the partner of the initiative - e.g. by email, partnership declaration, etc.) (for template of Letter of intent see Annex 2A);
- Detailed budget (for standardized template see Annex 2B; relevant only when the application is not submitted through the IS CEDR);
- Brief summary of the initiative in English (for standardized template see Annex 2C);
- Bank identification form filled in (for standardized template see Annex 2D; in case the applicant is a contributory organization and the grant shall be channelled via its founder, signed Bank identification of the founder's bank account shall be submitted);
- Agenda of the event or exchange (e.g. conferences, workshops, seminars, study visits, courses, internships, etc.);
- Founder's agreement with the submission of the application (applicable only if the applicant is a contributory organization and the grant shall be channelled via its founder; previous email communication between the founder and the applicant proving the consent of the founder to the applicant's intention to implement the initiative is considered sufficient).

When submitting the application through the IS CEDR, the application form as a computer-generated PDF document, signed electronically by the statutory representative or an authorised person, will be submitted as the mandatory attachment.

All initiatives to be approved for funding under the BA by the PO must be implemented in accordance with the principles of economy, efficiency and effectiveness. Public procurements must be implemented in accordance with the Guideline of the PO on Small Scale Public Procurement - EEA and Norway grants 2014-2021.

## **VII. Implementation contracts regarding the allocation of funds**

Following the issue of the Approval Letter, an Implementation Contract (Grant Award Decision/Letter of Deputy Minister in compliance with Act No. 218/2000 Coll., on Budgetary Rules with regard to the status of the institution that is the beneficiary of funds) will be issued by the PO and delivered to the FB via the IS CEDR (if in operation) and/or via Data Box.

The implementation contract contains binding information for the final beneficiary, such as the dates on which expenditures become and cease to be eligible and other terms relating to the allocation of the grant.

## **VIII. Advance payment**

In case an advance payment is approved together with the Grant application for bilateral initiative and the Implementation Contract is signed by the PO, the advance payment in the approved amount (maximum up to 60 % of the requested grant) will be transferred to the bank account of the FB as soon as possible after signing the Implementation Contract<sup>9</sup>.

Advance payment must be accounted in the first payment request, i.e. the amount of advance payment is subtracted from the total amount of approved incurred expenditures reported within the first monitoring report. In case the advance payment was not fully accounted within the first payment request, the same principle is used for the following ones until full amount of provided advance payment is accounted.

In case that the overall actual incurred eligible expenditures are lower than the amount of the advance payment, the FB is obliged to return the unused financial resources. Together with an official request for submission of the final monitoring report (i.e. after approval of the report by the PO) the FB will be requested to return these unused financial resources to the bank account specified by the PO within 30 days.

If these unused financial resources are not returned as required in the official request for submission of the final monitoring report, the case is solved as suspicion on irregularity in line with the Act No. 218/2000 Coll., on Budgetary Rules.

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<sup>9</sup> The possibility of advance payment is not relevant for State Organizational Units/State Contributory Organizations, in line with the Act No. 218/2000 Coll., on budgetary rules.

Each advance payment approved within the application, will be, in line with the Act No. 218/2000 Coll., on Budgetary Rules, subject to settlement with state budget after the implementation of the initiative is completed.

## IX. Procedures for submission of interim/final report including payment request

The FB submits a monitoring report (interim/final report) including payment request to the PO for its approval and reimbursement of all incurred expenditures of the initiative in line with the below mentioned schedule. The interim report shall be submitted electronically via IS CEDR, if in operation, no later than 1 month after the end of the monitoring period. The final report shall be submitted electronically via IS CEDR, if in operation, no later than 3 months after completion of the initiative<sup>10</sup> which is the subject of the grant from this Fund.

- For initiatives with an implementation **period up to 6 months**, the FB submits 1 final report after the end of implementation of the initiative.
- For initiatives with an implementation period **longer than 6 months**<sup>11</sup>, the FB submits interim report each six months and 1 final report after completion of the initiative.

If justified, the PO can extend the deadline for submission of the monitoring report.

The interim report must be filled in on the **prescribed form** (see Annex 4) and consists of:

### **Narrative part** including:

- description of the progress of approved initiative and its activities in the relevant monitoring period;
- quantification of results and description of outputs including relevant bilateral indicators (see Annex 3) reached in the monitoring period.

### **Payment request** including:

- filled form of **request for payment**, which consists of the total sum of actual incurred expenditures rounded down to whole CZK and deduction of the amount of advance payment, if relevant,
- **documents substantiating implementation and eligibility of activities and expenditures** (particularly travel reports, photographic documentation, research analysis and other documents, articles, publicity samples, established partnership agreements, lists of foreign bodies with which cooperation has been established, signed list of participants etc.)<sup>12</sup>,

<sup>10</sup> Completion date is stated in the Implementation Contract on Grant Award as the final deadline for achievement of the initiative purpose.

<sup>11</sup> In case the initiative is planned for a longer period than 6 months, request for merging the monitoring periods can be submitted by the FB. Nevertheless, the monitoring period of the final report shall not exceed 8 months. In exceptional cases, if the Final Beneficiary in the standard six months monitoring period does not realise any activities and/or expenditures, the monitoring period may be prolonged to 12 months upon the request of the Final Beneficiary and subsequent approval by the PO.

<sup>12</sup> FB is obliged to attach such documentation for each completed activity to enable the PO to evaluate the progress of the initiative and eligibility of incurred expenditures. Such documentation can be also used for publicity purposes by the PO.

- **list of actually incurred expenditures including attachments** – scans of invoices and other relevant accounting documents<sup>13</sup> above the financial limit of 10 000 CZK<sup>14</sup>,
- **scans of cash receipt or scans of bank statements** proving realization of payments related to eligible expenditures from the FB's bank account above the financial limit of 10 000 CZK,
- **statement from the accounting system** proving that all requested expenditures are recorded under the specific accounting cost centre for the EEA and Norway Grants within the FB's accounting system, **OR the audit report**<sup>15</sup> (recommended template for the audit report is attached in Annex 6), covering all incurred expenditures substituting the above mentioned accounting documentation. The total sum claimed for payment rounded down to whole CZK. The cost of the report is considered eligible, providing that it complies with general principles of eligibility of expenditures as defined in Art. 8.2 of the Regulations.

The final report must be filled in on the **prescribed form** (see Annex 5). As compared to the interim report, its content is extended by a summary of the initiative implementation, its final results and outcomes, an assessment of the contribution to the strengthening of bilateral cooperation and evaluation questionnaire (see Annex 7).

After submission of the interim/final report and request for payment, the PO shall assess the report including Annexes. If necessary, the PO shall ask the FB for additional information or documents. After the approval of the interim/final report and payment request, the FB is requested by the PO to submit the report officially (with electronic signature of the statutory representative) via IS CEDR, if in operation. The Fund Operator will reimburse approved amount in line with the procedures set in the Implementation Contract within 15 working days of the approval of the payment request.

## X. Publicity

All approved initiatives are subject to the EEA and Norway Grants 2014-2021 publicity requirements published by the Financial Mechanisms Office in the Regulation on the Implementation of EEA and Norwegian Financial Mechanisms for 2014-2021 and in the Communication and Design Manual. These documents are available online at [www.eeagrants.cz](http://www.eeagrants.cz) and [www.norwaygrants.cz](http://www.norwaygrants.cz).

The FB whose application has been approved by the PO is obliged to implement the initiative in accordance with the above documents to the appropriate extent with respect to the activities carried out. As a minimum requirement, the FB is required to use the logo of the EEA grants (in Good Governance and Health programmes) and Norway Grants (in Justice and Human Rights programmes) in materials and documents produced within the initiative (e.g. publications with the appropriate grant scheme logo of the programme, from which the initiative is funded, in an appropriate format). Logos

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<sup>13</sup> Valid document must fulfill the specified essentials of an accounting document in accordance with § 11 Act No. 563/1991 Coll., on accounting (besides article 1f) in case of Czech entities. Entities from donor states and international organizations shall follow the applicable accounting standards and the generally accepted accounting principles of the country in which the entity is established.

<sup>14</sup> The originals of all invoices and other relevant accounting documents (bills, orders etc.) related to these expenditures are archived by the FB in the initiative folder for the purpose of the on-site control.

<sup>15</sup> The audit shall be carried out by an independent auditor, qualified to carry out statutory audits of accounting documents, or by a competent and independent public officer. The report shall certify that the claimed costs are incurred in accordance with the Regulation, the relevant law and national accounting practices.

and templates are available online for download at [www.eeagrants.cz](http://www.eeagrants.cz) and [www.norwaygrants.cz](http://www.norwaygrants.cz) in the section General Information - Promotion.

The FB is also responsible for publishing the results of the initiative (e.g. on its website, Facebook profile, etc.). The FB is obliged to describe planned ways of publication of the initiative results in the application and subsequently report on the fulfillment of the publicity in the monitoring report including the relevant documentation in the form of annexes to the monitoring report (e.g. photodocumentation in case of events).

## XI. Modification request

The FB may submit a modification request with the aim to update or modify the content of the approved initiative. Such modification request can be submitted no earlier than after issuing of the Implementation Contract by the PO.

The FB shall submit the request for such a change electronically via IS CEDR (if in operation) in the form of a new attachment to the initiative documentation (does not apply for type C changes – see below). The PO will assess<sup>16</sup> the request (whether the planned change can be justified in relation to the approved initiative) and will inform the FB about the decision via IS CEDR.

Within the initiative, three types of changes may be requested:

- A) the changes that have an impact on the implementation contract and must be submitted through modification request via IS CEDR:
- change of the completion date (i.e. achievement of the initiative purpose) – the change must be approved by the PO **ex ante**, i.e. the request for modification must be submitted **at least 10 working days before** the original date of the initiative completion and approved by the PO before the original date of the initiative completion (in exceptional cases, a shorter term is acceptable if duly justified and provided that the administration of such a modification request is feasible);
  - change of the final date of eligibility of expenditures – the change must be approved by the PO ex ante, i.e. the request for modification must be submitted to the PO at least 10 working days before the original deadline for eligibility of expenditures and approved by the PO before the original deadline for eligibility of expenditures (in exceptional cases, a shorter term is acceptable if duly justified and provided that the administration of such a modification request is feasible);
  - change of the statutory representative of the FB (for notification of the PO);
  - change of the bank account (for notification of the PO).

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<sup>16</sup> Assessment by the PO is not relevant for modifications requesting change of statutory representatives and bank accounts. These are accepted by the PO automatically. Changes under the type C) are assessed by the PO during administration of monitoring reports.

- B) changes with prior approval by the PO, which must be submitted through modification request via the IS CEDR and approved by the PO ex ante (i.e. before the implementation of the activities related to the requested modification):
- request for the implementation of new activities;
  - creation of new items in the budget (the total amount of the grant allocation remains the same).

The modification request must be submitted no later than **10 working days** before the date of implementation of the activities affected by the modification. In exceptional cases, a shorter term is acceptable if duly justified and provided that the administration of such modification request is feasible.

- C) changes, which will be approved ex post in the interim/final report and which must be duly justified by the FB as regards their compliance with the 3E principle, clear contribution to strengthening of bilateral relations and/or necessity for successful implementation of the initiative:
- changes in utilization of the existing budget items (e.g. change in unit prices, transfers between items);
  - necessary changes of the composition of the participants of the initiative due to unforeseen circumstances (e.g. due to illness).

These changes will be described and justified by the FB in the narrative part of the interim/final report. **It is however strongly recommended to consult the changes type C), especially those impacting approved number of participants of the initiative, indicators of the initiative or coordination/management costs with the NFP before such modifications take effect.** Expenditures related to modifications not compliant with 3E principle, having no clear contribution to strengthening of bilateral relations and/or unnecessary for successful implementation of the initiative shall not be reimbursed

**If a change requiring the PO's prior approval is implemented without its prior approval, the expenses associated with this change may be considered as ineligible.**

## **XII. On-site control of the initiative**

The on-site control is carried out by the PO and/or entities authorized by the PO, regional tax office, the Supreme Audit Office, representatives of CA, Audit Authority, National Focal Point, FMO, the Financial Mechanism Committee, the Board of Auditors, EFTA, The Office of the Auditor General of Norway and The Norwegian Ministry of Foreign Affairs or by agents authorized by the PO. The aim of these controls is to compare the reality with the data and information given in the interim/final reports, from financial as well as factual aspects.

If requested by the control authorities, the FB is obliged to cooperate with given entities on the executed control and to provide all documents and information to substantiate the fulfilment of the approved initiative.



In case the PO or other control authority detects irregularities, these are dealt with in accordance with the rules stated in the following chapter XIV. Irregularities in the supported initiatives.

### **XIII. Evaluation**

The NFP/FMO or entities authorized by them may carry out evaluation related to the overall objectives of the EEA/Norwegian FM 2014-2021. If requested by the relevant authorities, the FB is obliged to cooperate with given entities and to provide all documents and information.

### **XIV. Irregularities in the supported initiatives**

Irregularity shall mean any infringement of the rules governing the EEA and Norway Grants 2014-2021, European Union law or national legislation, if such a breach could affect or endanger any stage of the implementation of the supported initiatives financed by EEA and Norway Grants 2014-2021.

Entities involved in the implementation of the EEA and Norway Grants 2014-2021 are required to promptly notify the PO in any case of suspected irregularity. In cases of suspected serious irregularity the PO may suspend payments for a given initiative for the necessary time.

If the suspicion on irregularity occurs within the Bilateral initiatives, the PO assess the substantiation of this suspicion and in case of confirmation is entitled:

- to withhold the grant/funds or its/their part using § 14e of Act No. 218/2000 Coll.<sup>17</sup>
- to use § 14f article 1 of Act No. 218/2000 Coll. and asks the FB to implement remedial measures and sets a deadline for their implementation (only when the nature of breach allows remedy)
- to ask FB for recovery of the grant/funds or its/their part in line with § 14f article 3 of Act No. 218/2000 Coll.

The unpaid/returned grant/funds or its/their part will be set in the amount of the breach or in accordance with the Table of grant/funds recoveries for the breach of conditions of providing grant/funds.

If the FB submits an objection against the use of §14e of Act No. 218/2000 Coll., fails to implement remedial measures, or does not return a grant/funds or its/their part (which is understood as breaching of budgetary discipline), the PO shall hand over the case to the Tax office for further investigation and decision whether the budgetary discipline has been breached.

### **XV. Pre-defined initiatives of the Programme Operator/Programme Partner**

Intentions of the PO/PP to implement a pre-defined initiative are to be approved by the CC of the relevant programme. The content of the initiative including eligible activities and expenditures are mutually agreed by the CC. Following the mutual consent of the CC members on the initiative, the

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<sup>17</sup> This cannot be applied when the FB is the SOU or SCO.

PO/PP shall prepare and submit the grant application. The procedures of the PO/PP with regard to the administration of bilateral initiatives are to follow below mentioned rules and steps.

The PO/PP is to follow the rate of the grant assistance and rules on eligible expenditures in line with this Guideline, unless specific conditions are stated by the CC. Grant applications drafted by the PO, signed by an authorized person of the PO including compulsory annexes in compliance with chapter VI. (Attachments to the application), are registered and archived in IS CEDR (if in operation) or archived in compliance with the internal rules of the PO. Grant applications drafted by the PP, signed by an authorized person of the PP including compulsory annexes in compliance with chapter VI. (Attachments to the application), are submitted by the PP to the designated person of the PO following the instructions of the PO (e.g. via e-mail/data box or via IS CEDR if in operation) and subsequently registered and archived in IS CEDR (if in operation) or archived in compliance with the internal rules of the PO. The PO/PP must also attach the confirmation of the initiative approval by the CC (e.g. e-mail communication) to the grant application.

Following appraisal of the application, for the initiatives of the PP, an Approval Letter is issued by the designated person of the PO stating the conditions of the initiative implementation. Subsequently, a Letter of Deputy Minister in compliance with Act No. 218/2000 Coll., on Budgetary Rules, is issued by the PO. Neither an Approval Letter nor a Grant Award Decision are relevant for the initiatives of the PO.

The PO/PP shall follow the publicity requirements in line with chapter X. and Guideline of the Programme Operator on Small Scale Public Procurement - EEA and Norway grants 2014-2021 when implementing all their initiatives. The PP shall also follow procedures for submission of reports in chapter IX. and modification procedures in chapter XI. The PO is to follow simplified procedures for submission of reports in IS CEDR (if in operation) or internal directions and rules. Monitoring reports including requests for payments of the PO are verified by the designated persons of the PO.

## **XVI. Information system CEDR**

IS CEDR is the information system of the Ministry of Finance, used for the submission of applications and their administration (unless stated otherwise in the Call). It is a web application that allows easy access to information about the current state of the initiative. Through the IS CEDR, the applicants may submit their applications and monitor the administration process directly from their workplace or home. Users will find all the necessary information related to the application and the implementation of the initiative in the system.

Following features are available in the IS CEDR:

- preparation and submission of the application;
- communicating with PO via electronic notice board;
- administration of approved initiatives including monitoring reports, payment requests and requests for changes;
- accessibility of all relevant documentation of the initiative.

Communication with the PO is carried out in the IS CEDR, including the requests for supplementary information during the assessment process (if the IS CEDR available), where relevant. In order to communicate with the PO, it is necessary for the applicant to have a data box established by the Ministry of the Interior of the Czech Republic (during the registration to the IS CEDR, the applicant needs to fill in the data box ID; the data box is used for sending documents by the PO).

All applicants must be registered in the IS CEDR for the purpose of submitting the application. Possession of a qualified certificate, which may be purchased from below mentioned certified providers, is the basic condition for working with IS CEDR:

- První certifikační autorita, a. s.
- Česká pošta, s. p.
- eldentity a. s.

The qualified certificate is issued for a period of 12 months, afterwards it must be renewed by the provider or a new one issued. If the applicant is an employee (statutory representative) of a legal entity, he/she is required to obtain a qualified employee certificate (a certificate indicating a link to the organization).

Registration to the IS CEDR can be done by entering the IS CEDR homepage stated in the Open Call text or through [www.eegrants.cz](http://www.eegrants.cz) and [www.norwaygrants.cz](http://www.norwaygrants.cz) via the CEDR button on the opening page.



Further details on technical parameters necessary for work in the IS CEDR are listed on the relevant web site of the information system.

Information on the submission of applications, including the method of submission, will be published online at [www.eegrants.cz](http://www.eegrants.cz) and [www.norwaygrants.cz](http://www.norwaygrants.cz) and stated in the Open Call text.

Queries can be sent electronically to [czp@mfcrcz](mailto:czp@mfcrcz).

## Annexes

1. Eligible expenditures of the Bilateral Fund
2. Application Form for a Grant for a Bilateral Initiative template
  - A. Declaration of partnership – Letter of intent (suggested form)/email communication between partners)
  - B. Detailed budget (standardized form)
  - C. English summary of the initiative (standardized form)
  - D. Bank identification (standardized form)
3. List of indicators for bilateral initiatives
4. Interim monitoring report template
5. Final monitoring report template
6. Audit report template
7. Evaluation questionnaire