

MEMORANDUM OF UNDERSTANDING  
ON THE IMPLEMENTATION OF THE NORWEGIAN FINANCIAL MECHANISM  
2009-2014

between

THE KINGDOM OF NORWAY,  
hereinafter referred to as "Norway"

and

THE REPUBLIC OF POLAND  
hereinafter referred to as the "Beneficiary State"

together hereinafter referred to as the "Parties",

WHEREAS the Agreement between the Kingdom of Norway and the European Union on the Norwegian Financial Mechanism 2009-2014 establishes a financial mechanism (hereinafter referred to as the “Norwegian Financial Mechanism 2009-2014”) through which Norway will contribute to the reduction of economic and social disparities in the European Economic Area;

WHEREAS the Norwegian Financial Mechanism 2009-2014 aims to strengthen relations between Norway and the Beneficiary State to the mutual benefit of their peoples;

WHEREAS the enhanced co-operation between Norway and the Beneficiary State will contribute to securing a stable, peaceful and prosperous Europe, based on good governance, democratic institutions, the rule of law, respect for human rights and sustainable development;

WHEREAS the Parties agree to establish a framework for cooperation in order to ensure the effective implementation of the Norwegian Financial Mechanism 2009-2014;

the Parties HAVE AGREED on the following:

### **Article 1 Objectives**

1. The overall objectives of the Norwegian Financial Mechanism 2009-2014 are to contribute to the reduction of economic and social disparities in the European Economic Area and to the strengthening of bilateral relations between Norway and the Beneficiary States through financial contributions in the priority sectors listed in paragraph 2. Accordingly, the Parties to this Memorandum of Understanding shall endeavour to select for funding programmes that contribute to the achievement of these objectives.

2. The financial contributions shall be available in the following priority sectors:

- (a) Carbon capture and storage;
- (b) Green industry innovation;
- (c) Research and scholarship;
- (d) Human and social development;
- (e) Justice and home affairs;
- (f) Promotion of decent work and tripartite dialogue.

### **Article 2 Legal Framework**

This Memorandum of Understanding shall be read in conjunction with the following documents which, together with this Memorandum of Understanding, constitute the legal framework of the Norwegian Financial Mechanism 2009-2014:

- (a) the Agreement between the Kingdom of Norway and the European Union on the Norwegian Financial Mechanism 2009-2014 (hereinafter referred to as “the Agreement”);

- (b) the Regulation on the implementation of the Norwegian Financial Mechanism 2009-2014 (hereinafter referred to as the “Regulation”) issued by Norway in accordance with Article 8.8 of the Agreement;
- (c) the programme agreements that will be concluded for each programme; and
- (d) any guidelines adopted by the Norwegian Ministry of Foreign Affairs (NMFA) in accordance with the Regulation.

### **Article 3**

#### **Financial Framework**

1. In accordance with Article 2 of the Agreement, the total amount of the financial contribution is € 800 million in annual tranches of € 160 million over the period running from 1 May 2009 to 30 April 2014, inclusive.
2. In accordance with Article 5 of the Agreement, a total of € 311.2 million shall be made available to the Beneficiary State over the period referred to in Paragraph 1.
3. In accordance with Article 8.7 of the Agreement and Article 1.8 of the Regulation, the management costs of Norway shall be covered by the overall amount referred to above. Further provisions to this effect are set out in the Regulation. The net amount of the allocation to be made available to the Beneficiary State is € 287,860,000.

### **Article 4**

#### **Roles and responsibilities**

1. Norway shall make funds available in support of eligible programmes proposed by the Beneficiary State and agreed on by the NMFA within the priority sectors listed in Article 3 of the Agreement and the programme areas identified in Annex B of this Memorandum of Understanding. Norway and the Beneficiary State may consult on possible and specific programmes before a formal programme proposal is submitted to the NMFA.
2. The Beneficiary State shall assure the full co-financing of programmes that benefit from support from the Norwegian Financial Mechanism 2009-2014 in accordance with Annex B and the programme agreements.
3. The NMFA shall manage the Norwegian Financial Mechanism 2009-2014 and take decisions on the granting of financial assistance in accordance with the Regulation.
4. The NMFA shall be assisted by the Financial Mechanism Office (hereinafter referred to as the “FMO”). The FMO shall be responsible for the day-to-day operations of the Norwegian Financial Mechanism 2009-2014 and shall serve as a contact point.

### **Article 5**

#### **Designation of authorities**

The Beneficiary State has authorised a National Focal Point to act on its behalf. The National Focal Point shall have the overall responsibility for reaching the objectives of the Norwegian Financial Mechanism 2009-2014 as well as for the implementation of the Norwegian Financial Mechanism 2009-2014 in the Beneficiary State in accordance with the Regulation. In accordance with Article 4.2 of the Regulation, the National Focal Point, the Certifying Authority, the Audit Authority, and an appropriate national entity responsible for the preparation and submission of irregularities reports are designated in Annex A.

**Article 6**  
**Multi-annual Programming Framework**

1. In accordance with Article 2.1 of the Regulation, the Parties have agreed on an implementation framework consisting of the following financial and substantive parameters:
  - (a) a list of agreed programme areas, the financial contribution from the Norwegian Financial Mechanism 2009-2014 by programme area;
  - (b) identification of programmes, their main focus and outcomes, as appropriate, as well as any specific concerns relating to target groups, geographical areas or other issues;
  - (c) identification of programme operators, if appropriate;
  - (d) initiatives to strengthening the bilateral relations between Norway and the Beneficiary State, including the identification of programme areas in which donor partnership programmes as referred to in Article 3.2 shall be prepared, the designation of donor programme partners, the allocation of funds for such programmes, and programmes, or component thereof, that are dedicated exclusively to donor partnership projects;
  - (e) in specific cases, the identification of pre-defined projects to be included in relevant programmes;
  - (f) identification of small grant schemes, as appropriate.
2. The implementation framework is outlined in Annex B.

**Article 7**  
**Annual meetings**

In accordance with Article 2.3 of the Regulation an annual meeting shall be held between the NMFA and the National Focal Point. The annual meeting shall allow the NMFA and the National Focal Point to examine progress achieved over the previous reporting period and agree on any necessary measures to be taken.

**Article 8**  
**Modification of the annexes**

1. Annex A may be subject to review at the annual meetings. Amendments to Annex A agreed upon at the annual meetings do not require a formal change to this Memorandum of Understanding. Such amendments shall be confirmed through an exchange of letters between the NMFA and the National Focal Point.
2. Annex B may be changed through an exchange of letters between the NMFA and the National Focal Point.

**Article 9**  
**Control and Access to Information**

The NMFA, the Office of the Auditor General of Norway and their representatives have the right to carry out any technical or financial mission or review they consider necessary to follow the planning, implementation and monitoring of programmes and projects as well as the use of funds. The Beneficiary State shall provide all necessary assistance, information and documentation.

**Article 10**  
**Governing Principles**

1. The implementation of this Memorandum of Understanding shall in all aspects be governed by the Regulation and subsequent amendments thereof.
2. The objectives of the Norwegian Financial Mechanism 2009-2014 shall be pursued in the framework of close co-operation between Norway and the Beneficiary State. The Parties agree to apply the highest degree of transparency, accountability and cost efficiency as well as the principles of good governance, sustainable development, gender equality and equal opportunities in all implementation phases of the Norwegian Financial Mechanism 2009-2014.
3. The Beneficiary State shall take proactive steps in order to ensure adherence to these principles at all levels involved in the implementation of the Norwegian Financial Mechanism 2009-2014.

**Article 11**  
**Entry into Force**

This Memorandum of Understanding shall enter into force on the day after the date of its last signature.

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This Memorandum of Understanding is signed in two originals in the English Language.

Signed in ..... on .....  
For the Kingdom of Norway

Signed in ..... on .....  
For the Republic of Poland

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## National management and control structures

### 1. National Focal Point

The Department for Aid Programmes and Technical Assistance of the Ministry of Regional Development of the Republic of Poland shall act as the National Focal Point. The Director of the Department for Aid Programmes and Technical Assistance shall be the head of the National Focal Point.

The roles and responsibilities of the National Focal Point are stipulated in the Regulation, in particular Article 4.3 thereof. In addition, with reference to paragraph 3 of Article 4.2 of the Regulation, the National Focal Point shall perform and be responsible for the following tasks:

1) submitting to the NMFA certified interim financial reports and final programme reports referred to in Articles 8.3 and 5.12 of the Regulation, respectively, certifying that:

- (i) the summary of eligible expenditure submitted by the Programme Operator is in full conformity with the supporting documents;
- (ii) the supporting documents have been examined and found to be authentic, correct and accurate;
- (iii) the summary of eligible expenditure is based on verifiable accounting which is in compliance with generally accepted accounting principles and methods;
- (iv) the summary of eligible expenditure falls within eligible expenditure under the Regulation;
- (v) the summary of expenditure is incurred as part of the implementation of the Programme in accordance with the programme agreement;
- (vi) sufficient audit trail exists; and
- (vii) co-financing committed to the programme has been paid.

2) taking account for certification purposes of the results of all audits carried out by or under the responsibility of the Audit Authority;

3) ensuring that payments are transferred to the Programme Operators according to paragraph 2 of Article 8.1 of the Regulation;

4) submit to the NMFA a detailed description of the management and control system for the national institutions involved in the implementation Norwegian Financial Mechanism 2009-2014 and the management and control systems of the Programme Operator and their functions.

In addition to tasks of the Certifying Authority explicitly assigned to the National Focal Point according to this section, references in the following articles of the Regulation to the Certifying Authority shall be read as references to the National Focal Point:

1) paragraph 1(m) of Article 4.7;

- 2) Article 5.12;
- 3) Article 7.9;
- 4) Article 7.13;
- 5) Article 8.3; and
- 6) Article 8.8.

The hierarchy levels and reporting channels of the National Focal Point and the Certifying Authority within the Ministry of Regional Development and their separation as expressed in the organigram in section 7 of this annex shall be kept during the implementation of the Norwegian Financial Mechanism 2009-2014.

## **2. Certifying Authority**

The Certifying Authority Department of the Ministry of Regional Development of the Republic of Poland shall act as the Certifying Authority. The Director of the Certifying Authority Department shall be the head of the Certifying Authority.

The roles and responsibilities of the Certifying Authority are stipulated in the Regulation, in particular Article 4.5 thereof, excluding the tasks explicitly assigned to the National Focal Point in section 1 of this annex.

## **3. Audit Authority**

The General Inspector for Treasury Control shall act as the Audit Authority and shall, together with the Department for Protection of EU Financial Interests of the Ministry of Finance and the 16 Regional Treasury Control Offices, perform the functions of the said authority.

The roles and responsibilities of the Audit Authority are stipulated in the Regulation, in particular Article 4.6 thereof. In addition, the Audit Authority shall be responsible for the preparation and submission of reports on irregularities in accordance with section 4 below.

The Audit Authority shall be functionally independent of the National Focal Point and the Certifying Authority.

## **4. National public entity responsible for the preparation and submission of irregularities reports.**

The Audit Authority shall be responsible for the preparation and submission of irregularities reports.

The roles and responsibilities of the Audit Authority with regard to reporting on irregularities are stipulated in the Regulation, in particular Article 11.3 thereof.

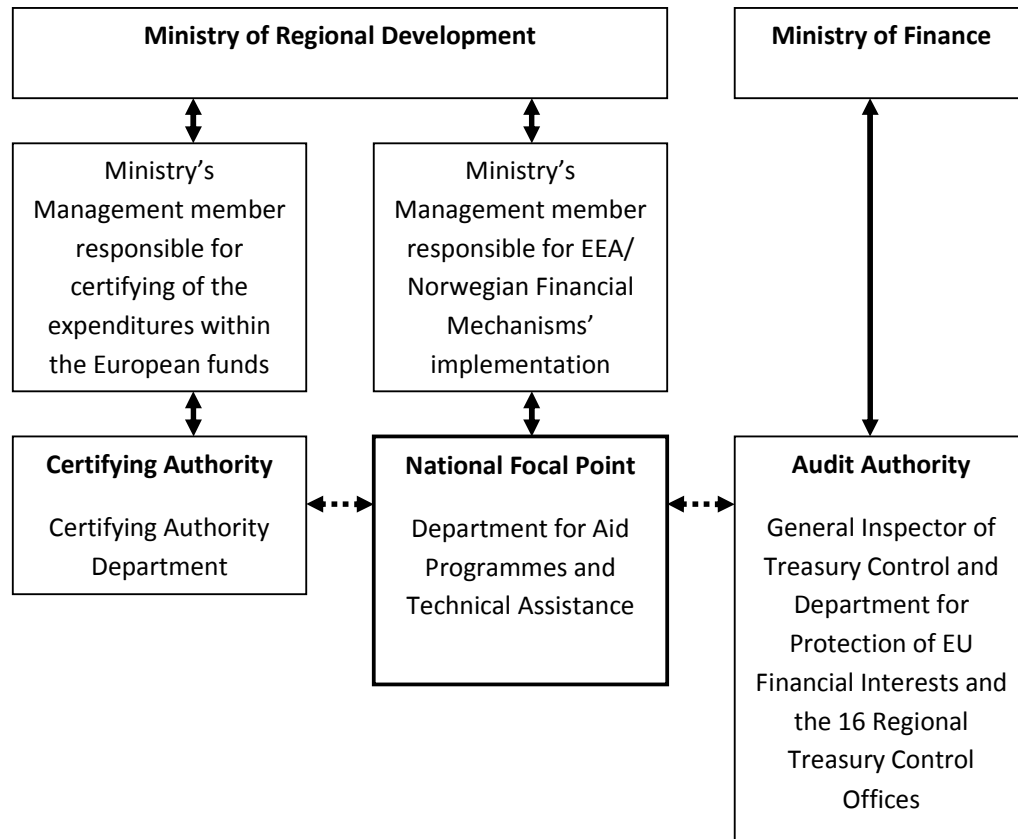
## **5. Monitoring Committee**

The Monitoring Committee shall be established with six months of the signing of the Memorandum of Understanding. Its role is stipulated in the Regulation, in particular Article 4.4 thereof.

## 6. Strategic Report and the annual meeting

In accordance with Article 2.2 of the Regulation, the National Focal Point shall annually submit to the NMFA a Strategic Report on the implementation of the Norwegian Financial Mechanism 2009-2014 in the Beneficiary State. The Parties shall endeavour to hold the annual meeting in the month of June each year.

## 7. Organigram





## Implementation framework

In accordance with Article 2.1 of the Regulation, the Parties to this Memorandum of Understanding have agreed on an implementation framework outlined in this annex.

### 1. Financial parameters of the implementation framework

<b>Republic of Poland</b>	<b>Norwegian FM contribution</b>
<b>Programme area</b>	
Carbon Capture and Storage (CCS)	€ 137,000,000
Global fund for Decent Work and Tripartite Dialogue	€ 3,112,000
Bilateral Research Cooperation	€ 36,830,000
Bilateral Scholarship Programme	€ 5,000,000
Public Health Initiatives	€ 60,000,000
Domestic and Gender – based violence	€ 3,000,000
Schengen Cooperation and Combating Cross-border and Organised Crime, including Trafficking and Itinerant Criminal Groups	€ 10,000,000
Judicial Capacity-building and Cooperation	€ 14,000,000
Correctional Services, including Non-custodial Sanctions	€ 13,000,000
<b>Other allocations</b>	
Technical assistance to the Beneficiary State (Art. 1.9)	€ 4,362,000
Fund for bilateral relations at national level (Art. 3.5.1)	€ 1,556,000
<b>Net allocation to Republic of Poland</b>	<b>€ 287,860,000</b>

## 2. Specific concerns

Bilateral relations between Norway and Republic of Poland shall be strengthened with the aim of stimulating long-term cooperation, in particular in the programme areas listed below with donor programme partners, as well as through other means such as partnership at project level in all programme areas supported.

The appraisal of Programme Proposals will take due account of relevant human rights- and governance-related standards of the Council of Europe (such as those monitored by CPT, GRECO, GRETA, ECRI etc.), including the Convention for the Protection of Human Rights and Fundamental Freedoms.

## 3. Substantive parameters of the implementation framework

The programmes described below are to be prepared and, subject to NMFA approval, implemented in the Beneficiary State.

### A. Programme Area: Carbon Capture and Storage (Programme area 20)

<i>Programme:</i>	Programme for Supporting the development and widespread use of CCS technology in Poland
<i>Outcomes:</i>	CO2 captured and safely stored Increased knowledge and transnational cooperation on CCS
<i>Programme Operator:</i>	Ministry of Economy
<i>Donor programme partner:</i>	Gassnova
<i>Pre-defined project(s):</i>	Support mainly to the construction of CCS installation in Belchatow Power Plant accompanied by awareness raising on CCS

### B. Programme Area: Global fund for Decent Work and Tripartite Dialogue (Programme area 22)

<i>Programme:</i>	Global fund for Decent Work and Tripartite Dialogue
<i>Objective:</i>	Decent work promoted and tripartite cooperation improved between employers' organisations, trade unions and public authorities in supporting equitable and sustainable economic and social development
<i>Outcomes:</i>	Improved social dialogue and tripartite dialogue structures and practices Enhanced understanding of the benefits of decent work Enhanced access to employment and participation in the labour market

Enhanced focus on the social dimension of workforce mobility

Advancement of gender equality and non-discrimination in the workplace

Improvement of work, family and private life balance

Worker adaptability and lifelong learning opportunities improved

*Programme Operator:* Innovation Norway

**C. Programme Area: Bilateral Research Cooperation (Programme area 23)**

*Programme:* Norwegian-Polish Research Cooperation (Donor Partnership Programme)

*Programme Operator:* National Centre for Research & Development, Warsaw

*Donor programme partner(s):* The Research Council of Norway

*Specific concern(s):* Focus on environment and climate, including polar research, health and social sciences, including migration

The programme includes an allocation of €3,000,000 for research in the area “Mainstreaming Gender Equality and Promoting Work-Life Balance”

**D. Programme Area: Bilateral Scholarship Programme (Programme area 24)**

*Programme:* Norwegian-Polish Scholarship Programme (Donor Partnership Programme)

*Outcomes:* Increased higher education student and staff mobility between Beneficiary States and Norway

Increased and strengthened institutional cooperation within the higher education sector between the Beneficiary States and Norway

*Programme Operator:* Foundation for the Development of the Education System

*Donor programme partner(s):* The Norwegian Centre for International Cooperation in Higher Education (SIU)

*Specific concern(s):* The programme shall be implemented jointly with programme area 19 in the EEA Financial Mechanism

**E. Programme Area: Public Health Initiatives (Programme area 27)**

Programme 1: Development and better adaptation of health care to demographic and epidemiological trends

*Outcomes:* Developed resources for all levels of health care (incl. health care related to ageing society)  
Improved access to and quality of health services including reproductive and preventive child health care as well as health care related to ageing society  
Life-style related diseases prevented or reduced

*Programme Operator:* Ministry of Health

*Specific concern(s):* This programme shall be implemented jointly with a programme under programme area 13 in the EEA Financial Mechanism.

The division of the allocation between Public Health Initiatives Programme 1 and Programme 2 will be agreed at a later stage

*Programme 2:* Reducing social inequalities in health (Donor Partnership Programme)

*Outcomes:* Reduced inequalities between user groups  
Developed resources for all levels of health care (incl. health care related to ageing society)  
Improved governance in health care  
Improved access to and quality of health services including reproductive and preventive child health care as well as health care related to ageing society  
Life-style related diseases prevented or reduced

*Programme Operator:* Ministry of Health

*Donor programme partner(s):* The Norwegian Directorate of Health

*Specific concern(s):* The division of the allocation between Public Health Initiatives Programme 1 and Programme 2 will be agreed at a later stage

The Programme shall be implemented as donor partnership programme in a partnership with the Norwegian Directorate of Health.

#### **F. Programme Area: Domestic and Gender-based Violence (Programme area 29)**

*Programme:* Domestic and Gender-based Violence

*Outcome(s):* Gender-based violence reduced  
Domestic violence reduced

*Programme Operator:* Ministry of Labour and Social Policy

*Pre-defined project(s):* Possible pre-defined project(s) with the Norwegian Centre for Violence and Traumatic Stress Studies (NKVTS) and the Council of Europe

**G. Programme Area: Schengen Cooperation and Combating Cross-border and Organised Crime, including Trafficking and Itinerant Criminal Groups (Programme area 30)**

*Programme:* Schengen Cooperation and Combating Cross-border and Organised Crime, including Trafficking and Itinerant Criminal Groups

*Outcome(s):* Development and improvement of structures, systems, and technical equipment in order to improve the implementation of the Schengen acquis

Strengthening of the cooperation between the police in the Schengen Member States

Improved capacity to prevent and combat cross-border and organised crime, including trafficking in human beings and itinerant criminal groups

Improved cooperation between the authorities and relevant stakeholders, including non-governmental organisations, in assisting victims of trafficking

*Programme Operator:* Ministry of Interior and Administration with support from the Implementing Authority for European Programmes

*Pre-defined project(s):* Possible pre-defined project(s) with the Council of Europe

**H. Programme Area: Judicial Capacity-building and Cooperation (Programme area 31)**

*Programme:* Judicial Capacity-building and Cooperation/Improvement of the efficiency of justice

*Outcome(s):* Improved access to justice, including for vulnerable persons (e. g. victims, minors, minorities)

Alternative dispute resolutions developed (restorative justice)

Improved efficiency of the court systems, including the development of systems for case handling

Increased competence of actors within the judiciary

*Programme Operator:* Ministry of Justice

*Donor programme partner(s):* The Norwegian National Courts Administration

*Pre-defined projects:* Projects improving the administrative capacity of courts, facilitating the current work of the courts' departments, improving the court management,

promoting alternative ways of resolving disputes,  
strengthening the position of crime victims,  
intensifying information and educational policy of the  
Ministry of Justice

**I. Programme Area: Correctional Services including Non-custodial Sanctions (Programme area 32)**

<i>Programme:</i>	Correctional Services including Non-custodial Sanctions
<i>Outcome(s):</i>	Increased application of alternatives to prison Improved competences of both inmates and prison staff
<i>Programme Operator:</i>	European Funds Team in the Central Board of Prison Service
<i>Donor programme partner(s):</i>	The Norwegian Correctional Services
<i>Pre-defined projects:</i>	Pre-defined projects within competence building for inmates, prison staff, systems within security and ITC, probation and non-custodial sanctions within the aim of the Programme

**Fund for bilateral relations at national level**

The Fund aims to facilitate outreach activities between stakeholders and networking between the Programme Operators and programme partners, or potential project partners from Norway prior to or during the preparation of a programme proposal and during the implementation of a given programme. The use of the Fund for bilateral relations shall be managed by the National Focal Point. The Fund will reach 0.5% of the allocation of the Norwegian Financial Mechanism. It shall be available from the last signature of the first Memorandum of Understanding.