

ADDENDUM NO 4

to

EEA Financial Mechanism 2014-2021

PROGRAMME AGREEMENT

for the financing of the Programme “Cross-border Cooperation / Good Governance, Accountable Institutions, Transparency”
hereinafter referred to as the “Programme Agreement”

between

The Financial Mechanism Committee
hereinafter referred to as the “FMC”

and

The Ministry of Investments, Regional Development and Informatization of the Slovak Republic,
hereinafter referred to as the “National Focal Point”,
representing Slovakia,
hereinafter referred to as the “Beneficiary State”
together hereinafter referred to as the “Parties”

Article 1

1. Annex II to the EEA Financial Mechanism Programme Agreement for the financing of the Programme SK-GOVERNANCE “Cross-border Cooperation / Good Governance, Accountable Institutions, Transparency” is replaced by Annex II sent with this Addendum.

2. The modifications contained in the new version of Annex II to the Programme Agreement entered into force on 16/07/2021.

Article 2

This Addendum and the Annex II accompanying it constitute an integral part of the Programme Agreement. Except from the modifications stated above, the Programme Agreement remains unchanged.

Signed in Brussels on 8 August 2021

Signed in Bratislava on

For the FMC

For the National Focal Point

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Henning Stirø
Managing Director
Financial Mechanism Office

.....
Mrs Iveta Turčanová
on behalf of the
Ministry of Investments, Regional
Development and Informatization of the
Slovak Republic
authorised to sign the Addendum of the
Programme Agreement by the power of
attorney No 6310/2021/OROPTP-10 since
30/06/2021

Cross-border Cooperation / Good Governance, Accountable Institutions, Transparency

Operational rules (Annex II)

1. Programme summary

This Annex sets out the operational rules for the programme. The programme agreement is based on the MoU, the concept note and comments made by the FMC. Commitments, statements and guarantees, explicit as well as implicit, made in the concept note, are binding for the National Focal Point and the Programme Operator unless otherwise explicitly stipulated in the annexes to this programme agreement.

The Programme Operator is the Ministry of Investment, Regional Development and Informatization of the Slovak Republic. The Norwegian Barents Secretariat is the Donor Programme Partner (DPP). The Organisation for Economic Cooperation and Development (OECD) is the International Partner Organisation (IPO).

The programme objective is “Integrity and accountability of public administration improved”. The programme shall support projects within the following Programme Areas (PAs):

- PA 16 “Good Governance, Accountable Institutions, Transparency”

Within this PA, the programme shall support the outcome “Integrity of public administration improved” (Outcome 1), the outcome “Slovak-Ukrainian institutional cooperation enhanced” (Outcome 3) and the outcome “Increased application of the Value for Money principle in public procurement” (Outcome 4).

Outcome 1 shall be supported by way of the pre-defined project (PDP) “Improving Integrity of the Public Administration/IIPA” (PDP no. 1).

Outcome 3 shall be supported by way of a call for projects focusing on institutional cross-border cooperation between Slovakia and Ukraine related to good governance. There will also be one small grant scheme (SGS) with the same theme and focus as the call for projects mentioned above. Finally, outcome 3 shall be supported by the pre-defined project “TRIGLAV- Strengthen the fight against CBRN threats at the Slovakian-Ukrainian border” (PDP no. 4).

Outcome 4 shall be supported by way of the pre-defined project “Responsible public procurement” (PDP no. 3).

- PA 21 “Effectiveness and Efficiency of the Judicial System, Strengthening Rule of Law”

Within this PA, the programme shall support the outcome “Quality of the judicial system improved” (Outcome 2) by way of the pre-defined project “Enhancing the efficiency of the judicial system through the protection/empowerment of victims and vulnerable parties” (PDP no. 2).

2. Eligibility

2.1 Eligible applicants:

The rules on eligibility of project promoters and project partners are set in Article 7.2 of the Regulation. In accordance with Article 7.2.4, the following entities shall be eligible:

	Eligible applicants (Project Promoters)	Eligible partners
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Call for proposals Outcome 3“Slovak-Ukrainian institutional cooperation enhanced”	Any public entity established as a legal person in the Slovak Republic	In accordance with Article 7.2.2 of the Regulation
SGS Outcome 3“Slovak-Ukrainian institutional cooperation enhanced”	Any public entity established as a legal person in the Slovak Republic	In accordance with Article 7.2.2 of the Regulation

All projects funded under the call for proposals and the SGS must include at least one public entity established as a legal person in Ukraine, as a partner.

2.2 Special rules on eligibility of costs:

Costs are eligible in accordance with chapter 8 of the Regulation.

In accordance with Article 8.5.1 e) of the Regulation, project promoters or project partners that are international organisations or bodies or agencies thereof, may identify their indirect costs in accordance with the relevant rules established by such organisations.

3. Bilateral relations

3.1 Bilateral relations

The programme shall contribute to strengthening bilateral relations between the Slovak Republic and the Donor States.

The programme shall as appropriate facilitate donor partnership projects by carrying out, inter alia, matchmaking events and activities in conjunction with launching calls for proposals, as well as by encouraging donor partnership projects in call texts.

The further use of the funds for bilateral relations allocated to the programme shall be agreed in the Cooperation Committee.

4. Selection of projects and financial parameters

4.1 Open calls and availability of funds (including number of calls, duration of calls, and estimated size):

	Indicative timing	Total available amount	Maximum/Minimum grant applied for
Call for proposals Outcome 3“Slovak-Ukrainian institutional cooperation enhanced”	Second semester 2019	€ 2,500,000	€ 1,000,000/ € 200,000
SGS Outcome 3“Slovak-Ukrainian institutional cooperation enhanced”	Second semester 2019	€0	N/A

4.2 Selection procedures:

The project evaluation and award of grants shall be in accordance with Article 7.4 of the Regulation.

The Programme Operator shall be responsible for project evaluation and for the award of grants.

The Programme Operator shall establish a Selection Committee that shall recommend the projects to be funded within the programme. The Selection Committee shall consist of at least six persons possessing the relevant expertise. At least two of them shall be external to the Programme Operator and its Partners. The DPP shall be voting member of the Selection Committee. The IPO, the FMC and the National Focal Point shall be invited to participate in the meetings of the Selection Committee as observers.

The Programme Operator shall review the applications for compliance with administrative and eligibility criteria. Applicants whose applications are rejected at this stage shall be informed and given a reasonable time to appeal that decision.

Each application that meets the administrative and eligibility criteria shall be reviewed by two experts: one of these experts shall be appointed by the Programme Operator and the other shall be appointed by the DPP. The experts shall be impartial and independent of the Programme Operator and the Selection Committee.

The experts shall separately score the project according to the selection criteria published with the call for proposals. For the purposes of ranking the projects, the average of the scores awarded by the experts shall be used.

If the difference between the scores given by the two experts is more than 30 % of the higher score, a third expert shall be commissioned by the Programme Operator to score the project independently. In such cases the average score of the two closest scores shall be used for the ranking of the projects.

The Programme Operator shall provide the Selection Committee with a list of the ranked projects. The Selection Committee shall review the ranked list of projects. It may modify the ranking of the projects in justified cases. The justification for the modifications shall be detailed in the minutes of the meeting of the Selection Committee. If such a modification results in a project's rejection, the affected applicant shall be informed in writing about the justification for the modification. The Selection Committee shall submit the list of recommended projects to the Programme Operator.

The Programme Operator shall verify that the selection process has been conducted in accordance with the Regulation and that the recommendations from the Selection Committee comply with the rules and objectives of the programme. Following such verification, the Programme Operator shall, based on the recommendation of the Selection Committee, make a decision on which projects shall be supported. Prior to making such decision, an on the spot visit may be carried out by the Programme Operator. If the Programme Operator modifies the decision of the Selection Committee or suggests modification of the project, it shall inform the applicants affected and provide them with a justification.

The Programme Operator shall notify the applicants about the results of the selection process within a reasonable time and publicise the results.

The process set out in this Article shall apply to all calls for proposals, including the SGS, under this programme.

4.3 Project grant rate:

Grants to projects from the programme may be up to 100% of total eligible expenditure of the project. The project grant rate shall in all cases be set at a level that complies with the State Aid rules in force and takes into account any and all other forms of public support granted to projects. Any remaining costs of the project shall be provided or obtained by the project promoter.

5. Additional mechanisms within the Programme

5.1 Pre-defined projects

There will be four pre-defined projects implemented under the programme:

1) "Improving Integrity of the Public Administration / IIPA"

Project Promoter:	Government Office of the Slovak Republic
Other project partner(s):	Organisation for Economic Co-operation and Development (OECD)
Total maximum eligible costs:	€ 1,500,000
Project grant rate:	100.00 %
Maximum project grant amount:	€ 1,500,000

Programme outcome the project contributes to: "Integrity of public administration improved".

The project shall primarily focus on horizontal coordination in the public sector, targeting management of human resources in the area of integrity.

The project shall include, inter alia, the following activities:

- An Integrity Review elaborated by the OECD, focused on strengthening the public integrity system, monitoring and evaluation of integrity policies for a strategic and evidence-based approach to public integrity, fostering an open culture of integrity in the public sector and related issues;
- A Pilot initiative on behavioural insights shall be carried out, implemented in specific areas identified through the Integrity Review, where the effectiveness of additional law and legal instruments to counter corruption and prevent integrity violation is limited;
- An opinion survey, containing questions related to experience and incidence of corrupt practices, tolerance vis-à-vis integrity violations, or questions related to the observed effectiveness of specific integrity policies;
- As part of the Review, the OECD will facilitate the development of an action plan to be co-drafted and implemented by the project promoter. A progress report on monitoring and evaluation of the action plan shall be drafted by the OECD in consultation with the project promoter;
- Codes of ethics and codes of conduct elaborated and implemented by the project promoter, in consultation with the OECD;
- Model sectoral anti-corruption programmes and methodological tools for the corruption risk management shall be developed by the project promoter to be implemented horizontally in the public sector, in consultation with the OECD;
- Establishment and maintenance of a register of sensitive positions and processes in the public sector exposed to corruption and integrity violations shall be elaborated and maintained by the project promoter, in cooperation with the OECD;
- A set of indicators to measure various aspects of integrity of the civil administration, including corruption risk registers a risk scoring tool, shall be developed in cooperation with the OECD;
- Comprehensive capacity-building and awareness-raising activities on corruption prevention and the protection of whistle-blowers shall be carried out by the project promoter, based on the ongoing mapping of the Slovak legislation recently carried out by the OECD.

2) "Enhancing the efficiency of the justice system through the protection/empowerment of victims and vulnerable parties"

Project Promoter: Ministry of Justice of the Slovak Republic

Other project partner(s): District Court Galanta
District Court Bratislava II
District Court Spišská Nová Ves
District court Rožňava
District Court Zvolen
District Court Rimavská Sobota
Regional Court Prešov
District Court Prešov

Total maximum eligible costs: € 1,200,000

Project grant rate: 100.00 %

Maximum project grant amount: € 1,200,000

Programme outcome the project contributes to: "Quality of the judicial system improved".

The overall aim of the project is to contribute to the increased efficiency and quality of the judicial system in two areas: a) protection of victims of crime, and b) protection of minors within family law disputes. The project will focus on settling family law disputes in so called "family courts", complementing the "Domestic and Gender-based Violence" programme implemented in Slovak Republic under the 2014-2021 Norwegian Financial Mechanism.

The project shall include, inter alia, the following activities:

- Refurbishment of the court premises in 8 courts in order to make them more child-friendly;
- Educational programme for mediators and judges, aimed to make judges and mediators more sensitive towards the needs of minors, and specialise them on family-law matters;
- Two study visits to Norway involving judges and prosecutors. A number of inter-ministerial meetings will be held;
- A media campaign on the rights of victims targeting both the general public and experts, through the development of an interactive website, information leaflets as well as through a campaign targeting television and the printed press;
- Two education programmes targeting judges and prosecutors aiming at improving the knowledge about handling of victims.

3) "Responsible Public Procurement"

Project Promoter: Public Procurement Office (PPO)

Other project partner(s): Organisation for Economic Co-operation and Development (OECD)

Total maximum eligible costs: € 1,500,000

Project grant rate: 100.00 %

Maximum project grant amount: € 1,500,000

Programme outcome the project contributes to: “Increased application of the Value for Money principle in public procurement”.

The pre-defined project will contribute to a more effective system of public procurement, mainly through strengthening of the application of the value for money principle including the Most Economically Advantageous Tender (MEAT) criteria in international cooperation with the OECD as well as possibly with other institutions from the donor states.

The project shall include, inter alia, the following activities:

- Functional review of the Public Procurement Office (PPO) and the existing public procurement legislation and methodology, focused on:
 - Appraisal of risk areas in the procurement processes and practice of the PPO, taking into consideration the future application of more sophisticated award criteria as the MEAT criteria and their implications on control, transparency and accountability frameworks;
 - The existing methodology, guidance and practical tools to achieve value for money (VfM) in the procurement process;
 - An analysis of the current working practices of Public Procurement Office (PPO) vis-à-vis the Contracting Authorities, to improve the effectiveness of their guidance.
- Elaboration of specific methodology, in cooperation among the PPO, the OECD, and the professional chambers, including methodology and standardised templates on:
 - Pre-tender market consultations
 - MEAT criteria
 - Green procurement, social aspects in public procurement and the procurement of innovations in connection with MEAT criteria
 - Workshops, training and promotion of application of the above mentioned, in order to reach public consensus and understanding of the need for more transparent (market consultations), more efficient (MEAT criteria) and more effective (Green, Social and Innovation Procurement) public procurement. The PPO will manage through own capacities several special working groups - with the focus on green, social and innovative aspects of the public procurement and other criteria than price (MEAT).
- Transfer of best practices in two specific sectors, transport and health, in cooperation between the Public Procurement Office (PPO) and the OECD, related to:
 - A list of possible measures based on world-wide best practices from which a strategy could be developed to carry out infrastructure with a focus on value for money and integrity
 - Workshops with relevant experts directed to specific groups of people to share best practices in selected areas in line with the main topics related to implementation of infrastructure projects identified in the review.
- New web portal with relevant information from public procurement area /with the focus on green, social and innovative aspects of the public procurement, MEAT criteria/ will be created.
- A number of professional workshops will be organized by the PPO for Slovak contracting authorities per year.

4) "TRIGLAV – Strengthen the fight against CBRN threats at the Slovak-Ukrainian border"

Project Promoter: Ministry of Interior of the Slovak Republic

Donor project partner(s):	Norwegian Radiation and Nuclear Safety Authority (DSA)
Other project partner(s):	State Border Guard Service of Ukraine National Police of Ukraine Secret Service of Ukraine International CBRN Risk Mitigation Research Centre
Total maximum eligible costs:	€ 2,500,000
Project grant rate:	100.00 %
Maximum project grant amount:	€ 2,500,000

Programme outcome the project contributes to: “Slovak-Ukrainian institutional cooperation enhanced”

This project aims to strengthen cross-border cooperation in order to enhance the detection and interception of illicit CBRN (chemical, biological, radioactive and nuclear) materials on the Slovakian-Ukrainian border. It is a continuation of a project funded under the “Cross-border Cooperation” programme implemented in the Slovak Republic under the 2009-2014 Norwegian Financial Mechanism.

The project shall include, *inter alia*, the following activities:

- Workshops with the participation of experts competent in the fight against illegal handling of CBRN materials from the Slovak Republic, Ukraine and Norway, in order to implement the Joint Concept of Operation in Internal Acts of relevant stakeholders;
- Study visits to countries with a functional effective system of fight against the illegal handling of CBRN materials and with an effective and consistent form of education and training in this area;
- Workshops with the participation of experts competent in the fight against illegal handling of CBRN materials from the Slovak Republic, Ukraine and Norway in order to create and formalise an effective and consistent system of education and training in the field of fight against illegal handling with CBRN materials;
- Seminars and trainings for employees competent in the fight against illegal handling of CBRN materials of the Slovak Republic and Ukraine in order to improve their level of skills and knowledge in the field;
- Purchase of detection devices and protective equipment for the authorities competent in the fight against illegal handling of CBRN materials in the Slovak Republic and Ukraine in order to ensure the compatibility between the security forces allowing the joint interventions or joint investigations and facilitating subsequent cooperation of these entities in the area of continuous education of its employees;
- Seminars on the issue of illicit handling of CBRN materials for private companies handling legally with CBRN materials.

5.2 *Financial Instruments*

Not applicable

6. **Programme Management**

6.1 *Payment flows*

The Programme Operator shall ensure that payments to projects are made in a timely manner. Interim and final payments to the projects shall be based on approved project reports.

Payments of the project grant shall take the form of advance payment, interim payments and a final payment. The level of advance payment to projects shall be set out in the project contract. The maximum level of advance payment shall be linked to the project budget and duration as follows:

Project implementation duration ¹	Advance payment	1st Interim payment	2nd Interim payment	3rd Interim payment	4th Interim payment	Final payment ²
Less than 24 months	20%	40%	30%	-	-	10%
24-36 months	15%	30%	25%	20%	-	10%
More than 36 months	10%	20%	20%	25%	15%	10%

The advance payment shall be paid following the signature of the project contract. Subsequent payments shall be paid after the approval of project interim reports. The final payment will be paid after approval of the final report.

An advance payment, if any, of a percentage of the total grant amount shall be paid within 15 working days from the submission of a request or within the period set in the project contract. The interim payments shall be paid within 1 month after the approval of project interim reports.

Upon approval of the final project report a final balance payment, if applicable, shall be made within one month.

The approval of project interim and final reports shall take place within three months from the submission of the required information.

The periodicity of reporting periods and deadlines for reporting will be further detailed in the description of the Programme Operator's management and control systems.

6.2 Verification of payment claims

Project promoters shall submit interim and final project reports containing information on project progress and incurred expenditure.

In line with point i) of Article 5.6.2 of the Regulation incurred expenditure reported shall be subject to administrative verifications before the report is approved. Verifications to be carried out shall cover administrative, financial, technical and physical aspects of projects, as appropriate, and be in accordance with the principle of proportionality. Examination of proof of expenditure related to the administrative verifications may be carried out on a sample basis.

Additionally, in line with point ii) of Article 5.6.2 of the Regulation on-the-spot verifications of projects, which may be carried out on a sample basis, shall be carried out.

The detailed procedure for verification will be further detailed in the description of the Programme Operator's management and control systems.

6.3 Monitoring and reporting

The Programme Operator shall monitor, record and report on progress towards the programme's outcomes in accordance with the provisions contained in the legal framework. The Programme Operator shall ensure that suitable and sufficient monitoring and reporting arrangements are made with the project promoters in order to enable the Programme Operator and the National Focal Point to meet its obligations to the Donors.

¹ The project contract may set suspensive conditions related to advance, interim and/or final payments. In justified cases, at the Programme Operator's discretion, a project promoter may receive extraordinary payments to ensure sufficient funds for the projects during the implementation so as to avoid any liquidity problems, provided that the Programme Operator has sufficient capacity to proceed with these payments.

² Retention may be applied at the end of the implementation or pro rata from each advance payment and interim payments.

When reporting on progress achieved in Annual and Final Programme Reports, the Programme Operator shall disaggregate results achieved as appropriate and in accordance with instructions received from the FMO.

6.4 *Programme administrative structures*
Not applicable

7. Communication

The Programme Operator shall comply with Article 3.3 of the Regulation, the Information and Communication Requirements in Annex 3 of the Regulation and the Communication plan for the programme.

8. Miscellaneous

Not applicable