

Guidance U-NKB-6/2019 to the Guideline for the Project Promoter and the Project Partner, version 1.0

Guideline for the Project Promoter and the Project Partner

EEA Financial Mechanism and Norwegian Financial Mechanism 2014-2021

Working translation

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1 SUBSTANTIVE DEFINITION

- 1) This Guideline guides the Project Promoter and the Project Partner in particular in the preparation of the project interim report, the application for a modification to the project and the Project Contract, the preparation and implementation of a public tender, the eligibility and proof of expenditure, mandatory information dissemination and publicity and provides information on what documents are needed in that context to be submitted to the Programme Operator.
- 2) Project Promoters are obliged to follow the procedures set out in this Guideline based on the concluded Project Contract. The Partners are obliged to follow the procedures set out in this Guideline on the basis of a Partnership Agreement entered into with the Project Promoter.

2 BASIC TERMS AND ABBREVIATIONS

2.1 Definitions

Terms used in this Guideline must be interpreted in accordance with Article 1.2 of the General Terms and Conditions issued under the Guidance of the National Focal Point no. U-NKB-3/2019 on contracts and agreements.

2.2 List of abbreviations

CA	Certifying Authority
ECS	Electronic contracting system
EC	European Community
EU	European Union
EEA FM	European Economic Area Financial Mechanism
FPR	Final Programme Report
IFR	Interim Financial Report
MFA KoN	Ministry of Foreign Affairs of the Kingdom of Norway
NFM	Norwegian Financial Mechanism
KoN	Kingdom of Norway
NFP	National Focal Point
SAO	Supreme Audit Office
AA	Audit Authority
ICR	Interim content report
IPR	Interim project report
RBM	Results Based Management
PO	Programme Operator
GAO	Government Audit Office

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NB	National budget
FMO	Financial Mechanism Office
PPO	Public Procurement Office
FMC	EEA Financial Mechanism Committee
APR	Annual programme report
FPR	Final project report

3 IMPLEMENTING RULES

- 1) This Guideline must be interpreted in conjunction with the current versions of the following documents, which form the Legal Framework of the EEA FM and the NFM (hereinafter the "Legal Framework"):
 - a) Memorandum of Understanding on the Implementation of the EEA Financial Mechanism 2014-2021;
 - b) Memorandum of Understanding on the implementation of the Norwegian Financial Mechanism 2014-2021;
 - c) Regulation on the Implementation of the EEA Financial Mechanism 2014-2021 and Regulation on the Implementation of the Norwegian Financial Mechanism 2014-2021 as amended (hereinafter referred to as the "Regulations");
 - d) Programme agreements entered into by and between the Financial Mechanism Committee / Ministry of Foreign Affairs of the Kingdom of Norway and the Government Office of the Slovak Republic on individual programmes;
 - e) Directives, guidances, guidelines and other documents as amended adopted after consultation with the Beneficiary States by the EEA Financial Mechanism Committee / Ministry of Foreign Affairs of the Kingdom of Norway concerning the implementation of the EEA Financial Mechanism and the Norwegian Financial Mechanism 2014-2021 as amended.
- 2) This Guideline must also be interpreted in conjunction with current versions of the following documents approved by a resolution of the Government of the Slovak Republic or issued by the EEA FM/NFM management and control entities, especially the National Focal Point, Certifying Authority, Audit Authority or the Programme Operator, and which, together with this Guideline and its annexes, constitute the Implementation rules:
 - a) Resolution of the Government of the Slovak Republic no. 146/2017 to the material titled System of Management of the EEA Financial Mechanism and the Norwegian Financial Mechanism in the programming period 2014 - 2021 (hereinafter referred to as the "Management System of the EEA FM and NFM"), which establishes the management and control systems applied in Slovakia in connection with financial mechanisms.
 - b) Resolution of the Government of the Slovak Republic no. 143/2017 to the material titled System of Financing and Financial Management of the EEA Financial Mechanism and the Norwegian Financial Mechanism for the programming period 2014 - 2021, which lays down the financial measures applied in Slovakia in connection with the financial mechanisms.
 - c) Guideline of the Government Office of the Slovak Republic no. U-NFP-1/2017 on irregularities and the rules on funding the financial corrections applied for within the framework of the EEA Financial Mechanism and the Norwegian Financial Mechanism (hereinafter referred to as the "NFP Guideline on Irregularities"),

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- d) Guideline of the Government Office of the Slovak Republic no. U-NFP-3/2019 on contracts and agreements (hereinafter referred to as the “NFP Guideline on contracts and agreements”),
- e) Guideline of the Government Office of the Slovak Republic no. U-NFP-5/2019 on forms (hereinafter referred to as the “NFP Guideline on Forms”),
- f) other guidelines, guidance, instructions and other documents issued by the management and control bodies for the implementation of the EEA FM/NFM.

4 PUBLIC PROCUREMENT

- 1) Project Promoters and Slovak Partners are obliged to proceed in accordance with the currently valid wording of the Act of the National Council of the Slovak Republic on the process of Public Procurement (hereinafter referred to as the “Public Procurement Act”) when awarding contracts to be financed from a project grant. Foreign partners are obliged to proceed in accordance with the valid national legislation of the partner country.
- 2) In cases where the contract is not covered by applicable public procurement legislation or where the value of the contract awarded as part of the project implementation is lower than the national or European Union thresholds for public procurement procedures, the award of the contract (including pre-award procedures) and the contractual conditions of such contract must comply with best economic practices, including (legal) liability, they must allow full and fair competition between potential contractors, for example by comparing actual prices, and they must ensure the optimal use of EEA and Norway Grants resources.
- 3) Public procurement documentation for foreign Project Partners is not submitted to the Programme Operator for inspection. The documentation in question may be subject to an on-the-spot audit or may be requested by the Programme Operator.
- 4) Public procurement is not subject to audit by the Programme Operator if the related expenditure is substantiated by an audit report.
- 5) Public procurement is not subject to audit by the Programme Operator either if the amount of expenditure declared in the individual project interim reports does not exceed EUR 20 000 or 25% of the contract value.
- 6) Subject to audit by the Programme Operator is not the obligations of the contracting authority which do not affect the result of the process of public procurement.
- 7) If the contract price does not exceed EUR 5 000 excluding VAT, this Guideline does not set out further procedures and rules for awarding such contracts. This is without prejudice to the obligation of the Project Promoter to ensure compliance with the principle of economy and to demonstrate in an appropriate manner, upon request, that the principle of economy has been complied with. The suitable way may constitute, e.g. information obtained by the Project Promoter during its process of reviewing compliance with the principle of economy. The Programme Operator is also entitled to require the Project Promoter to submit an expert opinion in order to prove the cost-effectiveness of the expenditure.
- 8) Infringements that may affect the outcome of the public procurement shall be assessed by the Programme Operator in accordance with EC Decision C (2019) 3452 determining financial corrections to be applied to expenditure financed by the Union in case of non-compliance with applicable public procurement rules (EC Decision on financial corrections”). The document is published on the website www.eegrants.sk in the "Basic documents" section.

4.1 Pre - tender audit

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- 1) Submission of the bid for audit before the announcement of a public tender is voluntary.
- 2) Prior to announcing a public tender, the Project Promoter is entitled to submit the following documentation to the Programme Operator:
 - a) the method of calculating the estimated contract value,
 - b) normal availability test,
 - c) participation conditions,
 - d) draft-contract.
- 3) Audit by the Programme Operator is voluntary. The Programme Operator shall notify the Project Promoter of whether it shall proceed with the audit usually within five (5) business days of receipt of the complete documentation.
- 4) If the Programme Operator carries out an audit, it normally notifies the Project Promoter of its recommendations within twenty (20) business days of receipt of the complete documentation.

4.2 Pre-contractual audit

- 1) Prior to concluding a contract with the successful bidder, the Project Promoter shall submit for inspection all public contracts the estimated value of which exceeds EUR 5 000. It shall submit the documentation via an electronic link to the published documents or to the repository from which the documents can be downloaded.
- 2) If the estimated contract value does not exceed EUR 20 000, the Programme Operator shall, usually within the period of five (5) business days of receipt of the complete documentation, notify the Project Promoter whether it shall proceed with the audit.
- 3) The Programme Operator shall notify the Project Promoter by means of an administrative financial audit report usually within thirty (30) business days of service of the complete documentation on whether it is possible to enter into a contract.
- 4) If deficiencies with an impact or a possible impact on the result of the public procurement are identified, the Programme Operator shall prepare a draft report on administrative financial audit, to be sent to the Project Promoter in accordance with the Financial Control and Audit Act as amended.
- 5) If the deficiencies persist after any objections of the Project Promoter to the draft administrative financial audit report have been evaluated, the Programme Operator shall state in its administrative financial audit report that it does not recommend the contract be concluded. In such case, the Project Promoter or the Partner is obliged to repeat the contract awarding procedure.
- 6) If the contract awarding procedure cannot be repeated due to time constraint or for any other reason, the Programme Operator shall decide on a financial correction in accordance with the EC Decision on determination of financial corrections.
- 7) The above provisions shall apply mutatis mutandis to contracts concluded via the Electronic Contracting System.

4.3 Post-contractual audit

- 1) The Project Promoter shall send the Programme Operator a reference to the contract published as a result of the public procurement within five (5) business days of the conclusion thereof.
- 2) If the contract is concluded in accordance with the draft contract, which formed an integral part of the procurement documentation, the Programme Operator shall announce by means of an

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administrative financial audit report within a period of usually twenty (20) business days that it has no comments on the concluded contract.

- 3) If the contract has not been concluded in accordance with the draft contract which formed an integral part of the procurement documents, the Programme Operator shall propose, within the same period as above, by means of a draft administrative financial audit report, the measures to be taken.
- 4) If it is not possible to adopt the proposed measures due to time constraints or for any other reason, the Programme Operator shall decide on a financial correction in accordance with the EC Decision on determination of financial corrections.
- 5) The above provisions shall apply mutatis mutandis to contracts concluded via the Electronic Contracting System.

4.4 Review of the draft amendment to the contract

- 1) The Project Promoter is obliged to send the Programme Operator a draft amendment to the contract concluded as a result of the public procurement if the estimated value of the contract exceeds EUR 5 000 and if the amendment is to modify the contract substantially.
- 2) If the estimated contract value does not exceed or is not expected to exceed the amount of EUR 20 000 excluding VAT, the Programme Operator shall notify the Project Promoter within a period of five (5) business days of whether it shall proceed with reviewing the draft amendment to the contract.
- 3) If it is possible to adopt the amendment, the Programme Operator shall announce by means of the administrative financial audit report within a period of usually thirty (30) business days that it has no comments on the draft amendment.
- 4) If deficiencies with the impact or the possible impact on the compliance of the amendment with the Legal Framework, the Implementation Rules or the Slovak and EU legislation are identified, the Programme Operator shall prepare a draft administrative financial audit report within the same period, to be sent to the Project Promoter in accordance with the Financial Control and Audit Act as amended.
- 5) If the deficiencies persist after any objections of the Project Promoter to the draft administrative financial audit report have been evaluated, the Programme Operator shall state in the administrative financial audit report that it does not recommend the amendment be concluded.
- 6) If it is not possible to adopt the proposed measures due to time constraints or for any other reason, the Programme Operator shall decide on a financial correction in accordance with the EC Decision on determination of financial corrections.
- 7) The above provisions shall apply mutatis mutandis to contracts concluded via the Electronic Contracting System.

4.5 Post-amendment audit

- 1) Within a period of usually five (5) business days of the amendment to the contract, the Project Promoter shall send the Programme Operator a reference to the published amendment to the contract.

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- 2) If the amendment is entered into in accordance with the draft amendment, the Programme Operator shall announce by means of the administrative financial audit report within a period of usually twenty (20) business days that it has no comments on the amendment.
- 3) If the amendment has not been concluded in accordance with the draft amendment, the Programme Operator shall propose within the same period by means of a draft administrative financial audit report the measures to be adopted.
- 4) If it is not possible to adopt the proposed measures due to time constraints or for any other reason, the Programme Operator shall decide on a financial correction in accordance with the EC Decision on determination of financial corrections.
- 5) The above provisions shall apply mutatis mutandis to contracts concluded via the Electronic Contracting System.

4.6 Factual audit of public procurement

- 1) Those instances of public procurement where the contract was awarded before the Project Contract, or those instances of public procurement where the Project Promoter failed to submit the contract to the Programme Operator in accordance with the procedures set out in the previous chapters, shall be subject to a procurement audit.
- 2) The Programme Operator shall proceed with a public procurement audit within a period of usually thirty (30) business days of receipt of the complete documentation before the end of the approval process of the relevant project interim report, which, if it is a first-time report, shall include expenditure of the public procurement in question.
- 3) The Programme Operator may decide that the related expenditure shall be excluded from the relevant interim financial report, with the Project Promoter being entitled to include it in one of the subsequent project interim reports after the audit has been completed.
- 4) The Programme Operator may decide that the project funding shall be suspended until the end of the procurement audit.
- 5) Throughout the public procurement audit the administrative financial audit of the project interim report is suspended, as are the time limits.
- 6) The procedures set out in the previous chapters shall apply as appropriate to such instances of public procurement.

4.7 Objections of the Project Promoter

- 1) If the Project Promoter does not agree with the measures set out in the draft administrative financial audit report, it may submit objections within a specified period and substantiate them by applying the methodological guidelines or decisions of the Public Procurement Office ("PPO") in a similar matter, published at the PPO website, or also by methodological guidelines issued at the request of the Project Promoter.
- 2) To prove the legality and correctness of its procedures, the Project Promoter (or the Partner) may request an inspection be carried out by the Public Procurement Office, or where relevant, the internal audit body of the contracting authority, stating in its complaint all the reasons which, according to the Programme Operator, have an impact on the legality of the public procurement.
- 3) The methodological guidances of the PPO are not binding on the Programme Operator.

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- 4) Decisions of the PPO are binding on the Programme Operator if they are issued directly on the subject matter.

4.8 Special provisions governing contract amendment

- 1) In any case, the Project Promoter and the Partner shall notify the Programme Operator of changes to the bill of material or the detailed budget of the items of the subject of the contract, including the justification therefor, in the following cases:
 - a) if the item in the winning bidder's bid changes from the item in the tender documents,
 - b) if the item in the draft contract changes from the winning bid,
 - c) if the item in the concluded contract changes compared to the draft contract,
 - d) if the item in the draft amendment changes compared to the concluded contract.
 - e) if the item in the amendment changes from the draft amendment.
- 2) The total price, as quoted by the winning bidder in the procurement process, should not be raised, except in cases of force majeure. Therefore, the Programme Operator assumes in theory that:
 - a) an implementation project has been prepared prior to the public procurement announcement,
 - b) the only reason the Programme Operator shall take into consideration as unforeseeable circumstances causing a possible increase in price¹ is force majeure,
 - c) any other unforeseeable circumstances that would increase the price shall not be financed by the project grant and shall be borne by the Project Promoter or the Partner and covered from their additional resources.
- 3) The provisions of the preceding paragraph shall not apply if the change of contract is triggered by a request from the Programme Operator or other audit bodies to change the project. Such requirement shall be automatically considered an unforeseeable circumstance and the price may increase. The Programme Operator and the Project Promoter shall discuss how to implement this change so as not to increase the project's eligible costs. The process by which this change is implemented must comply with the Public Procurement Act.

4.9 Special requirements for supplier contracts

- 1) All contracts entered into as a result of a public tender by and between the Project Promoter / Partner and the winning bidder must, in addition to the standard contractual provisions, contain:
 - a) A provision according to which the contractor is obliged to provide the authorized entities with full access to the contractor's project-related bookkeeping, e.g.:

"The Contractor undertakes to allow all audit bodies, including the Ministry of Investments, Regional Development and Informatization of the Slovak Republic, the Ministry of Finance of the Slovak Republic, the Financial Mechanism Office, the Ministry of Foreign Affairs of the Kingdom of Norway, the Financial Mechanism Committee, the Auditor General of the Kingdom of Norway and other audit bodies and competent authorities to carry out audits in accordance with the relevant legal regulations of the Slovak Republic, plus all the entities authorized by these institutions to perform inspections of documents related to the performance of this contract, for the entire period of mandatory archiving of these documents, set out in accordance with applicable Slovak legislation."

¹ The price in this context represents the total price of the work

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- b) Identification of the project name and the source of funding, i.e. EEA Grants or Norway Grants and the state budget of the Slovak Republic, e.g.:
"This contract is concluded within the project titled Restoration of the XY Cultural Monument, financed by the EEA / Norway Grants and the state budget of the Slovak Republic."
 - c) A provision according to which the contractual parties are aware of the fact that the contract, as well as any amendments thereto, may be published on the website of the Programme Operator.
- 2) In the case of contracts concluded through the ECS, the Project Promoter is obliged to state the above provisions in the specific requirements. The National Focal Point does not recommend that contracting authorities choose the option of the contract funding from the EU funds from among the ECS options. The EEA Financial Mechanism and the Norwegian Financial Mechanism are not EU funds and are not covered by the Act on the Contribution from the European Structural and Investment Funds, as amended.
 - 3) It is recommended the contract stipulate a contractual penalty and the possibility of claiming damages by the Project Promoter or the Partner if the conditions for full access to the contractor's accounts have not been complied with or it is shown that the contractor has engaged in collusion as defined by this Guideline or otherwise illegally influenced the selection of a winning bidder, in particular if the Project Promoter shall be obliged to return the awarded project grant or a part thereof as a result of these facts.
 - 4) The provisions of this chapter shall also apply to low-value contracts where a contract is entered into.

4.10 Public procurement audits conducted out by other control bodies

- 1) The Project Promoter shall immediately inform the Programme Operator of the commencement of a public procurement audit by other authorities, in particular, but not exclusively, by the PPO.
- 2) The Project Promoter is obliged to inform the Programme Operator on an ongoing basis about the entire course of the public procurement audit. The Programme Operator may cooperate in drawing up the Project Promoter's submissions.
- 3) The Project Promoter is obliged to submit a decision or a final audit report to the Programme Operator within 5 business days of the end of the audit.
- 4) The Programme Operator may decide that the related expenditure shall be excluded from the relevant interim financial report, with the Project Promoter being entitled to include them in one of the subsequent project interim reports after the audit has been completed.
- 5) The Programme Operator may decide that the project funding shall be suspended until the end of the procurement audit.

4.11 Collusive conduct in public procurement

- 1) The Donor States and the National Focal Point consider conflicts of interest, as well as the coordination of bids in public procurement, to be corrupt practices which they respond to with zero tolerance.
- 2) In this context, a conflict of interest means any, even potential, interconnections between the contracting authority and the bidder or its subcontractors. In particular, it may be prior mutual cooperation in the preparation of the project or its part, in the preparation of tender documents

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in public procurement, family, property or other links between persons on the part of the bidder and on the part of the public contracting authority.

- 3) Collusive conduct means any cooperation between the bidders in the public tender, between the persons involved in the public procurement process and other actors, whether with or without the knowledge of the contracting authority. Specifically, it may involve a price agreement, a market-sharing agreement, a bid rigging agreement and other practices.
- 4) The Project Promoter is obliged to prevent collusion in all types of economic competition by all available legal means. When detecting collusion, it is recommended to study the publications published by the Antimonopoly Office of the Slovak Republic [at https://www.antimon.gov.sk/bid-rigging/](https://www.antimon.gov.sk/bid-rigging/).
- 5) No person with personal or property interconnection with the bidders may be a member of the commission for assessing the fulfilment of the conditions for participation in or the commission for the evaluation of tenders.
- 6) The Project Promoter is obliged to submit a completed table for each public procurement with an estimated contract value of more than EUR 20 000 (excluding VAT) in accordance with Annex No. 1 of this Guideline - Table for verification of conflict of interest and bid coordination.
- 7) The Programme Operator shall reduce the project grant and shall request the awarded grant, or a part thereof be refunded, in particular if:
 - a) the Project Promoter or the Partner has not identified obvious cases of collusion and conflict of interest, such as similarity of unit prices, the same spelling errors, similarity of templates used, of fonts, electronic file metadata and other indications mentioned in 4.11.1,
 - b) the Project Promoter or the Partner approached the bidders or candidates in a way that allowed the individual entities to find out about the participation of other bidders or participants in the tender,
 - c) the Project Promoter or the Partner made it possible for the bidders to meet in person, e.g. during the inspection of the place of implementation.
- 8) In the event the Project Promoter has documentary evidence proving collusion or a suspicion of collusion, it is obliged to inform the Programme Operator of this without delay.
- 9) The Programme Operator shall notify the Project Promoter of its opinion on whether it shall consider the expenditure incurred by the public tender in question ineligible in full or in part.
- 10) Based on the opinion of the Programme Operator, the Project Promoter may subsequently decide whether to cancel the announced public tender, provided the Public Procurement Act allows it.
- 11) If the Project Promoter does not agree with the opinion of the Programme Operator, it may request guidance from the Antimonopoly Office of the SR, with the obligation of stating all the comments of the Programme Operator.
- 12) The provisions of this section also apply to public procurement carried out before the project contract has been signed.

4.11.1 Indications of conflict of interest and collusion

- 1) The basic indications of the existence of a conflict of interest or collusion of entities include the following:
 - a) in proving their compliance with the tender conditions, the bidders use the understandings of the same third parties or the same entities are identified as subcontractors,
 - b) property or personal links exist between the bidders,
 - c) some bidders submit their bids repeatedly, but are never successful,

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- d) two or more bidders submit a joint bid (as a group of suppliers), but at least one of them is sufficiently qualified to submit a bid on its own,
 - e) submission of a shadow ("cover") bid,
 - f) low number of bids / requests to participate,
 - g) suspicious pricing schemes,
 - h) suspicious indications in public procurement documentation, such as:
 - i) the documents contain the same handwriting, typeface, the same form or the same office supplies have been used (e.g. bids are signed with the same ink, on the same office paper),
 - ii) the same errors in individual documents, e.g. spelling errors, printing errors (same smudges from the printer), mathematical errors (same miscalculations),
 - iii) identical irregularities, e.g. the order of documents in the bid with reversed pages, incorrect numbering of pages,
 - iv) documents in electronic form show that they were created or edited by a single person,
 - v) envelopes from different bidders have similar postage stamps, they were sent from one and the same post office, they have the same postage marks and stamps, the same manuscript appears on the delivery slips, the stamp duty numbers in different offers follow each other,
 - vi) several bids (or any other documents, e.g. requests for explanations of tender documents) are sent from the same e-mail address, from the same fax number or at once via one courier,
 - vii) the bids contain a large number of last-minute corrections such as erasures, crossings out or other physical alterations,
 - viii) one bidder's bids contain a clear reference to the bids of other competitors, the fax number of another bidder appears in the header or they use a competitor's letterhead,
 - ix) bids of several bidders contain a substantial number of the same cost estimates per individual item,
 - x) rotation of successful bidders by region, type of service, goods or job,
 - xi) the unsuccessful bidder is engaged as a subcontractor by the successful bidder.
- 2) For more information, we recommend referring to publications published by the Antimonopoly Office of the SR, e.g. Cartel agreements in public procurement, or the OECD publications <http://www.oecd.org/competition/cartelsandanti-competitiveagreements/fightingbidrigginginpublicprocurement.htm> and in particular the Guidelines for Fighting Rigging in Public Procurement (<https://www.oecd.org/daf/competition/cartels/42851044.pdf>)

4.12 Mandatory disclosure

- 1) If the Project Promoter or the Partner is not obliged to publish the concluded contract according to the Act on Free Access to Information or the Civil Code, they shall publish the contracts, including amendments thereto, concluded as a result of the public procurement on the project's domain or website.
- 2) The Programme Operator may publish contracts and the amendments thereto on its website.
- 3) The provisions of this section also apply to those public tenders that had been carried out in direct connection with the project before the Project Contract was signed. In direct connection means in a situation where at least 25% of the value of the contract is financed by a project grant.

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4.13 Economy and result of public procurement

- 1) In case of doubts about the economy of the contract, the Programme Operator is entitled to require the Project Promoter to prove the economy of the contract, based on stable market prices, expert opinions and other standard tools used in budgeting and pricing, e.g. market survey, etc.
- 2) The Programme Operator is also entitled to use these methods of its own initiative and to determine the maximum amount of expenditure it considers eligible under the contract in question.
- 3) In determining the maximum amount of eligible expenditure under the previous clause, the Programme Operator shall take into account that the procurement process does not guarantee that the lowest price available on the market is achieved. The relationship between the market price and the unit prices established in the procurement process shall be assessed by the Programme Operator in a sufficiently flexible manner, including a possible limited deviation from the market price.

4.14 Special provisions for low-value contracts

- 1) With regard to contracts defined by the Public Procurement Act as low-value contracts, the Project Promoter must comply with the rules set out in the Public Procurement Act and this Guideline and ensure the economy of the goods, services or works procured.
- 2) If the price of a low-value contract does not exceed EUR 20 000 excluding VAT, the Project Promoter is entitled to award the contract to the supplier of its choice, in accordance with the principle of proportionality, provided that the price does not exceed the estimated contract value and the conditions laid down in the Public Procurement Act are met. The Project Promoter is obliged to document the economy of the contract by one of the following procedures:
 - a) submission of data and information on at least three contracts for the same or a comparable subject matter, e.g. from the Central Register of Contracts or the Electronic Contracting System. Relevant price quotation means a price quotation submitted for the entire subject matter of the contract, or a separate part thereof, if dividing the contract into parts is allowed, and the contract should not be concluded later than two years after it was awarded or after the contract was submitted for audit to the Programme Operator,
 - b) where it concerns construction work, economy can be declared through a certified construction price list expert,
 - c) expert opinion, requiring that the professionalism,² independence³ and impartiality of⁴ the expert be proved,
 - d) act of an expert⁵,

² Professional competence means demonstrable experience in the field of a reasonable length, usually at least 3 years, declared by a resumé and, optimally, verifiable from publicly available sources. For the purposes of this part, an expert may also be a legal entity, e.g. another company operating in the given sector, the Project Promoter / Partner contacts to assess the cost-effectiveness of the submitted price quotation / contract value

³ Independence means a situation where the expert has no property, personal or other similar ties to the Project Promoter or the Project Partner, that could jeopardize the independent performance of its function

⁴ Impartiality means a situation where the expert has no property, personal or other similar ties to the winning bidder (selected supplier), or any interest in the contract award

⁵ Pursuant to Act no. 382/2004 Statutes, acts of expert activity are, in particular, an expert opinion and its supplement, an expert statement or confirmation and an expert representation and explanation. Requirements of an expert opinion are regulated by Act no. 382/2004 Statutes and its Implementing Decree no. 228/2018 Statutes.

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- e) other procedures defined by the Public Procurement Act in determining the estimated value of the contract.
- 3) Project Promoters who are prevented from applying direct selection by the organisation's bylaws shall be entitled to comply with those bylaws, provided that they meet the conditions set out in clauses 1 and 2 of this Chapter.
- 4) If the contracting authority has invited several economic entities to submit their bid for the **purpose of awarding the contract**, it is obliged to ensure compliance with the principles of equal treatment and non-discrimination and to this end submit the Table for verification of conflict of interest and bid coordination (Annex 1 to the Guideline).
- 5) The Programme Operator is entitled to veto the selection of a supplier, especially if it finds that in several projects, the same company or a company connected with this company appears as the selected supplier.
- 6) If the estimated value of a low-value contract exceeds EUR 20 000 excluding VAT, the Project Promoter shall proceed as follows:
 - a) Information on awarding the contract, including all tender documents, as well as any subsequent modifications (editorial corrections), must be published on its website. It shall also send the information to the Programme Operator for publication.
 - b) The winning bidder must be selected on the basis of predefined criteria published in the contract award notice. If the criterion is not exclusively the lowest price, it is recommended to consult the draft criteria with the Programme Operator before publishing the contract award information.
 - c) It shall send the contract award information to at least five potential suppliers.
 - d) For the purposes of price comparison, it must obtain at least three relevant price quotations and verify that there is no collusion. A relevant price quotation is understood to be a quotation meeting the basic conditions for participation set out in the previous chapter. This is without prejudice to the provisions on the possibility of using the reverse procedure. In exceptional cases, in particular for the procurement of goods which may be considered rare, the number of quotations received may be lower subject to approval by the Programme Operator.
 - e) The time limit for submitting bids may not be less than 10 business days of the contract award notice publication.
- 7) In the event of awarding contracts in accordance with the previous clause, the Project Promoter shall submit to the Programme Operator:
 - documentation for determining the estimated value of the contract,
 - information on awarding the contract and complete tender documents,
 - all the quotations received,
 - communication through which it informed potential suppliers of contract awarding,
 - any requests for clarification and any explanations provided, including documents demonstrating that this information has been provided to all interested parties. It shall publish the explanation in the same way as it published the contract award information.
 - the minutes from the bids' evaluation,
 - the Table for verification conflict of interest and bid coordination (Annex 1 to the Guideline),
 - draft contract with the winning bidder.
- 8) The entire documentation from the public procurement process shall be sent by the Project Promoter to the Programme Operator before the contract is signed.
- 9) It is recommended to use the so-called reverse procedure, i.e. to ask the candidate or the bidder to prove it has met the participation conditions by submitting only an affidavit in which it shall list specific documents proving the fulfilment of the conditions before the contract is concluded.
- 10) It is recommended all communication take place exclusively in electronic form.

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4.14.1 Special provisions for low value contracts for social and other services

- 1) With regard to low-value contracts, the subject matter of which are social services and other special services listed in Annex no. 1 to the Public Procurement Act, the Project Promoter may negotiate directly with the potential supplier, which it chooses on the basis of objectively measurable indicators of quality, geographical location, availability or previous experience or other requirements unique to the type of contract.
- 2) The economy and the estimated value of the contract must be demonstrated by the submission of list prices (with regard to hotel and restaurant services), list prices or data and information on previous performance (with regard to administrative, social, educational, health and cultural services or services that are not excluded from the scope covered by the Public Procurement Act). With regard to other types of services not listed here, included in Annex no. 1 to the Public Procurement Act, it is recommended to proceed similarly when proving their economy.
- 3) With regard to mixed contracts, which include not only services or goods listed in Annex no. 1 to the Public Procurement Act, it is recommended to proceed with caution and to procure them in accordance with this chapter only if they are inextricably linked and objectively form an indivisible whole. For example, accommodation for conference participants, transport services for the conference and refreshments for conference participants can be considered such inseparable services. If the estimated value of the services listed in Annex no. 1 to the Public Procurement Act is higher than other services or goods, then it is possible to award such mixed contract as a service contract listed in Annex no. 1 to the Public Procurement Act.
- 4) Before the contract with the supplier is signed, the complete documentation shall be submitted by the Project Promoter to the Programme Operator. The complete documentation must contain:
 - a) Documentation for the purpose of verifying the economy and determining the estimated value of the contract (if this contract includes other services than those listed in Annex 1 to the Public Procurement Act, then the documentation must include a quantification of services listed in Annex 1 to the Public Procurement Act procurement and other services or goods).
 - b) Documents proving the eligibility to supply the subject matter of the contract.
 - c) Documents proving the criteria on the basis of which the supplier in question was selected.

4.15 Manner of conducting market survey to prove the economy and the expected value of the contract

- 1) If the Project Promoter carries out a market survey for the purposes of demonstrating cost-effectiveness and determining the estimated value of the contract, it is obliged to obtain at least three relevant bids for the purposes of their mutual comparison. Relevant bids are those submitted for the entire subject matter of the contract by the bidder authorized to supply the goods, services or construction works which are the subject matter of the contract.
- 2) The Project Promoter / Partner shall carry out market survey from Internet browsers, online stores, catalogues or price lists identifying at least three entities that supply the required goods, services or construction works. Each entity addressed must be registered in the Trade Register of the SR or the Companies House of the SR (or in other registers or lists of entities authorised to perform certain activities) and its line of business (performed activity) must be in accordance with the subject matter of the contract.
- 3) It is necessary to document the market survey in writing (to print prices from the Internet, with conditions and price, or to save the quoted price in a written form). Minutes of the market survey

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shall be drawn up, containing a description of all the steps of the market survey that have been taken, in particular:

- a) definition of the subject matter of the contract (it must be clear which item of the project budget is dealt with),
- b) the manner in which the market survey was carried out (in writing, online, etc.), including the date and time and the identification of the person who carried out the market survey,
- c) information on the suppliers approached, representation of prices and their mutual comparison, or mutual comparison of the quality and price ratio.

4.16 Provisions on exemptions from the Public Procurement Act

1. The Project Promoter is obliged to request the consent of the Programme Operator with awarding the contract that is not covered under the scope of the Public Procurement Act pursuant to § 1 para. 12 of the Act (so-called exempted sub-threshold contracts and exempted low-value contracts).
2. The Project Promoter shall not request the consent of the Programme Operator if the subject matter of the contract or most of it is to be the services listed in Annex no. 1 to the Public Procurement Act.
3. The Project Promoter shall send electronically the contract concluded with the contractor to the Programme Operator no later than within the framework of the project interim report, in which the related expenses are settled for the first time.

5 SURETY INSTITUTES AND PROPERTY INSURANCE

5.1 Forms of securing liabilities or future receivables

- 1) To secure the obligations arising from the Project Contract, the Programme Operator may use the institute of retention, which is directly regulated in the Project Contract.
- 2) To secure receivables that may arise in the future, the Programme Operator may use surety institutes, which require the conclusion of a separate contract with the Project Promoter or with the Project Promoter and a third party, in particular:
 - a) Lien agreement
 - b) Bank guarantee
 - c) Third party guarantee
 - d) Other forms of security
- 3) A "lien agreement" is an agreement that is drafted by the Programme Operator at the request of the Project Promoter.
- 4) The subject matter of the agreement is the establishment of a lien on the Project Promoter's property, the Partner's property or the property of third parties on behalf of the Programme Operator.

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- 5) Unless otherwise specified by the Financial Mechanism Committee / Ministry of Foreign Affairs of the Kingdom of Norway, assets acquired or appreciated in value as a result of a project grant may not be the subject matter of the lien, unless the purpose of establishing a lien is to ensure compliance with Article 8.6.1. point (d) of the Regulation.
- 6) A lien agreement is concluded between the Programme Operator and the person who owns property that is the subject matter of the lien agreement or has a title thereto, i.e. the Project Promoter, the Partner or a third party.
- 7) If a person with the ownership of the property that is the subject matter of the lien agreement or a title thereto is not the Project Promoter, the lien agreement is concluded with all three entities as parties thereto, i.e. the Programme Operator as the lien creditor, the lien-giver and the Project Promoter.
- 8) The Project Promoter, the Partner or a third party may pledge:
 - a) Movable and immovable property purchased in whole or in part from a project grant, subject to meeting the conditions set out in point 5 of this Chapter.
 - b) Other movable or immovable property, i.e. things for which the ownership title is fully established; this means that the owner or all co-owners of the item are known and the sum of their co-ownership shares in the item that is the subject matter of the lien is 1/1.
- 9) If the project grant does not exceed EUR 500 000, a bank guarantee may be used to secure the claims of the Programme Operator.
- 10) Up to 6% of the total eligible project expenses can be attributed to fees related to the bank guarantee.
- 11) The amount of the bank guarantee must be determined gradually and with an emphasis on the highest possible efficiency, i.e. the Project Promoter is obliged to adjust the bank guarantee always before providing the next advance payment. Fees related to the change in the bank guarantee are eligible.
- 12) A bank guarantee is a transitional instrument that may be used especially during the project implementation period. In order to avoid the Project Promoter having to bear the expenditure related to the bank guarantee throughout the sustainability of the project, it is recommended that it gradually switch to guarantees in the form of a lien agreement.
- 13) A third party guarantor is permitted if the guarantor is an entity from which it is possible to satisfy the claim by tying up budget funds in accordance with § 18 of Act no. 523/2004 Statutes on budgetary rules of public administration.
- 14) In exceptional cases, the Programme Operator may agree to other forms of guarantee that will provide sufficient assurance to the Programme Operator that its potential claims shall be satisfied.

5.2 Property insurance policy

- 1) The Project Promoter is obliged to buy a property insurance policy to cover the property purchased in whole or in part from the project grant funds or appreciated in value as a result of those funds to secure the same from damage, destruction, loss, theft or other damage, immediately after its acquisition or appreciation in value, while the property must be insured for the entire term of the Project Contract.

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- 2) The Project Promoter is not obliged to purchase an insurance policy to cover assets procured from the project grant the unit value of which is less than EUR 5 000 and the aggregate value of which is less than 3% of the project grant or EUR 25 000, whichever is lower, unless the Project Contract provides otherwise.
- 3) The Project Promoter is not obliged to insure property with a useful life of less than one year, unless the Project Contract provides otherwise.
- 4) The Project Promoter is obliged to adequately compensate the property from additional own resources in the event of damage, destruction, loss, theft or other damage.

6 TIME LIMITS, COMMUNICATION AND LANGUAGE

6.1 Time limits

- 1) The time limits preceded by an invitation from the Programme Operator to perform a certain action shall run from the day following the service of such invitation to the Project Promoter. If the invitation is sent both electronically and as a letter, the time limit is calculated from the day following the date of receipt of the letter.
- 2) The day the mail consignment is delivered to the Programme Operator is the day of registration of the consignment at the office of the Programme Operator's secretary in the event of personal service or service by post / courier.
- 3) The time limits applicable to the Programme Operator, the running of which is preceded by the delivery of the consignment from the Project Promoter, shall run from the day following the delivery. If delivery is to be made both electronically and as a letter, the time limit is calculated from the day following the date of receipt of the letter.
- 4) During the period of suspension of approval of the project interim report, suspension of project grant payment, suspension of project implementation, on-the-spot financial audit, objections to irregularities mentioned in the draft administrative financial audit report and other cases mentioned in this Guideline, the Project Contract, Legal Framework or the Implementation Rules, the time limits applicable to the Programme Operator are suspended.
- 5) In justified cases, the Programme Operator is entitled to extend all time limits specified in this Guideline, if these time limits are not directly stipulated in the text of the Project Contract.

6.2 Communication

- 1) The contact person is a person who continuously communicates with the Programme Operator about the day-to-day matters of the project implementation.
- 2) If the contact person is not a statutory representative, this person must be authorized by the statutory representative to communicate and act within the implemented project scope. Without authorization, this person is not entitled to submit documents to the Programme Operator or to eliminate any irregularities in these documents.
- 3) The Project Promoter is the only entity authorized to act in relation to the Programme Operator. The partner may communicate with the Programme Operator only through the Project Promoter.

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- 4) The Programme Operator is entitled to communicate with the Partner directly. The Partner is responsible for ensuring that the Project Promoter is informed of this communication.

6.3 Language

- 1) Unless the Project Contract provides otherwise, the documents submitted by the Project Promoter to the Programme Operator or other authorized persons must be in Slovak, Czech or English.
- 2) The Project Promoter shall ensure that documents submitted to the Programme Operator or other authorized persons in other languages are accompanied by a translation into one of the languages referred to in clause 1 of this Chapter. The Project Promoter is fully responsible for the accuracy of the translation, as well as for any consequences resulting from the incorrectness of the translation.
- 3) Based on the request of the authorized person, the Project Promoter shall provide for the translation of documents into the language according to the requirements of the authorized person or the presence of persons able to communicate adequately in the language required by the authorized person.

7 PARTNERSHIP AND RESPONSIBILITY

7.1 Project Partner

- 1) The implementation of the project is the responsibility of the Project Promoter.
- 2) The Project Promoter shall transfer part of its responsibility to the Partner through a Partnership Agreement. This is without prejudice to the Project Promoter's liability towards the Programme Operator.
- 3) The Programme Operator shall assert all claims, if any, with the Project Promoter, regardless of whether these claims arose as a result of the Partner's actions, and regardless of the Partner's country or legal form.
- 4) A foreign partner is understood to be a partner whose registered office is located outside the territory of the SR.
- 5) In the case of the EEA FM, the Donor Partner of the project is a partner from Norway, Iceland or Liechtenstein, in the case of the NFM a partner from Norway.
- 6) Withdrawal of the partner from the project constitutes a substantial modification of the project.

7.2 Collaborating organizations

- 1) A collaborating organization is an entity that is not a Project Partner but is involved in the project's implementation.

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- 2) The collaborating organization must not act in a way as to jeopardize the implementation of the project or the reputation of the EEA / Norway Grants.
- 3) In the event that the collaborating organization commits acts jeopardizing the implementation of the project or damages the reputation of the EEA / Norway Grants, such conduct may result in the Project Promoter's obligation to refund all or part of the project grant.
- 4) The partnership between the Project Promoter and the collaborating organization does not have to be formalized, but it is recommended a contractual relationship is established, with the following provisions:
 - a) unambiguous reference to the project,
 - b) definition of the Parties' responsibilities,
 - c) the Partner's obligation to refrain from any action that could damage the reputation of the EEA / Norway Grants or jeopardize the implementation of the project,
 - d) provisions enabling the Project Promoter to claim compensation for damage caused by the Partner's actions,
 - e) restriction of participation in public procurement carried out by the Project Promoter or the Partners with financial participation in the project.
- 5) Withdrawal of the cooperating organization from the project is not considered a substantial modification of the project.

8 FINANCIAL AND INFORMATION FLOWS

8.1 Financial flow system

- 1) The system of financial flows for a given project is specified in the Project Contract.
- 2) The project is funded in accordance with the System of Financing and Financial Management, the Programme Agreement and the Programme Implementation Agreement, if concluded.
- 3) The project may be financed according to the decision of the Programme Operator as:
 - a) Advance payment system,
 - b) Reimbursement system.

8.2 System of advance payments

- 1) If the project is financed through an advance payment system, not only an advance payment but also the interim payments can be paid through this system.
- 2) Programme Agreements set caps for advance and interim payments. Through the advance payment system, the Programme Operator is entitled to provide advance or interim payments up to the maximum amount specified in the Programme Agreement.
- 3) Where funds are paid out through both the advance payment system and the reimbursement system as part of an interim payment scheme, the part of the payment paid through the advance payment system may not exceed the cap of the relevant interim payment.

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- 4) The actual amount of the advance payment is usually to be specified in the Project Contract.
- 5) The amount of the interim payment made through the advance payment system should take into account the riskiness of the Project Promoter and of the project, the available resources of the Programme Operator and the need for the payment provision. The rules applicable to the calculation of the interim payment laid down in the System of Financing and Financial Management must be maintained, unless prevented from doing so by the provisions of the Programme Agreement or the Programme Implementation Agreement. The difference between the payment cap and the payment made may be reimbursed to the Project Promoter as part of an extraordinary payment or a final payment.
- 6) If the Partner is funded through an advance payment system, the Project Promoter shall suggest in each project interim report which part of the payment is intended for the Project Promoter and which for the Partners.
- 7) If the Programme Operator reduces the amount of expenses declared, e.g. due to identification of ineligible expenditure and the Project Promoter is not entitled to a payment after the reduction, the payment shall not be provided.
- 8) Details are set out in the Project Contract. The draft of the Project Contract constitutes a part of the NFP Guideline on Contracts and Agreements.

8.3 Reimbursement system

- 1) The reimbursement system is used to finance the final payment.
- 2) The reimbursement system may also finance interim payments if the Project Contract so provides.
- 3) The reimbursement system also finances the difference that arises if the amount of funds settled in the project interim report is higher than the amount of the advance payment or of the payments hitherto provided through the advance payment system.
- 4) Unless the Programme Agreement, the Programme Implementation Agreement or the Project Contract stipulates otherwise, the reimbursement amount is not limited, i.e. the advance and interim payment caps do not apply to payments made through the reimbursement system.
- 5) Details are set out in the Project Contract, a model of which is part of the NFC Guidelines on Contracts and Agreements.

8.4 Extraordinary payments

- 1) An extraordinary payment may be provided in particular if the lack of funds in the project account endangers the liquidity of the Project Promoter, the implementation of project results, the successful completion of project results or if it may lead to sanctions that would be borne by the Project Promoter or the Partner.
- 2) An extraordinary payment cannot be claimed, i.e. its provision depends entirely on the decision of the Programme Operator.

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- 3) In making its decision, the Programme Operator shall take into account whether the provision of the extraordinary payment does not jeopardize the liquidity of the Programme Operator, as well as whether the provision of the extraordinary payment is necessary.
- 4) The condition for providing an extraordinary payment is the submission of a current bank statement and an overview of expenses that:
 - a) have been paid and have not been included in previous project interim reports approved by the Programme Operator,
 - b) constitute expenditure due,
 - c) constitute expenditure expected by the end of the reporting period following the current reporting period.
- 5) The Project Promoter shall request an extraordinary payment electronically or in a letter, enclosing the documents according to the previous clause, unless the Project Contract provides otherwise. The accompanying communication should include a justification of the need for an extraordinary payment.
- 6) Unless the Programme Agreement, the Programme Implementation Agreement or the Project Contract provides otherwise, the amount of the extraordinary payment is not limited. In accordance with the principles of sound financial management, this amount should not exceed the sum of the amounts referred to in clause 4 of this Chapter.

8.5 Pecuniary co-funding of the project

- 1) The conditions for pecuniary co-funding are determined by the Project Contract.
- 2) Sources of European structural and investment funds, other instruments of foreign financial assistance, subsidies and contributions provided from the state budget of the SR, the budget of a higher territorial unit or the budget of a city or municipality or other sources the purpose of which under the valid SR and the EU legislation or another document prevent them from being used as sources of pecuniary co-funding of the project under other financial assistance instruments cannot be used as pecuniary co-funding sources.
- 3) Upon request, the Project Promoter is obliged to document the source of pecuniary co-funding of the project in the manner required.

8.6 Co - funding in the form of a contribution in kind

- 1) The maximum permitted amount of co-funding in the form of a contribution in kind is determined by the Project Contract. The contribution in kind can only be provided by a Project Promoter who is a non-governmental organization or a social partner within the meaning of the establishing definitions of the Legal Framework.
- 2) Contributions in kind may also be provided by a Project Partner who is an NGO or a social partner, subject to meeting the conditions set out in the previous clause.

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- 3) For the purposes of this Guideline, a voluntary activity is an activity organized under Act no. 406/2011 Statutes on Volunteering as amended (hereinafter referred to as the “Volunteering Act”). It is an activity performed by a volunteer (a natural person), on the basis of their free decision without the right to remuneration.
- 4) Unless otherwise specified by the Programme Operator, the unit price per hour of volunteering is set at **EUR 9.59 / hour**. This price was established as the average of the Average hourly earnings according to the main SK ISCO-08 class for the fourth quarter of 2018, multiplied by a coefficient of 1.352 to include in the hourly rate the total price of labour. In accordance with Article 6.4.6 of the Regulations, this amount may be adjusted during the Programme implementation to take account of changes in remuneration.
- 5) The unit price according to the previous clause also includes any social security charges, if paying them is agreed in the contract with the volunteer.
- 6) Due to the wording of the Regulations, it is not possible to include other related expenses (e.g. liability insurance for damage caused by a volunteer, insurance of a volunteer in case of injury, provision of a volunteer with material benefits such as meals, accommodation, travel allowances, etc.) in volunteering as a source of co-funding. However, these expenses related to volunteering may be included in the total eligible expenses if they meet the conditions of Art. 8.2 of Regulations and it is possible to classify them according to the expenditure type.
- 7) The value of volunteering is monitored throughout the project implementation and is accumulated on the summary sheet of volunteering, which is part of the NFP Guidelines with respect to Forms. This creates a Volunteering Activity Fund, from which the value of co-funding in the form of a contribution in kind is subtracted continuously.
- 8) The Programme Operator is entitled to order the Project Promoter to take appropriate measures if the current balance in the Volunteering Activity Fund is significantly lower in the long run than the current amount of co-funding required by the Programme for the project in the form of a contribution in kind.
- 9) If it is found in the process of the Final Project Report approval that the co-funding in the form of a contribution in kind, required by the Programme for a given project, has not reached the required value, the Programme Operator may instruct the Project Promoter to ensure compliance with the co-funding conditions by the last day of eligibility. If this procedure is not possible due to time constraint, the Programme Operator shall reduce the amount of the final payment (retention refund) by the difference accrued. Alternatively, the Programme Operator may require the Project Promoter to reimburse the co-funding difference from its own additional resources in cash upon reimbursement request. If the Project Promoter fails to duly meet this obligation, the Programme Operator shall be entitled to a refund of all or part of the project grant.
- 10) If it is found in course of the Final Project Report approval that the co-funding required by the Programme in the form of a contribution in kind for a given project has exceeded the permissible cap, the Programme Operator shall reduce the amount of the final payment (retention refund) by the difference accrued. If the Project Promoter fails to duly meet this obligation, the Programme Operator shall be entitled to a refund of all or part of the project grant.

8.6.1 Special requirements of voluntary work

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- 1) Volunteering (activity) may be a source of co-funding if the conditions set by the Volunteering Act are met, which include, for example:
 - a) a condition that the work is carried out by a natural person outside their work duties, service duties and study obligations under the law, the employment contract, the service contract, the student regulations or other similar documents binding on such person,
 - b) this natural person does not perform voluntary activity for the body or for an official of a legal entity of which the volunteer is a member, employee, pupil or student,
 - c) the voluntary activity is carried out by this natural person outside their business or other self-employed activity,
 - d) according to the previous clauses, a natural person has become at least 15 years of age, while if the volunteer has not reached the age of 18, they may perform voluntary activities only with the consent of their parent or guardian and only under the supervision of a responsible natural person of age.
- 2) Volunteering under the Volunteering Act is not:
 - a) activity carried out by one spouse on behalf of another or on behalf of close persons,
 - b) activity carried out in the course of a business or other gainful activity,
 - c) activity performed under an employment, under an employment with the government, under duty or as an activity performed within the scope of academic obligations,
 - d) mutual civic or neighbourhood assistance,
 - e) activity performed by persons under 15 years of age.
- 3) A volunteer carries out volunteering on the basis of a volunteering contract concluded with the Project Promoter or with the Partner.
- 4) Volunteering may be a source of co-funding subject to meeting the following conditions based on the appropriate application of the principles contained in Article 8.2 of the Regulations:
 - a) it must be performed during the Project Implementation Period,
 - b) it must relate to the project's objectives,
 - c) it must be appropriate (e.g. by applying only the part of the volunteering activity related to the project) and necessary (e.g. not considering the time spent by the volunteer passively participating in trainings, meetings or seminars as a source of co-funding),
 - d) it must be carried out in order to achieve the objectives and outcomes of the project in accordance with the principles of economy, efficiency and effectiveness, e.g. by ensuring that the number of hours of volunteering matches the result achieved,
 - e) it must be identifiable and verifiable, i.e. the Project Promoter or the Partner must keep verifiable records proving the time and scope of volunteer work, e.g. through the attendance record and timesheets and, where relevant, accounted for in accordance with the relevant bookkeeping rules and procedures of the Beneficiary State or the Partner⁶,

⁶ E.g. §64 par. 5 measures of the Ministry of Finance of the Slovak Republic of 14 November 2007 no. MF / 24342 / 2007-74 as amended

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- f) it must comply with the tax and social security legislation (e.g. obligations to pay social security charges must be met if the volunteer is reimbursed for the costs of voluntary sickness insurance, voluntary pension insurance and voluntary unemployment insurance and health insurance under a volunteering contract).

8.6.2 Advance payment refund

- 1) The Programme Operator may request the Project Promoter refund the advance payment, in particular if:
 - a) there are unsettled funds after the submission of the FPR, i.e. a positive difference between the grant provided and the expenses settled,
 - b) over two reporting periods, the Project Promoter failed **to account for more than 10% of the provided project grant**, which the Programme Operator attributes to the Program Promoter's inaction,
 - c) the Programme Operator suspends the project funding or makes a decision to terminate the project early,
 - d) the Programme Operator shall decide on the financial correction which will result in the amount of the advance payments granted to be higher than the amount of the project grant after the financial correction has been applied.
- 2) The Programme Operator shall send the Project Promoter a refund request in accordance with the NFP Guideline on Irregularities, based on which the Project Promoter is obliged to remit the funds to the account specified in the request within the specified period.

9 PROJECT INTERIM REPORT

9.1 Reporting periods

- 1) Unless the Project Contract provides otherwise, the reporting periods are four months, with the first reporting period starting in the month in which the Project Contract is entered into.

9.2 Report submission

- 2) The Project Promoter shall submit a project interim report within the deadline specified in the Project Contract.
- 3) Unless otherwise specified by the Programme Operator, the Project Promoter shall submit an project interim report, including attachments, electronically.

9.3 Including expenditure into the project interim report

- 1) Only the expenses incurred, i.e. the expenditure for which the material and financial performance of the expenditure has been completed, may be included in the project interim report.

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- 2) The amount of expenditure included in the project interim report is that indicated on an bookkeeping document.
- 3) In the event that only a certain part of the entire amount of the bookkeeping document is used as eligible expenditure, only this certain part of the amount of the bookkeeping document shall be included in the project interim report. If the reason for the action under the previous sentence is not clear, the Programme Operator may request a justification.
- 4) The first month of the first reporting period shall include all expenditure incurred between the first day of the expenditure eligibility and the end of the first month of the eligibility period.
- 5) The last month of the last reporting period may in exceptional cases include costs documented on a bookkeeping document issued in the last eligibility month provided the costs are paid within 30 days of the last eligibility date.
- 6) All other expenditure is included in the project interim report according to the date of expenditure, where this date is either the date of completion of material performance (delivery of goods, provision of service, etc.) or the date of completion of financial performance (payments to supplier / contractor / employee) whichever of this performance occurred later.
- 7) Expenditure that was not accounted for by the Project Promoter in the reporting period in which the expenditure was incurred may be included in one of the next project interim reports.
- 8) Expenditure included in summary sheets for salaries and travel reimbursement expenses shall be entered in the list of bookkeeping documents in an aggregated manner, but must be split between the individual budget lines, if relevant.
- 9) The date of expenditure shall be the date of the last payment of the last expenditure reported in the summary sheets.
- 10) In the event the expenditure is proved by means of an audit report or a certificate, the procedure set out in clauses 7) and 8) applies.
- 11) The following examples illustrate the preceding provisions of this section:

Example no. 1: A foreign business trip took place in May. The trip was billed in June, but according to the receipts, the employee was still not paid the full amount of funds to which he was entitled. In such case, the expenditure is not included in the expenditure list until July, when the employee is reimbursed.

Example no. 2: The employer paid part of the employee's salary in December as a wage advance. Social security charges, health insurance and tax were paid in January. The remainder of the salary was paid in February. The expenditure shall be included in the project interim report into February, in which the remaining part of the salary was paid.

Example no.3: An advance invoice for gas for the first quarter of 2020 was served on the Project Promoter. The Project Promoter paid the invoice in January 2020. The expenditure shall be included in the list of bookkeeping documents only after the material performance has been completed, i.e. the gas has been supplied. The date of expenditure in this case is 31 March 2020.

Example no. 4: The Project Promoter has purchased an insurance policy for the calendar year of 2024. The premium was paid in May 2024. Eligibility of expenditure ends on 30/4/2024. In this case, the date of expenditure is 30/4/2024. In this case, the Project Promoter may only claim a proportional part of the premium.

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Example no.5 The Project Promoter mistakenly failed to include in the project interim report expenditure on the purchase of equipment worth EUR 750. The expenditure was incurred on 28/04/2019. The Project Promoter is entitled to include the expenditure in the project interim report covering any of the following reporting periods.

9.4 List of bookkeeping documents

- 1) The list of bookkeeping documents is part of the project interim report and is submitted for the purpose of classifying individual expenditure items incurred within the reporting period into individual budget lines and to individual entities that have incurred the expenditure (the Project Promoter or the Partners).
- 2) Unless otherwise specified by the Programme Operator, individual expenditure items shall also be assigned to the prescribed types (categories) of expenditure and budget chapters.
- 3) Expenditure is rounded to two decimal places in the List of accounting documents. The total amount of the expenditure declared is rounded to the nearest euro by the Project Promoter.

9.5 Report check

- 1) The Programme Operator shall check the project interim report within 60 business days of its submission in accordance with the procedures under Art. 5.6 regulations, pursuant to § 7 to 9 of the Financial Control and Audit Act as amended and in accordance with the principles defined in the valid Management System of the EEA FM and NFM chronologically according to the date of their submission to the Programme Operator.
- 2) Upon receipt of the project interim project, the Programme Operator shall carry out an administrative financial audit.
- 3) If formal deficiencies are identified, the Programme Operator shall invite the Project Promoter to complete the relevant project interim project within a specified time. If serious deficiencies or non-completion with the required data are found within the set deadline, the Programme Operator shall suspend the approval of the project interim report or reject the project interim report.
- 4) The Programme Operator shall verify the eligibility of the expenditure declared in the list of bookkeeping documents in accordance with the principle of proportionality.
- 5) The Programme Operator shall then invite the Project Promoter to submit bookkeeping documents for the sample of expenditure selected by the Programme Operator.
- 6) If necessary, the Programme Operator shall conduct a financial audit on the spot according to § 9 of the Financial Control and Audit Act as amended or on-the-spot review according to Art. 5.6 Regulations and in accordance with the Management System of the EEA FM and NFM. If the Programme Operator decides to carry out an on-the-spot financial audit or an on-the-spot review during its inspection, the time limit for conducting the financial audit of the project interim report is suspended.
- 7) Following the financial audit of the project interim report, the Programme Operator shall approve, disapprove, suspend (until the identified deficiencies have been remedied) the project interim report or reduce it by the relevant amount of ineligible expenditure.

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9.6 Final project report and financial settlement

- 1) The final project report is a report in which the Project Promoter declares the project has been completed.
- 2) The Programme Operator may require the final project report be accompanied by documents in accordance with the Project Contract, such as Occupancy permit, Accreditation Certificate, etc.
- 3) The Project Promoter is obliged to submit the completed final project report within 30 business days of the end of the relevant reporting period. The relevant reporting period is either the period immediately preceding the period in which the project was completed or the period that includes the last month of the project implementation period.
- 4) The Project Promoter is obliged to pay the unsettled funds, including the Partners' funds, requested by the Programme Operator within 15 business days in accordance with and within the time limits set out in the refund request.
- 5) If the Project Promoter becomes entitled to a retention fee refund, calculated as the difference between the amount of expenditure settled and the project grant awarded, the Programme Operator shall credit the Project Promoter's account with the final balance within 15 business days of approval of the final project report.
- 6) Simultaneously with remitting the refund, the Project Promoter shall transfer to the accounts designated by the Programme Operator also the yield on the interest, if relevant.

9.6.1 Suspension of approval of the project interim report

- 1) The PO is entitled to suspend the approval of the project interim report, in particular if:
 - a) the payment of the project grant to the Project Promoter under the Project Contract has been suspended. The project interim report is suspended as long as the payment of the project grant is suspended,
 - b) expenditure on goods, services or works that are part of the project interim report has not been tendered through public procurement, despite being provided for in the Project Contract and / or the Public Procurement Act, or has not been procured in accordance with the Project Contract and / or the Public Procurement Act and / or this Guideline,
 - c) the Project Promoter or its suppliers / contractors have not received the permits, authorizations or certificates necessary for the performance of activities related to the project stipulated by legal regulations, or these permits, authorizations or certificates have lost their validity or have not become final, valid or effective,
 - d) the application for a modification of the project approval is pending,
 - e) other compelling reasons that do not allow the approval of the project interim report (e.g. requesting opinions from third parties under the law).
- 2) The project interim report may be suspended pursuant to clause b) until the supplier / contractor is selected in a manner compliant with the Project Contract and the Public Procurement Act and this Guideline. If ineligible expenditure is identified, the notification of the suspension of the approval of the project interim project report shall indicate the amount of expenditure classified

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as ineligible. The Project Promoter is entitled to state the reasons why it does not agree with the suspension of the approval of the project interim report within 5 business days.

- 3) The project interim report shall be suspended in accordance with clause (c) until all necessary permits, authorizations or certificates have been issued to the Project Promoter or its supplier / contractor for the performance of the activities related to the expenditure. The notice of suspension of the approval of the project interim report may also specify the period within which these permits, authorizations or certificates must be obtained in order to avoid the need for the Programme Operator to terminate the project prematurely.
- 4) The project interim report shall be suspended under clause (d) until a modification in the project is decided on.
- 5) If the suspension of the approval of the project interim report exceeds two reporting periods, the Programme Operator shall generate a new project interim report with the periods merged. The previous project interim report shall be dismissed. No more than three reporting periods can be merged in this way.

9.6.2 Rejection of the project interim report

- 1) PO is entitled to reject the project interim report, especially if:
 - a) the project interim report (PIR) has not been submitted by an authorized entity, which is the statutory representative of the Project Promoter or a person authorized by him,
 - b) expenditure on goods, services or works that are part of the expenditure declared has not been tendered in public procurement, even though this had been provided for in the Project Contract and/or the Public Procurement Act, or the public procurement has not been carried out in accordance with this Guideline,
 - c) an integral part of the project interim report is a part of the expenditure or the expenditure that was classified as ineligible under the previous PIR,
 - d) the project interim report or other documents are so insufficiently completed that it would be more time-consuming to rectify the deficiencies than submitting a new project interim report,
 - e) a fraudulent intent has been proven (false documents, unauthorized bank account, fictitious activities and similar conduct in order to obtain an unauthorized benefit). In such event, the Programme Operator may claim a refund of the full amount of the grant awarded,
 - f) if the project was terminated prematurely.
- 2) In the notice of rejection of the project interim report, the Programme Operator shall state the reasons for the rejection and set out the next steps, e.g. what action needs to be taken before submitting another project interim report, if relevant.

9.6.3 Suspension of expenditure approval in the project interim report

- 1) The PO may decide to suspend the approval of a specific expenditure in the project interim report until the eligibility of this expenditure is clarified.

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- 2) If it is decided that the expenditure under clause 1 is eligible, the Project Promoter is entitled to include such expenditure in the first month of the reporting period of the project interim report, when the decision to classify the expenditure was made by the Programme Operator.
- 3) The PO shall use this procedure especially if the cumulative amount of this or future related expenditure does not exceed 25% of the project grant and at the same time the conditions for suspension of project implementation or early termination of the project by the decision of the Programme Operator are not met.

9.6.4 Suspension of project grant disbursement

- 1) The suspension of the project grant is intended to protect public funds so that no further payment is made to the Project Promoter or the Partner until the unlawful situation has been remedied, the Project Promoter has made the required refund, or the dispute has been resolved, e.g. by requesting methodological guidance from the competent body or by carrying out an inspection by an authorized body.
- 2) The suspension of the project grant payment does not release the Project Promoter and the Partners from the obligation to continue the implementation of the project and to submit the project interim reports.
- 3) The PO is obliged to inform the Project Promoter or a Partner about the suspension of the payment of the project grant in writing, stating the reasons for the suspension of disbursements, as well as the deadline for submitting documents that will allow the Programme Operator to examine whether the reasons for the suspension of disbursements of the project grant have passed, or have been removed. This deadline should generally not exceed 8 months of the notification to the Project Promoter.
- 4) If the reasons for the suspension of payment persist after the deadline set by the Programme Operator under clause 3, the project shall be terminated. In exceptional cases, in particular if the reason for non-compliance is not inaction on the part of the Project Promoter or the Partner and the Project Promoter or the Partner continues to implement the project according to the set schedule, the Programme Operator may extend the deadline to a maximum of 12 months of the Programme Operator's dispatch of the first notice.
- 5) The suspension of the project grant disbursement may also be partial, i.e. that only certain outputs, results or expenditure of the project shall not be temporarily funded. In such case, the provisions of clause 4 need not apply.

9.6.5 Suspension of project implementation

- 1) Suspension of the project grant may also require the suspension of the project by the Programme Operator, in particular where the implementation of the project damages the reputation of the EEA and Norway Grants, where the implementation of the project jeopardizes the public interest, where the implementation of the project results or may result in damage to public health or damage to property and in other comparable cases.
- 2) Suspension of project implementation means that the Project Promoter must not continue to implement the project, even from its own additional resources. During the period the implementation of the project is suspended, the time limits for the Project Promoter and for the Partners do not apply but, at the same time, the project must be completed no later than by the

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deadline specified in the Project Contract. The deadlines shall apply similarly as they do in suspension of the project grant disbursement.

- 3) The suspension of implementation may also be partial, i.e. that only certain outcomes, outputs or project expenditure shall not be temporarily implemented.

10 ELIGIBILITY OF EXPENDITURE AND PROOF OF ELIGIBILITY

10.1 General criteria for expenditure eligibility

- 1) The general expenditure eligibility criteria shall apply mutatis mutandis to all expenditure, unless the Regulations provide otherwise.
- 2) Eligible project expenditure is the expenditure actually incurred under the project which:
 - a) was expended between the first and the last date of the project eligibility as specified in the Project Contract;
 - b) is related to the subject matter of the Project Contract and indicated in the detailed project budget;
 - c) is adequate and necessary for the project implementation;
 - d) must be used solely for the purpose of achieving the objective (s) of the project and its expected outcome(s), in a manner consistent with the principles of economy, efficiency and effectiveness.
 - e) is identifiable and verifiable, in particular by being recorded as bookkeeping entries of the Project Promoter and determined in accordance with the applicable accounting standards of the country in which the Project Promoter and / or the Project Partner is established and in accordance with generally accepted accounting principles; and
 - f) is compliant with the requirements of the applicable tax and social security legislation.
- 3) Expenditure is considered to have been incurred if the costs have been charged, paid and the subject of the expenditure has been delivered (if it concerned goods) or performed (if it concerned services and works).
- 4) Exceptionally, expenses incurred during the eligibility period are also considered to be costs for which the related receipt was issued in the last month of eligibility, if the costs are paid within 30 days from the last eligibility date.

10.2 Personnel costs

10.2.1 Definition of eligibility

- 1) The costs of staff assigned to the project include actual salaries together with social security charges and other **statutory costs included in the remuneration**, provided that this is in line with

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the usual salary policy of the Project Promoter and the Project Partner. The corresponding payroll costs of civil servants are eligible to the extent related to the costs of activities that the competent public authority would not have carried out if the project had not been implemented.

- 2) Pursuant to the previous clause, in the conditions of the SR, only the Total price of labour can be included in payroll costs, i.e. wages including wage compensation and compensation for on-duty time and especially in the breakdown of advance payments of health insurance premiums, sickness insurance premiums, old-age insurance premiums, disability insurance premiums, unemployment insurance premiums, guarantee insurance premiums, injury insurance premiums, premiums paid to the solidarity reserve fund and old-age pension savings contributions paid by the employer.
- 3) Only the cost of the hours actually worked by the persons carrying out the work under the project may be reimbursed. Working hours is the total number of hours, excluding holidays, personal leave, incapacity for work or other days off. Working hours should be recorded throughout the project duration through timesheets or an appropriate time recording system and should be duly substantiated by evidence of its reality and reliability.
- 4) If the staff member is employed exclusively to work on the project (100%, full-time), a clear reference to the project must be included in the contract / appointment decision in order to avoid any ambiguity. In such case, timesheets are not required.
- 5) Overtime may be accepted provided that it is necessary for the project and is in accordance with the normal policy of the Project Promoter and the Project Partner, as well as in accordance with national law. Systematic overtime payments do not comply with the requirements of the Regulations concerning proportionality and sound financial management set out in Art. 8.2.2 of the Regulations.
- 6) Overheads, travel allowances, including non-eligible travel allowances, and other travel expenses **may not be** included in this expenditure category.
- 7) Any other benefits (such as monthly transport costs) must be directly linked to the payment of wages and incurred and reimbursed by the Project Promoters and / or Project Partners in accordance with the employment contract or the relevant national legislation.
- 8) Notwithstanding the provisions of national law, there must be an employment relationship or other similar legal relationship established between the employee and the employer under a relevant contract. The employment relationship must be established in accordance with the relevant national legislation. The performance of work must be in accordance with the concluded contract and the provisions of national legislation concerning in particular, but not exclusively, remuneration and overtime work.
- 9) The contract or other document within the meaning of the applicable legal regulations or internal regulations of the organization must contain:
 - a) a reference to the project in which the employee is involved,
 - b) the employee's share of work in relation to other work activities, if relevant,
 - c) the agreed gross monthly salary or hourly rate,
 - d) a specification of the work carried out on the project, which must be in accordance with the project application,
 - e) specification of the outcomes of the work performed, if relevant.
- 10) Remuneration can be paid to the employee only if the implementation of the project takes place in the monitored period according to the approved schedule.

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- 11) If the employee has a fixed monthly gross salary, the amount of remuneration may not exceed one and a half thereof.
- 12) If the employee has a fixed hourly rate, the amount of remuneration may not exceed 1.5 times the average of the three previous gross wages of the employee.

10.2.2 Proof of eligibility

- 1) For the purposes of administrative financial audit of expenditure, the eligibility of payroll costs is proved by a summary sheet, a model of which is a part of the NFP Guideline with regard to Forms.
- 2) If the costs of the Project Promoter or a Slovak Partner exceed EUR 5 000 per employee in a given month⁷, the Project Promoter shall submit a payslip or payroll of the employee together with the project interim report.
- 3) The payroll costs of foreign partners are proved by means of a summary sheet, if these partners do not prove the eligibility of expenditure in an audit report.
- 4) The payroll costs of intergovernmental organizations shall be proved in accordance with clause 3, unless otherwise agreed in the Project Contract or other document.
- 5) For the purposes of administrative financial audit of bookkeeping documents, the Programme Operator may require the copies of the following bookkeeping documents and supporting documentation be submitted:
 - a) Payslip.
 - b) Timesheet if the employee did not participate in the project at 100%, signed by the employee and their superior. The recommended model timesheet is part of the NFP Guideline with regard to Forms.
 - c) All other employee timesheets as part of the employee's other activities in the organization.
 - d) Employee's curriculum vitae and documents proving the employee's professional competence or experience, if relevant.
 - e) Proof of payment of salary to the employee.
 - f) Employment contract or similar document establishing an employment relationship or a government employment relationship or an agreement other than employment relationship (agreement on the performance of work, agreement on work activities and agreement on temporary work of the student), including a detailed description of work activities.
 - g) An affidavit about the account which the employer shall credit with the employee's salary, signed by the employee, if the account number is not part of the document according to clause f).
 - h) Monthly statement of social security and insurance payments.

⁷ in accordance with Annex no. 1 to the Management System of the EEA FM and NFM 2014 - 2021, the Programme Operator shall perform an administrative financial audit of all bookkeeping documents with a nominal value of over EUR 5 000.

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- i) Account statement from which the Social Security Agency, health insurance companies and the IRS were paid in terms of the respective charges.
 - j) Application for registration with the Social Security Agency.
 - k) Cancellation of registration with the Social Security Agency upon termination of employment, if the employment has been terminated.
- 6) The original copies of documents under the previous clause must be kept by the Project Promoter and the Slovak Partner and submitted to the Programme Operator and other audit bodies upon request and within the framework of on-the-spot financial audit or other type of inspection.
- 7) For the purpose of verifying the compliance of the expenditure with **the usual wage policy of the Project Promoter and the Partner**, the Programme Operator is entitled to require the Project Promoter to submit an overview of salaries of non-participating staff to verify that the salaries of the participating staff are in line with the Project Promoter's or the Partner's usual wage policy.
- 8) Worksheets, if prepared, must be completed correctly:
- a) **mathematically** - correct addition of the eligible hours reported,
 - b) **materially** - activities must be related to the project implementation, the number of hours devoted to a particular activity must not exceed the actual number of hours needed for such an activity,
 - c) **from the time perspective** - activities must not overlap with other activities performed at the same time, i.e. the crosscheck of worksheets with other supporting documentation confirming the employee's activities must be consistent, e.g. with an order to travel on business, participation in a public procurement selection committee, etc.,
 - d) **formally** - the activities stated in the timesheets must be sufficiently detailed to identify the activity performed by the employee and the timesheets must be signed by the employee who performed the work (an authorization to represent the employee is not permitted) and signed by a person in charge.
- 9) The eligible amount of expenditure is calculated on the basis of the following data:
- a) Total number of hours worked in a month (working hours fund). Where agreements on work performed outside employment are concerned, the number of eligible hours is the same as the number of hours actually worked.
 - b) The number of hours actually worked on the project, i.e. the number of hours that the employee worked on the project in a given month according to the timesheet.
 - c) Total costs per employee, which in the SR include the total cost of labour.

as follows:

A. The total number of productive hours per month, i.e. without vacations, sick leaves, weekends, holidays, etc.	168
B. Number of hours worked on the project	100
C. Total costs per employee (total cost of labour and, where foreign entities are concerned, all other statutory costs included in remuneration)	2000
D. Total costs charged to the project	$D = B / A * C$ $D = 100/168 * 2000 = € 1,190$

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10.3 Travel and meal expenses of staff involved in the project

10.3.1 Definition of eligibility

- 1) Taking into account the principle of proportionality, travel costs, including travel allowances, may be calculated as a flat rate according to established rules approved by the Programme Operator. This flat rate is hereinafter referred to as the flat compensation.
- 2) Unless otherwise specified by the Programme Operator, the rules approved in Annex 1 shall be deemed to be the rules approved by the Programme Operator pursuant to clause 1. 2 to this Guideline.
- 3) Travel must be clearly linked to the project implementation and done by the staff of the Project Promoter and / or the Project Partner.
- 4) Direct payment by individuals (employees) must be supported by a proof that this payment has been reimbursed.
- 5) No expenditure item (expenditure) covered by daily meal allowances may be eligible outside these daily meal allowances.
- 6) The principle of sound financial management should apply to the choice of transport and accommodation.
- 7) Travel and accommodation expenses for external experts and service providers shall not be included in Travel and meal costs, but in the category Costs arising from other contracts.
- 8) Proof of expenditure must be provided (e.g. travel agency invoice, airline tickets, electronic tickets, boarding pass, meal receipt, list of participants, minutes, program, etc.).
- 9) Clauses 4, 6 and 8 shall not apply to expenditure subject to flat - rate compensation.
- 10) Unless the Programme Operator determines otherwise, the flat-rate compensation does not apply to transport costs of foreign business trips and transport costs of domestic business trips outside the territory of the SR, i.e. mainly to air tickets and fuel.
- 11) Transport costs are eligible for both domestic and foreign business trips. Such costs include:
 - a) expenditure on the purchase of a ticket (foreign and domestic flights),
 - b) expenditure relating to the use of other than a company car of the Project Promoter,
 - c) expenditure on transport by train, bus and other public transport,
 - d) taxi fares.
- 12) Transport costs do not include expenditure on local transport, i.e. transport at the venue, in particular expenditure on public transport. These expenses are part of the travel allowances.
- 13) In the event of using one's own vehicle, if the vehicle does not belong to an employee, it is necessary to document in writing the authorization of the use of the vehicle by the employee by the vehicle owner, while such vehicle cannot be a company vehicle of the Project Promoter or the Partner. In such case, the eligible expenses are the basic compensation for the mileage travelled and the compensation for the fuel consumed according to the Travel Compensation Act.

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- 14) Taxi fares are eligible expenses provided that the taxi was used to reach one's destination after 10:00 p.m. Taxi fare is an eligible expenditure even if it can be shown that other forms of local transport could not be used at that time. In the event of other, extraordinary situations, it is possible to provide the Programme Operator with a justification for the use of a taxi, but it is up to the Programme Operator to decide whether to accept these expenses.

10.3.2 Proof of eligibility

- 1) The eligibility of travel expenses and reimbursements for the purposes of administrative financial audit of expenditures is proved by a summary sheet, a model of which is attached to the NFP Guideline with respect to Forms.
- 2) For the purposes of administrative financial audit of bookkeeping documents, the Programme Operator may require the copies of the following bookkeeping documents and supporting documentation be submitted:
 - a) A business trip report or any other document showing the date and place of the start and end of the trip,
 - b) A document in proof of the business trip (e.g. photographs, copy of the list of attendees),
 - c) An invoice for the air ticket and a boarding pass,
 - d) Method of calculating the transport costs and the supporting documentation.
- 3) The original copies of documents under the previous clause must be kept by the Project Promoter and the Slovak Partner and submitted to the Programme Operator and other audit bodies upon request and within the framework of on-the-spot financial audit or other type of inspection.
- 4) Flat-rate compensation does not need to be supported by invoices and receipts.
- 5) If a foreign expert who is to perform tasks in the SR and the Project Promoter or the Slovak Partner have a direct relationship, it is required that the Project Promoter or the Partner enter into a written agreement with the foreign expert on the provision of travel allowances. Travel allowances shall be governed by the relevant provisions of Slovak legislation.
- 6) If there is a direct relationship between a foreign expert and a foreign partner of the project, the provision of travel allowances is governed by the relevant legislation of the foreign partner's country.
- 7) If the relationship is between two legal entities, i.e. the Project Promoter or the Partner and another legal entity, it is a standard provision of remunerated performance (services). However, it is required that the individual components (meals, accommodation, transport, necessary ancillary expenses and possible remuneration of the expert) be listed on the receipt. At the same time, the conditions of the Public Procurement Act valid in the Slovak Republic must be met.

10.4 Costs of new or used equipment

10.4.1 Definition of eligibility

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- 1) New or second-hand equipment depreciation recorded in the financial statements of the Project Promoter and / or the Project Partners is justified provided that the assets have been purchased in accordance with the relevant terms of the Project Contract and depreciated in accordance with international accounting standards and current accounting practices of the Project Promoter and / or the Project Partner.
- 2) Only part of the depreciation corresponding to the duration of the project and the degree of actual use of the equipment for the purposes of the project can be considered justified.
- 3) Depreciation of equipment is considered to have been incurred when the Project Promoter and / or the Partner records it in their accounts.
- 4) The amount of depreciation financed from the project grant may not exceed EUR 20 000, except in cases where the equipment was procured in accordance with the procedures of the Public Procurement Act.
- 5) Unless otherwise provided in the call, tangible assets with an entry price of more than EUR 1 700 and an operational and technical function of more than one year and intangible assets with an entry price of more than EUR 2 400 and an operational and technical function longer than one year are considered equipment.
- 6) The following rules apply to depreciation:
 - a) Depreciation is reimbursed on the basis of monthly book depreciation, up to the maximum amount that would apply in the case of tax depreciation.
 - b) The equipment is classified in the depreciation group in accordance with the relevant tax legislation. Equal depreciation rates are used for the calculation.
 - c) With the consent of the Programme Operator, the Project Promoter may also use rates for accelerated depreciation if it demonstrates that there is a real increase in the depreciation of assets in connection with the project.
- 7) In the event of the equipment is purchased from the project grant of a foreign partner, the above rules shall be applied accordingly, in order to prevent an artificial increase in the book value of depreciation.
- 8) If the Programme Operator determines that the equipment is an integral and necessary part to achieve the project outcomes, the total entry price of the equipment may be justified, by way of derogation from the rule contained in paragraph 4 of Article 8.2 of the Regulations.
- 9) Expenditure on the purchase of second-hand equipment may be considered eligible if the following conditions are met:
 - a) the seller of the equipment provides a statement on the origin of the equipment and confirms that it has not been purchased or financed in any way from national grants, EU grants or the EEA Financial Mechanism and / or the NFM,
 - b) the price of the equipment does not exceed its market value, taking into account its shorter technical and economic life, and is lower than the price of similar new equipment, and
 - c) the technical parameters of the equipment are necessary for the project and meet the relevant norms and standards.
- 10) If the purchase price of used equipment exceeds EUR 10 000, the opinion of an expert shall be required to confirm that the conditions set out in clauses 6. b) and c) are met.

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11) The Project Promoter is obliged to:

- a) keep the equipment in its possession for at least five years after the end of the project and continue to use the equipment for the benefit of the overall objectives of the project throughout the same period;
- b) keep the equipment properly insured during the project implementation and for at least five years after the end of the project against losses such as fire, theft or other normally insurable events; and
- c) allocate adequate resources for maintenance of the equipment for at least five years from the end of the project.

12) If the equipment (new or used) has not yet been fully depreciated, the remaining depreciation (according to the use expressed in per cent and time) may be justified under the project.

13) Pursuant to Art. 8.7., (f) of the Regulations the costs of equipment (including depreciation) purchased from grants from other public sources (including grants provided from the state budget, the EU budget, the local government budget or the municipal budget) are not eligible as they would already be reimbursed from other sources.

Example:

The Project Promoter has equipment that is depreciated over five years and at the beginning of the project, it has been using it for two years already. This equipment was not purchased from public funds but was procured in a way that is in line with the Project Contract. Assuming that 100% of the equipment is going to be deployed for the project, the last three years of its lifetime are the eligible costs of the project (assuming that the project lasts three years).

10.4.2 Proof of eligibility

- 1) The eligibility of new and used equipment for the purposes of administrative financial audit of expenditure shall be proved by an invoice if the amount of the receipt exceeds EUR 5 000.
- 2) For the purposes of administrative financial audit of bookkeeping documents, the Programme Operator may require the copies of the following bookkeeping documents and supporting documentation be submitted:
 - a) Invoice
 - b) Delivery note
 - c) Protocol on commissioning the assets for use with the designation of employees who use the assets
 - d) Photographs proving the equipment has been delivered and showing its marking with the logos of financial mechanisms in accordance with the publicity requirements
 - e) Extract from analytical records (sets of assets) as proof of inclusion of assets in bookkeeping records

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- f) Bookkeeping entry as proof of the correctness of recording the low-value tangible fixed assets, low-value intangible fixed assets, tangible fixed assets and intangible fixed assets, also for the sake of correctness and justification of possible depreciation
 - g) Insurance policy as a proof of coverage of the property acquired from the project grant and proof of payment of the premium
 - h) Bookkeeping depreciation plan and internal regulation in case of applying accelerated depreciation, while the relevant provisions had to be valid for at least one year before the Contract's entry into force
 - i) Justification for the higher rate of depreciation of assets if accelerated depreciation is to be used
 - j) Extract from the analytical records as proof of depreciation of the amount from the asset value
- 8) The original copies of documents under the previous clause must be kept by the Project Promoter and the Slovak Partner and submitted to the Programme Operator and other audit bodies upon request and within the framework of on-the-spot financial audit or other type of inspection.

10.5 Costs of purchasing land and real estate property

10.5.1 Definition of eligibility

- 1) The purchase of undeveloped land and real estate is justified subject to satisfaction of the conditions set out in Art. 8.6 of the Regulations:
 - a) there is a direct link between the purchase and the project objectives;
 - b) the purchase of real estate and / or land may not represent more than 10% of the total eligible expenditure of the project, unless expressly authorized in the Programme Agreement and no higher percentage is set out in the project grant decision;
 - c) prior to the purchase, a certificate is issued by an independent qualified appraiser or duly authorized official body confirming that the acquisition price does not exceed the market value and that (real estate / land) is not encumbered by mortgages and other burdens, in particular with regard to damage caused by pollution. If real estate is purchased, the certificate must either confirm that the building in question complies with national regulations or specify what is not in accordance with national regulations but shall be remedied by the Project Promoter in course of the project;
 - d) the property and / or land is used for the purpose and for the period specified in the project grant decision. Prior to the project completion, title is transferred to the Project Promoter, or to those whom the Project Promoter has explicitly designated in the project application as beneficiaries of real estate and / or land. The property and / or land may not be sold, rented or mortgaged for five years of the end of the project or longer if so specified in the Project Contract. The FMC / MFA KoN may waive this restriction if this could place a disproportionate burden on the Project Promoter;
 - e) real estate and / or land may only be used in accordance with the project objectives. In particular, buildings may be used for public services only if such use is in line with the project objective; and

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- f) the purchase of property and / or land is expressly approved by the Programme Operator prior to the purchase, either in the Project Contract or in a later decision.
- 2) The provisions set out in clause 1d) also apply to buildings that are constructed or renovated from a project grant.
- 3) The mortgage restrictions set out in clause 1d) shall not apply to a lien in favour of the Programme Operator or the National Focal Point, if the purpose of the lien is solely to ensure compliance with that paragraph.
- 4) Expenditure incurred on the preparation and establishment of the construction site, necessary for the project implementation, may be eligible.
- 5) The Project Promoter's direct or indirect costs of property and / or land already owned or of the purchase of property and / or land directly or indirectly owned by the Project Partner or the public administration are not eligible. Under no circumstances may real estate and / or land be purchased for speculative purposes. Real estate and / or land must not have been awarded a national grant or a grant from a foreign donor in the last 10 years, which would cause duplication of funding.

10.5.2 Proof of eligibility

- 1) For the purposes of administrative financial audit of expenditure, the eligibility of land and real estate is proved by the following documents:
 - a) Purchase contract, including payment terms
 - b) Expert appraisal
 - c) Title Deed
- 2) For the purposes of administrative financial audit of bookkeeping documents, the Programme Operator may require the copies of the following bookkeeping documents and supporting documentation be submitted:
 - a) Insurance contract confirming the coverage of property acquired from a project grant
 - b) Proof of payment - project account statement
- 3) The original copies of documents under the previous clause must be kept by the Project Promoter and the Slovak Partner and submitted to the Programme Operator and other audit bodies upon request and within the framework of on-the-spot financial audit or other type of inspection.

10.6 Costs of material and inventory

10.6.1 Definition of eligibility

- 1) Costs of consumables and supplies are eligible provided that they are identifiable and assigned to the project.
- 2) If these costs cannot be clearly assigned to the project, they can be claimed as indirect costs (e.g. office paper, printer toners, etc.).

10.6.2 Proof of eligibility

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- 1) For the purposes of administrative financial audit of expenditure, the eligibility of materials and supplies shall be proved by an invoice if the amount of the bookkeeping document exceeds EUR 5 000.
- 2) For the purposes of administrative financial audit of bookkeeping documents, the Programme Operator may require the copies of the following bookkeeping documents and supporting documentation be submitted:
 - a) Invoice
 - b) Delivery note
 - c) Photographs proving delivery of material or supplies
- 3) The original copies of documents under the previous clause must be kept by the Project Promoter and the Slovak Partner and submitted to the Programme Operator and other audit bodies upon request and within the framework of on-the-spot financial audit or other type of inspection.

10.7 Costs arising from other contracts

10.7.1 Definition of eligibility

- 1) If the project implementation requires contracts be concluded, the Project Promoter or the Partner must comply with the relevant (national and EU) public procurement legislation and the relevant provisions of the Regulations and this Guideline.
- 2) Subcontracts are contracts concluded for the outside supply / outsourcing of specific tasks or activities that are part of a project. Such contracts must meet the conditions applicable to any contracts awarded through public procurement procedures.
- 3) These costs include, in particular, the costs of construction work and services, as it is assumed that the goods are part of other types of expenditure (purchase of equipment, or material and supplies).
- 4) In the context of clause a), a contract also means an order.

10.7.2 Proof of eligibility

- 1) The eligibility of costs arising from other contracts shall be proved for the purposes of administrative financial audit of expenditure:
 - a) a copy of the concluded contract or of an order,
 - b) an invoice if the amount of the bookkeeping document exceeds EUR 5 000,
 - c) if waste is generated within the project, an affidavit on waste management, a model of which forms Annex no. 3 of this Guideline,
 - d) a list of executed work or performance provided that the amount of the bookkeeping document exceeds EUR 5 000.
- 2) The list of executed work or performance provided is a document that compares the contractual conditions with the works and services actually delivered. It is a checklist, based on which the

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customer (Project Promoter or Partner) checks the scope and quality of the performance, namely by comparing the delivered works or services with the contract concluded or an order placed in this respect.

- 3) For the purposes of administrative financial audit of bookkeeping documents, the Programme Operator may require the copies of the following bookkeeping documents and supporting documentation be submitted:
 - a) Invoice
 - b) Delivery note
 - c) Photographs proving the execution of work or delivery of services
- 4) The original copies of documents under the previous clause must be kept by the Project Promoter and the Slovak Partner and submitted to the Programme Operator and other audit bodies upon request and within the framework of on-the-spot financial audit or other type of inspection.

10.8 Costs arising from the Project Contract

10.8.1 Definition of eligibility

- 1) Eligible costs directly related to the requirements arising from Project Contract may include activities related to mandatory promotional activities (establishment and maintenance of a website, organization of conferences, asset labelling, etc.), independent auditor's report, keeping a special account, etc., provided that the relevant services are purchased in accordance with the applicable procurement rules.
- 2) Bank fees associated with the project account specified in the Project Contract or a Partnership Agreement, their administration, transaction fees related to these accounts, including fees for foreign transfers made from these accounts, are eligible expenditure, unless otherwise provided in the Project Contract.

10.8.2 Proof of eligibility

- 1) For the purposes of administrative financial audit of expenditure, the eligibility of these expenses shall be proved by an invoice if the amount of the bookkeeping document exceeds EUR 5 000.
- 2) For the purposes of administrative financial audit of bookkeeping documents, the Programme Operator may require the copies of the following bookkeeping documents and supporting documentation be submitted:
 - a) Invoice
 - b) Photographs proving the delivery of goods, services or works, if relevant
 - c) Documents or evidence proving the performance as appropriate
- 3) The original copies of documents under the previous clause must be kept by the Project Promoter and the Slovak Partner and submitted to the Programme Operator and other audit bodies upon request and within the framework of on-the-spot financial audit or other type of inspection.

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10.9 Indirect costs

10.9.1 Definition of eligibility

- 1) Indirect costs are all eligible costs of the project that cannot be directly attributed to the project by the Project Promoter and / or the Project Partner but can be identified and justified by its bookkeeping system as costs incurred in direct relation to the eligible direct costs of the project.
- 2) Indirect costs must be directly related to the eligible direct costs assigned to the project.
- 3) Indirect costs must not include any eligible direct costs and must represent a reasonable share of the total overheads of the Project Promoter or the Partner.
- 4) Indirect costs may include, for example, the following costs:
 - a) costs associated with the premises used for the purposes of the project, such as power, gas, heating, water, cleaning, office supplies, office space rental,
 - b) administrative costs, such as costs of telephone, fax, internet, postage, copying, writing and office supplies necessary for the performance of project activities,
 - c) other administrative costs absolutely necessary for the successful completion of the project, such as payroll costs of assisting staff, top management involved in the project, commonly used assets, etc.
- 5) Indirect costs can be determined in one of the following ways mentioned in Article 8.5.1 of the Regulations:
 - a) on the basis of the actual indirect costs of those Project Promoters and Partners who have an analytical accounting system for determining their indirect costs, as provided for in Art. 8.5.1 of the Regulations;
 - b) as a flat rate of up to 25% of the total direct eligible costs, excluding direct eligible costs for subcontracting and the cost of resources made available by third parties not used on the premises of the Project Promoter or the Project Partner (see note below). The application of the calculation method under this clause is conditional on the calculation of the rate on the basis of a fair, reasonable and verifiable calculation method or the method applied under grant schemes fully funded by the Beneficiary State for similar types of projects and Project Promoters;
 - c) as a flat rate of up to 15% of direct eligible staff costs without requiring the Programme Operator to perform a calculation to determine the applicable rate;
 - d) as a flat rate applied to direct eligible costs on the basis of existing methods and corresponding rates applicable in European Union policies for similar types of projects and Project Promoters;
 - e) in the case of applicants or Project Partners who are international organizations or bodies or agencies, indirect costs compliant with the specific provisions of the Programme Agreement may be identified in accordance with the relevant rules laid down by those organizations.

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- 6) The Project Promoter (applicant) and the Partner are obliged to choose one of the above methods before the start of the project implementation and this cannot be changed during the whole project implementation period.
- 7) In the case of using the flat-rate method, its amount and method of calculation are specified in the Project Contract.

10.9.2 Proof of eligibility

- 1) If indirect costs are demonstrated in accordance with clause 8.5.1.a) of the Regulation, i.e. on the basis of the actual indirect costs (hereinafter also referred to as "actual indirect costs"), a breakdown of these costs is required. The Project Promoter is obliged to ensure that these expenses are proved by bookkeeping documents or documents of equivalent probative value.
- 2) Actual indirect costs are calculated on a pro rata basis from the relevant bookkeeping document for indirect costs in each reporting period. This determines the real amount of indirect costs that relate to the project implementation. The Project Promoter is obliged to prove that the indirect cost in question represents a reasonable (fair) share in the total overhead costs of the Project Promoter or the Partner.
- 3) Indirect costs evidenced by the flat rate according to clauses 8.5.1 b) to d) of the Regulation do not have to be evidenced by bookkeeping documents or documents of equivalent probative value.

10.10 Audit report and certificates of proof

- 1) Project Promoters and Partners may choose to prove the eligibility of expenditure by means of an independent audit report drawn by an auditor qualified to carry out statutory audits of the bookkeeping records.
- 2) It is also possible to choose certificates issued by a competent and independent public official. This factor must be recognized by the competent national authorities as having budgetary and financial control over the body which incurred the expenditure. In the Slovak Republic, this condition is met, for example by a chief municipality comptroller. It is also true that this public official must be independent, i.e. that he has not been involved in the preparation of the financial statements.
- 3) The auditor / public official must certify that the expenditure declared has been incurred in accordance with the Regulation, national law and relevant national accounting standards.
- 4) Such report or certificate must then be accepted by the Programme Operator as sufficient evidence of the expenditure incurred, submitted to the Programme Operator.
- 5) The Project Promoter or the Partner are obliged to keep the originals of bookkeeping documents and supporting documentation and submit them upon request to audit entities, especially the audit authority (in the case of Slovak entities), or an entity authorized by the MFA of the KoN, the FMC or the EFTA Board of Auditors.
- 6) The Programme Operator may decide to apply this option only to Project Partners established in another Beneficiary or Donor State (outside the SR) and international organizations.

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- 7) In accordance with the principle of proportionality, the report or certificate should be drawn up once a year, provided that the expenditure incurred by the entity exceeds EUR 30 000 for the previous period or periods not covered by the previous audit report or certificate. Provided that the expenditure incurred by the entity does not exceed EUR 30 000, it is recommended to submit the audit report or certificate when submitting the final project report. Programme Operator or the Project Promoter may require the submission of an audit report or certificate at more frequent intervals.
- 8) The report or certificate must be prepared in or translated into English, Slovak or Czech.
- 9) The report or certificate must contain the following details:
 - a) exact identification of the partner, identification of the auditor / public official, identification of the project, stamp and signature of the auditor / public official;
 - b) the auditor's declaration of independence (in particular, the elimination of conflicts of interest with a partner from a Donor State, the Project Promoter and other Partners);
 - c) the purpose of the report;
 - d) a list of all expenditure covered by the report (description of expenditure, basic characteristics and financial statement, inclusion in the project budget);
 - e) the list of expenditure in the certified auditor's report must allow the Programme Operator to identify the relevant expenditure also in the project interim report (within the clearance of accounts);
 - f) the scope of the verification performed (apart from the Regulations, in particular the list of the most important regulations of the national legislation);
 - g) the auditor's / public official's statement that the expenditure was incurred during the eligibility period, relates to the budget items approved under the Project Contract and complies with the eligibility rules for expenditure;
 - h) accurate identification and financial expression of ineligible expenditure;
 - i) confirmation that the terms of the Project Contract are fulfilled and that the relevant bookkeeping records and supporting documentation are in place.
- 10) A model report / certificate is annexed to the Bilateral Guideline, issued by Donor States and published at www.eeagrants.org.

10.11 Special provisions on expenditure eligibility

10.11.1 Expenditure eligibility and project budget

- 1) Only expenditure that is listed or indicated in the approved project budget is eligible.
- 2) Any **expenditure stated in the budget** is expenditure, which is explicitly defined in the project budget, i.e. from which it is possible to determine precisely the unit price and the number of units.
- 3) Any **expenditure indicated in the budget** is the expenditure defined in the project budget for which it is not possible to determine precisely the unit price or the number of units. In general, the

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indicated expenditure must be as small as possible in the project budget in order to monitor the project effectively.

Example:

Budget line	Expense	Unit price	Number of units	Nature of expenditure
Office Chairs	Purchase of chairs	10	25	Defined in the budget
Office supplies	Purchase of chairs	1,500	1	Indicated in the budget

- 4) The project budget is a part of the Project Contract.
- 5) Additional information on the project budget is provided in the project application. This additional information shall include the following information on each budget line:
 - a) Expenditure type (category).
 - b) The budget chapter to which the budget line belongs.
 - c) Commentary or notes on each budget line.
- 6) The information under clauses 5a) and 5b), i.e. the information on the type of expenditure and on the budget chapter, does not affect the eligibility of expenditure and is used mainly for statistical and reporting purposes.
- 7) Commentary or notes on a budget line provide additional information on individual budget lines. In assessing whether the expenditure was defined or indicated in the budget, the name of the budget line is taken into account in the first place and only then the commentary or the notes on the budget line.
- 8) The expenditure should be in line with the commentary or the notes on the budget line. If deviations occur, it is recommended to consult these changes with the Programme Operator. Discrepancy between the expenditure and the commentary or the notes on the budget line are considered a reported modification of the project and such change is considered approved by the approval of the relevant project interim report. As part of the approval of the project interim report, the Programme Operator may request additional information or justification for the change.

Example:

Budget line	Expense	Commentary / notes given in the project application	Eligibility
Office furniture	Purchase of chairs	This line includes chairs, a table, furniture, computer and other office equipment	Expenditure is justified in terms of the budget - chairs are office equipment, and are also explicitly mentioned in the commentary to the budget line
Office furniture	Purchase of chairs	This includes, in particular, a desk, furniture and other equipment	Expenditure is justified in terms of the budget - chairs are office equipment, even if they are not explicitly mentioned in the commentary to the budget line
Office furniture	Purchase of chairs	Desk - three pieces, cabinet - four pieces	In terms of the budget, the expenditure is justified if 3 desks, 4 cabinets and chairs are purchased. Although the budget commentary / notes did not mention the chairs as part of the equipment, in the interest of

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			flexibility and proportionality, the name of the budget line is taken into account first, followed by the commentary or the notes.
Office furniture	Purchase of a PC	Desk - three pieces, cabinet - four pieces, PC - two pieces	Expenditure is eligible - although the name of the budget line does not include the PC, the commentary does mention the PC. It follows that the expenditure is indicated (via the commentary) in the project budget
Office furniture	Purchase of a PC	Desk - three pieces, cabinet - four pieces	Expenditure is not eligible - it is neither defined nor indicated in the project budget or in the commentary / notes in the project application, therefore it does not meet this eligibility criterion
Office furniture	Purchase of a PC	Desk - three pieces, cabinet - four pieces	Expenditure is not eligible - it is neither defined nor indicated in the project budget or in the commentary / notes in the project application, therefore it does not meet this eligibility criterion
Office furniture	Desk - five pieces	Desk - three pieces, cabinet - four pieces	This is an obvious discrepancy between the commentary / notes on the budget and the number of desks purchased. Although it is the so-called monitored change, it is recommended to consult the change with the Programme Operator. The change is considered approved by the approval of the relevant project interim report.

- 9) The fact that the expenditure is defined or indicated in the budget is one, but not the only criterion of expenditure eligibility! All other eligibility criteria, in particular those mentioned in Chapter 8.2 of the Regulations, must be met!

10.11.2 Expenditure eligibility in terms of principles of sound financial management

- 1) Expenditure must meet the conditions of economy (minimization of expenditure while respecting project objectives), efficiency (maximizing the ratio of project outputs to inputs), efficiency (necessity for the implementation of project activities and direct link to them) and efficiency (expenditure must bring the actual result as planned).
- 2) The expenditure must be reasonable, i.e. it must correspond to the usual market price of the goods, services or work at the place and time in question. The Programme Operator is entitled to reduce the expenditure when assessing the expenditure eligibility, regardless of whether it was planned in the budget in a higher amount, or whether its amount was the result of the process of procurement of goods, work or service.
- 3) Recommended financial limits of selected types of expenditures are given in Annex no. 5 to this Guideline. Compliance with these limits is considered sufficient to demonstrate the cost-effectiveness of the expenditure. In the case of other expenses, their cost-effectiveness must be demonstrated in accordance with the following provisions of this Guideline:
 - a) according to Chapter 4, clause 7) of this Guideline in the case of goods, services and works with an estimated contract value of up to EUR 5 000,
 - b) according to Chapter 4.14., clause 2) of this Guideline in the case of low-value contracts with an estimated contract value of **up to** EUR 20 000,

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- c) according to Chapter 4.14., clause 6, (d)) letter of this Guideline in the case of low-value contracts with an estimated contract value **over** EUR 20 000,
- d) according to the chapter of 4.13 this Guideline in case of doubts about the economy of the job (contract) concluded as a result of a public tender,
- e) according to Chapter 4.14.1., clause 2) of this Guideline in the case of social, cultural (e.g. events) and other services, listed in Annex no. 1 to the Public Procurement Act,
- f) according to Chapter 10.2.2, clause 7) of this Guideline in the case of payroll expenses.

10.11.3 Expenditure eligibility and bookkeeping compliance

- 1) Each item of expenditure must be supported by bookkeeping documents and supporting documentation.
- 2) The provision under the previous clause does not apply to flat-rate expenditure, i.e. indirect costs and travel expenses.
- 3) The bookkeeping document must be properly recorded in the accounts of the Project Promoter and the Partner in accordance with the applicable accounting standards.
- 4) The discrepancy between the bookkeeping documents and the supporting documents must be justified and in this case it must be assessed whether the implementation and the amount of the expenditure have been demonstrated.
- 5) **Each item of expenditure must be analytically recorded in the accounts in such a way as to make clear its link to the project.**
- 6) Project Promoters from the public administration sector in the SR and Partners from the public administration sector in the SR are, in addition to the provisions of the previous sentence, also obliged to monitor each expenditure in the accounts broken down into sources:

11E1 - EEA Financial Mechanism (EFTA countries donations)

11E2 - EEA co-funding chapter appropriations

11E3 - Norwegian Financial Mechanism (Kingdom of Norway's donation)

11E4 - NFM co-funding chapter appropriations

11E5 - Co-funding with Financial Mechanisms from the municipal budget, or that of the Self-Governing Region

10.11.4 Expenditure compliance with the Project Contract and the legal framework

- 2) If the expenditure does not comply with the Project Contract or legal framework, the expenditure or part of it may be recognized as eligible only under the following conditions, which must be met **cumulatively**:
 - a) it is solely an administrative error which does not affect the choice of supplier, the price or other important parameters of the contract, and
 - b) the Project Promoter or the Partner has eliminated or shall eliminate this non-compliance, and

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- c) the Project Promoter or the Partner admits to a breach of the legal framework.
- 3) Recognition of the expenditure according to the previous sentence is the discretion of the Programme Operator.

10.11.5 Copyright agreements, mandate agreements, agency and other contract types

- 1) The Project Promoter or the Partner can only enter into an employment contract, government employment contract or agreements on work outside the employment relationship (agreement on the performance of work, agreement on work activities and agreement on temporary work of the student) with a natural person who is not an entrepreneur. Other types of contracts may be concluded only with the prior express written consent of the Programme Operator. Where foreign partners are concerned, they can only enter into such contractual relationship with a natural person who is not an entrepreneur that is in accordance with the national legislation of the partner country.
- 2) Expenditures stemming from copyright contracts are eligible only in relation to the elaboration of a work that has a tangible, physical form. In practice, this means, for example, that expenses from copyright contracts for teaching activities (lectures) are not eligible. The copyright contract can be concluded only with the prior express written consent of the Programme Operator. Consent is not required for projects supported under the CLT02 and CLT03 calls.

10.11.6 Participants' travel expenses

- 1) If the Project Promoter or the Partner organizes a conference or similar event, it is entitled to reimburse the participants only for accommodation, transport and meals.
- 2) Participants can be natural persons from the public or representatives of organizations. If the participants are representatives of organizations, the Project Promoter / Partner shall demonstrate that it has sent an invitation to the event to the organiser's statutory authority who has agreed to the participant's participation in the event (e.g. submission of an order to travel on business). This is necessary in order for the organisation's statutory body to be aware of the fact that the costs per participant of the event shall be reimbursed by the Project Promoter up to the relevant limits, on the basis of which the organization is not obliged to pay travel allowances to the participant it has sent to attend the event.

10.11.7 Purchase of goods and services from abroad

- 1) If the bookkeeping document for the purchase of goods, services and works was issued in a language other than Slovak, Czech or English, the Project Promoter or the Slovak Partner is obliged to make a translation into Slovak.

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- 2) If the bookkeeping document for the purchase of goods, services and works was issued in a language other than Slovak, Czech, English, Norwegian, Icelandic or German, the foreign partner is obliged to make a translation into English.
- 3) Foreign exchange losses or gains incurred by the Project Promoter or the Partner as a difference between the book value and the conversion under the Accounting Act do not affect the expenditure eligibility, i.e. the eligible amount is the amount of expenditure recorded in the Project Promoter's or Partner's bookkeeping records.
- 4) If customs duties have been levied on the purchase, this will be added to the purchase price of the goods purchased and is considered eligible expenditure if the Project Promoter has all the necessary customs documents and proof of duty payment.

10.11.8 Value Added Tax

- 1) Value added tax (VAT) is an eligible expense if the Project Promoter or the Partner is not entitled to a tax refund, and it is not decisive whether it shall exercise this right or not.

10.12 Special provisions on management expenses

- 1) Management expenditure represents a separate result of the project and is therefore not recorded as a separate project budget line. This is because management expenses may include payroll expenses, expenses for services and goods, travel and expenses and allowances, etc., i.e. various types of expenses.
- 2) Eligible management expenditure is not expenditure which, although directly related to the Project Promoter's activity or purpose for which the Project Promoter has been incorporated or established or related to the statutory obligations of the Project Promoter, is not related to the activities which the Project Promoter is obliged to carry out. Typical examples are e.g. expenses for preparation and approval of consolidated financial statements, expenses for insurance of property not purchased from the project grant, expenses for promotion of the Project Promoter, which do not directly target the project promotion.
- 3) Eligible project management expenditure is, in particular:
 - a) expenditure covering the salaries of staff involved in project management,
 - b) expenditure on project-related services, including e.g. project coordination and bookkeeping, if not provided under an employment contract or agreements on work performed outside the employment relationship,
 - c) business travel expenses related to project management, which include travel allowances, fares, meals, allowance for the use of an employee's own vehicle and accommodation expenses,
 - d) bank charges for keeping the account specified in the agreement and transaction fees other than debit interest.

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10.13 Excluded expenses

- 1) Expenditure that is automatically excluded from funding includes:
 - a) interest on loans, fees for credit services and interest on arrears,
 - b) fees for financial transactions and other purely financial costs, with the exception of costs related to accounts required by the FMC / MFA KoN, the National Focal Point or applicable legislation and costs of financial services imposed by the Project Contract,
 - c) provisions for losses or possible future liabilities,
 - d) exchange rate losses, with the exception of losses covered by financial security explicitly approved by the FMC / MFA KoN for each programme,
 - e) refundable VAT,
 - f) costs paid from other sources,
 - g) fines, penalties and litigation costs,
 - h) excessive or unnecessary expenses not related to the project,
 - i) other expenditure provided for in the relevant call, state aid scheme, Regulation or other document of the legal framework of the EEA FM and the NFM.

10.14 Recommended financial caps for some expenditure

Based on a comparison of current prices, the National Focal Point compiled a list of some of the selected goods and services in order to facilitate orientation in prices for Project Promoters and Slovak Partners.

The amounts listed in Annex no. 5 represent recommended caps, i.e. limits that are not binding on the Programme Operator or Project Promoters or Partners. In the event of a significant deviation, it is recommended that the Programme Operator require a justification.

The caps have been compiled according to the prices valid in the Slovak Republic, therefore these limits are not recommended to be taken into account by foreign partners.

This document is continuously supplemented and updated. If it turns out in practice that some recommended caps are overestimated or underestimated, or if the cap for the particular expenditure proves to be counterproductive, or if certain supporting documentation appears to be redundant or, on the contrary, necessary, the NFP shall adjust the document accordingly.

Implicit consent to exceeding the recommended cap is given by the Programme Operator by approving the project interim report in which the expenditure has been cleared.

11 FINALIZATION, COMPLETION AND SUSTAINABILITY OF THE PROJECT

- 1) For the purposes of the following chapter, a distinction must be made between:
 - a) project finalization,
 - b) project completion,
 - c) termination of the contractual relationship.
- 2) In the context of this chapter, project finalization means the completion of the project implementation.
- 3) In the context of this chapter, project completion means its successful completion, i.e. achieving the outcomes, output and indicators of the project and the implementation of project activities or parts thereof.
- 4) Termination of the contractual relationship, as well as the conditions of project sustainability, are governed by the provisions of the relevant Project Contract, contained in the NFP Guidelines on Contracts and Agreements.

11.1 Completed projects

- 1) The project has been completed properly and on time if it was completed no later than on the last day of the project expenditure eligibility.
- 2) The project is considered to be duly completed even if it is completed within a reasonable period of time set in accordance with Article 8.13.4 of the Regulation of its last expenditure eligibility date. This period should not exceed 6 months.
- 3) A project in which it has been decided by the FMC / MFA KoN that clearly identifiable and viable (operable) parts of the project have been completed is also considered a completed project.
- 4) Completion of the project before the project's planned completion date is considered to be a reported modification of the project, which does not need to be announced by means other than filling in the project interim or final report.
- 5) Completed projects are subject to the conditions of project sustainability in accordance with the provisions of the Project Contract.
- 6) Project completion is documented by the approval of the final project report, or by the decision of the FMC / MFA KoN according to clause 3 of this chapter.

11.2 Unfinished projects

- 1) An unfinished project is a project in which, as of the last day of the project expenditure eligibility, not all binding indicators of the outcome and output of the project or the binding bilateral indicators have been met.

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- 2) If the situation referred to in clause 1 hereof occurs, the Programme Operator is obliged to ensure that the funds are available to complete the project within a reasonable time (usually 6 months from the last day of the expenditure eligibility).
 - a) The Programme Operator is also entitled to consider unfinished a project in which all binding indicators of project outcome and output and bilateral indicators were met as of the last day of the project expenditure eligibility, but not all activities, project indicators not included in the Programme Agreement were implemented, or other conditions of the Project Contract, the EEA FM / NFM Legal Framework or the Implementation Rules have not been fulfilled. In this case, the Programme Operator is entitled to proceed by analogy with clause 2 of this chapter.
- 3) If clearly identifiable and viable parts of the project have been completed on the last day of expenditure eligibility, the FMC / MFA KoN may waive, in whole or in part, its right to receive a refund.
- 4) If the Project Promoter fails to refund the project grant or a part thereof, the Programme Operator shall proceed in accordance with the NFP Guidelines on Irregularities.

11.3 Prematurely terminated projects

- 1) Prematurely terminated projects are projects in which it is clear before the last date of expenditure eligibility that they will never be completed.
- 2) Premature project termination may occur for several reasons, which can be divided into the following categories:
 - a) Cancelled projects.
 - b) Projects terminated by the withdrawal of the Project Promoter from the Project Contract.
 - c) Projects terminated at the initiative of the Project Promoter.
 - d) Projects terminated by decision of the Programme Operator.
- 2) For statistical or registration purposes, prematurely terminated projects according to clauses 1b), c) and d) may be reported as unfinished projects within the meaning of the previous subchapter.

11.3.1 Cancelled projects

- 1) A cancelled project is a project in which an agreement on the termination of the project is entered into between the Project Promoter and the Programme Operator before the project grant is awarded or used.
- 2) For statistical or recording purposes, a cancelled project is a project that has been approved by the Programme Operator but for which no Project Contract has been concluded.
- 3) Termination of the project is documented by a written agreement of the parties on the project termination.

11.3.2 Projects terminated by the withdrawal of the Project Promoter from the Project Contract

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- 1) If the Project Promoter decides (unilaterally) to withdraw from the Project Contract, according to §351, par. 2 of the Act no. 513/1991 Statutes of the Commercial Code as amended (hereinafter referred to as the “Commercial Code”), it is obliged to refund the performance provided before withdrawal from the Contract, i.e. the amount of the project grant provided until then, including interest determined under § 502 of the Commercial Code, unless the Project Contract provides otherwise.
- 2) If the Project Promoter fails to refund the project grant or a part thereof, the Programme Operator shall proceed in accordance with the NFP Guidelines on Irregularities.
- 3) As of the date of the notice of withdrawal from the Contract dispatch, both the Project Promoter and the Partners are obliged to refrain from carrying out any transactions from the project account.
- 4) If the Programme Operator finds that the withdrawal from the Contract occurred in violation of §344 of the Commercial Code, it is entitled to inform the Project Promoter, while it may propose another, alternative termination of the contractual relationship.
- 5) The project termination is documented by the expression of the Project Promoter's will to withdraw from the Project Contract served to the Programme Operator. Withdrawal from the Contract terminates all rights and obligations of the parties thereto.

11.3.3 Projects terminated at the initiative of the Project Promoter

- 1) In the event of objective or subjective impossibility of fulfilling the obligations of the Project Contract by the Project Promoter, e.g. if the Project Promoter or the key Partner of the project has or is about to become insolvent, the project may be terminated prematurely at the initiative of the Project Promoter.
- 2) As of the date the initiative to end the project was dispatched, both the Project Promoter and the Partners are obliged to refrain from carrying out any transactions from the project account.
- 3) The initiative must also include a proposal for the deadline for completion of project results, as well as an overview of the achieved outcomes, project outputs and indicators and implemented project activities, including the value of total eligible expenditure and that of the project grant spent as of the date of sending the project termination request.
- 4) If clearly identifiable and viable (operable) parts of the project have been completed on the last day of the expenditure eligibility, the FMC / MFA KoN may waive, in whole or in part, its right to receive a refund.
- 5) If the Project Promoter fails to refund the project grant or a part thereof, the Programme Operator shall proceed in accordance with the NFP Guidelines on Irregularities.
- 6) Project termination is documented:
 - a) by agreement of the contracting parties on the termination of the project in the event that the contracting parties have mutually settled all obligations arising from the Contract,
 - b) by an administrative financial audit report containing the decision of the Programme Operator on the early termination of the project.

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11.3.4 Projects terminated by decision of the Programme Operator

- 1) The Programme Operator may decide to terminate the project in particular in the following cases:
 - a) If the Project Promoter or the Partner fails to fulfil its obligations arising from the Project Contract, even at the request of the Programme Operator. In such event, prior to the decision to terminate the project, the Programme Operator shall give the Project Promoter a period of 30 calendar days in which to remedy the situation in question.
 - b) If the Project Promoter or the Partner or the persons acting on their behalf commit conduct which is incompatible with the principles of transparency, good morals or otherwise damaging the reputation of the EEA and Norway Grants. Such conduct includes, but is not limited to the following:
 - i) if the Programme Operator finds that the information provided by or through the Project Promoter, which resulted in the approval of the project, was incomplete or untrue,
 - ii) if the Programme Operator finds that the expenditure declared in the project interim report is not in fact recorded in the Project Promoter's or the Partner's accounts or finds that credit notes have been issued of which the Programme Operator has not been made aware,
 - iii) if the Programme Operator finds that the supplier / contractor does not record in its accounts the bookkeeping document or the payment of that bookkeeping document by means of which the Project Promoter or the Partner accounted for the grant awarded or a part thereof,
 - iv) if the Programme Operator finds that the Project Promoter or the Partner has received a gift or any other pecuniary or non-pecuniary reward from bidders or candidates during the procurement process, or has participated in a collusion in the public tender, or has otherwise seriously infringed procurement principles,
 - v) if the Programme Operator finds that the Project Promoter or the Partner has committed illegal employment,
 - vi) if it is decided by the FMC or the MFA of the KoN.
- 2) In all these cases, the Programme Operator shall ask the Project Promoter to refund all or part of the project grant awarded.
- 3) If the Project Promoter fails to refund the project grant or a part thereof, the Programme Operator shall proceed in accordance with the NFP Guidelines on Irregularities.
- 4) Project termination is documented by an administrative financial audit report containing the decision of the Programme Operator on the early termination of the project.

11.4 Project sustainability

- 1) Conditions of the project sustainability are set out in the Project Contract.
- 2) The conditions of project sustainability may include, e.g., the following conditions:
 - retention of the Project Promoter's or the Partner's title to assets acquired or appreciated in value in whole or in part as a result of the project grant throughout the project's sustainability period,

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- obligation to insure the property according to the previous clause during the entire period of the project's sustainability,
 - the obligation to ensure fulfilment or maintaining the target values of binding indicators throughout the project's sustainability period,
 - the obligation to create and maintain a Project Sustainability Fund.
- 3) The Project Promoter is obliged to submit to the Programme Operator during the entire project's sustainability period documents proving the fulfilment of the project sustainability conditions according to the Project Contract and the Programme Operator's instructions, such as:
- list of continuously-met indicators,
 - the manner in which adequate funds have been set aside for the maintenance of assets acquired or appreciated in value in whole or in part from project grant funds,
 - an extract from the records of tangible and intangible fixed assets and operative records of small tangible and intangible assets proving that the equipment purchased in whole or in part from the project grant has not been transferred to another person,
 - a copy of an insurance policy proving that the property acquired or appreciated in value in whole or in part as a result of the project grant funds is duly covered against damage, destruction, loss, theft and other damage,
 - description of project revenues and the use of the same.
- 4) Unless the Programme Operator specifies another date, the documents proving the fulfilment of the conditions of project sustainability are always submitted by the Project Promoter by 31/1 of each calendar year throughout the project's sustainability period.
- 5) In accordance with Act no. 177/2018 Statutes on certain measures to reduce administrative burdens through the use of public administration information systems as amended (anti-bureaucracy law), the Programme Operator should be able to independently obtain an extract from the Land Registry proving that real estate acquired or appreciated in value in whole or in part as a result of the project grant has not been transferred to another person.
- 6) Due to the diversity of programmes and the projects supported, the individual Programme Operators determine the sustainability conditions independently, at their own discretion.

11.5 Termination of the contractual relationship

- 1) The contractual relationship can be terminated in the ways specified in the Project Contract, i.e.:
- a) by fulfilment of the obligations of the contracting parties and at the same time the expiration of the term of the Contract,
 - b) by agreement of the contracting parties,
 - c) by withdrawal from the Contract.
- 2) The Contract may be terminated by agreement between the contracting parties only if the parties have mutually settled all obligations arising from the Contract or arising thereunder, or if not even a partial project grant has been awarded to the Project Promoter.

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- 3) Withdrawal from the Contract by the Project Promoter is addressed in one of the previous chapters. Withdrawal from the Contract by the Programme Operator is recommended if the obligations cannot be settled in another way, at the earliest after the completion of the administrative proceedings or before the commencement of legal proceedings.

12 PROJECT MODIFICATIONS

- 1) Project modifications are divided into:
 - a) substantial modifications to the project,
 - b) minor modifications to the project, and
 - c) reported project modifications.
- 2) A substantial modification of the project means such a change of the approved project application, which in case of its approval by the Programme Operator requires a change of the provisions of the Project Contract in the form of an amendment.
- 3) A minor modification is a change to the approved project application, which does not require a change in the Project Contract and is only notified to the Programme Operator, unless otherwise stated in the Project Contract or the Implementation Rules.
- 4) The monitored project modification means a change to the approved project application made by the Programme Operator itself or of which the Programme Operator is informed through the project interim report, and this change does not constitute a Substantial modification or a Minor modification.
- 5) The entities that are entitled to propose a modification to the project are, in particular, the Project Promoter, the Partner (via the Project Promoter), the Programme Operator and the FMC / MFA KoN or institutions entrusted to do so by them. If it is not clear whether a modification is substantial or not, the modification shall be deemed to be a substantial one.
- 6) With the exception of modifications made before the approval of the project and modifications to the project ordered by the Programme Operator, the application for a modification of the project shall be submitted by the Project Promoter on the form which forms Annex no. 4 to this Guideline. The form must be submitted electronically.

12.1 Substantial modifications of the project

- 1) Substantial modifications to the project include in particular:
 - a) a modification in the project implementation period,
 - b) a modification in the project sustainability conditions,
 - c) a modification in the project grant and co-funding,
 - d) a modification in the project outputs, outcomes and indicators,
 - e) a substantial modification in the project budget,
 - f) modifications in surety,
 - g) a modification of the Project Promoter's project account,
 - h) a modification in the legal form of the Project Promoter or that of the Partner,

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- i) other modifications related to the partnership,
 - j) modifications related to the public tender result,
 - k) modification in the status of a VAT payer,
 - l) expiration of a permit required to implement the project,
 - m) other modifications that change the text of the Project Contract.
- 2) Substantial modifications to the project can only be made by a written amendment to the Project Contract, which must be published in the Central Register of Contracts (CRC).
 - 3) Substantial modifications to the project shall take effect no earlier than on the day following the day of publication of the amendment in the CRC, i.e. all substantial modifications to the project can be implemented only after the amendment has been published in the CRC.
 - 4) It follows from the above that, unless otherwise specified in this Guideline, substantial modifications to the project cannot be approved retroactively. These modifications must be brought up by the Project Promoter in advance and can only be implemented from the moment the relevant amendment enters into force on the day following the day of its publication in the CRC, unless a later date is specified in the amendment itself.
 - 5) Substantial modifications to the project must be duly justified, and their execution is decided on by the Programme Operator. The Programme Operator may therefore approve the proposal for a modification in the project, submitted by the Project Promoter, reject this proposal or order the project modification be executed.
 - 6) If the Project Promoter proposes a substantial modification to the project, which also concerns the project partners, the written consent of these partners is required.
 - 7) The Programme Operator is obliged to decide on the modification to the project no later than 30 business days of the service of complete documentation accompanying the application for a modification to the project.
 - 8) If the Programme Operator approves the project modification request, it shall send a draft amendment to the Project Contract to the Project Promoter together the information on the approval of the project modification request.
 - 9) The Project Promoter is obliged to sign and send the amendment to the Project Contract no later than 15 business days of the draft amendment receipt, unless the Programme Operator has set a different deadline.
 - 10) In the process of approving a substantial modification to the project, the payment of the project grant is **automatically suspended**, as well as the approval of the coinciding project interim report.
 - 11) In addition to the Project Contract, the information provided in the project application shall also be changed, and a new number shall be assigned to the project application form (e.g. 2.0, 3.0, etc.).

12.1.1 Modification of the project implementation period

- 1) The project implementation period represents the period, the beginning of which is defined in the Project Contract and the end of which is determined either by the approval of the final project report by the Programme Operator or by the expiration of the deadline for the project expenditure eligibility, whichever comes earlier.

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- 2) A modification in the project implementation period is not considered significant if the end of the project implementation is postponed by less than one calendar year compared to the planned project completion date specified in the Project Contract. Such modification represents a reported modification in the project.
- 3) The modification of the end of the project implementation by more than one calendar year in comparison with the planned completion date of the project stated in the Project Contract is possible only subject to an application for modification to the project, approved by the Programme Operator.
- 4) If the condition according to the previous clause is not met, this modification may represent an irregularity or a suspected irregularity.
- 5) Donor States must be notified of such modification.

12.1.2 Modification of the project sustainability conditions

- 1) The project sustainability conditions include, in particular, the project sustainability period and the project indicators, which must continue to be met throughout the project sustainability period.
- 2) The project sustainability period may be reduced in duly justified cases but may not be shorter than the period specified in the call.

12.1.3 Modification of the project grant and co-funding

- 1) The modification in the project grant is in the Programme Operator's discretion.
- 2) With the exception of predefined projects, **an increase in** the project grant is only possible through the redistribution procedure according to Article 7.4.8 of the Regulations.
- 3) In cases under the previous clause, the Programme Operator may invite the Project Promoters to submit a proposal for additional activities related to the project or those that enable the original project to continue, and the assessment of such proposals should be carried out in an appropriate manner in accordance with Article 7.4 of the Regulations.
- 4) The Programme Operator shall inform the Project Promoter in advance of the intention to **reduce** the project grant, giving the Project Promoter a period of 15 business days within which it may request the Programme Operator to reconsider this intention, including the reasons and any additional documentation.
- 5) **The distribution of** the project grant between the Project Promoter and the Partners is fixed and can only be modified under the conditions set out in the Project Contract. A written consent of the relevant partners is required. Modifications beyond the flexibility allowed in the Project Contract constitute a substantial modification to the project.
- 6) Modifications related to co-funding may be made at the request of the Project Promoter, and only if the distribution of mandatory co-funding between the Project Promoter and the partners changes. A written consent of the relevant partners is required. Modifications concerning the co-funding rate, in particular the increase in the project grant rate, are in principle inadmissible.
- 7) Donor States must be notified of such modification.

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12.1.4 Modification of the outcomes, outputs, indicators and activities

- 1) For the purposes of this chapter, project outcomes, output, indicators and activities are collectively referred to as the project parameters.
- 2) Modifying the parameters, which consists only in changing the name, while maintaining the content, is a minor modification in the project.
- 3) The project parameters can be modified only if the Project Promoter or the Partner proves that they cannot meet these parameters through no fault of their own.
- 4) In such event, there will also be a modification in the project grant, as part of the expenditure related to the project parameters will not and cannot be implemented.
- 5) Failure⁸ to meet the parameter is considered a significant modification in the project!**
- 6) If the situation according to the previous clause occurs, this modification may constitute an irregularity or a suspected irregularity.
- 7) When proposing modifications of the project parameters, it is necessary to take into account that:
 - a) many of the project parameters arise directly from the Programme Agreement and the Programme Operator is obliged to ensure their fulfilment,
 - b) modifications of the project parameters can have a significant impact on the eligibility of the application and the applicant or on the project evaluation.
- 8) Following the above, proposals for modifications in the project parameters with a negative impact on the matrix of the results framework of the Programme contained in Annex no. 1 to the Programme Agreement shall be most likely rejected.
- 9) Proposals to modify project parameters that could cause modifications in the project evaluation during the original selection process should also be rejected, unless it is clear that the modification would not affect the order of the projects.
- 10) The Programme Operator may reject the project modification request and oblige the Project Promoter to co-fund the project from its own resources so that all project parameters are met. If this is not possible, non-fulfilment of the project parameter shall result in the means being refund and a reduction of the project grant.
- 11) If the situation according to the previous clause arises, the Programme Operator shall ask the Project Promoter to proportionally reimburse the project grant used to finance the relevant project parameter. This modification may represent an irregularity or a suspected irregularity. Below is an example of what may happen if some project parameters are not met:

Result	Indicator	Planned target value	Achieved target value	Grant for the result	REFUND REQUEST
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⁸ Some indicators are based on the reduction of the current value (e.g. reduction of emissions by XY tons), therefore, for the sake of simplification, the terms fulfillment or exceeding of indicators are used. However, this text needs to be interpreted in a logical context. If we talk about substantial modifications, a substantial modification is generally considered an increase in the indicator by more than twice in the case of indicators that express a positive change through an increase in value and a decrease in the indicator more than twice in the case of indicators that express a positive change through a decrease in value.

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Organizing trainings	Number of trainings organized	30	15	€ 150,000	€ 75,000
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- 12) If during the project implementation the Project Promoter finds that the project **significantly**⁹ exceeds the set indicators, the Project Promoter is obliged to immediately submit to the Programme Operator or when prompted to do so by the Programme Operator, a request for a project modification.
- 13) The Programme Operator can then decide that the project has met the required outcomes, outputs and indicators, reduce the project grant and order the project's termination. Such case constitutes a proper finalization of the project, i.e. the project shall be finalized by approving the final project report.
- 14) The Programme Operator may also decide to reduce the project grant only for certain project results or activities that are directly relevant to the relevant indicator, while the Project Promoter and the Partner shall be entitled to continue to draw funds to cover other project results and activities.
- 15) The above provisions shall apply mutatis mutandis during the project implementation period as well as during the project sustainability period.

12.1.5 Modification of the project budget

- 1) A modification in the project budget is not considered a substantial modification of the project. The current version of the project budget is part of the current version of the project application. Nevertheless, it is recommended to formalize the modification in the project budget by concluding an amendment to the Project Contract, provided that the budget changes significantly compared to the original budget.
- 2) A significant modification in the budget is considered to be a transfer between activities exceeding 15% of the total eligible project expenditure.
- 3) If the Project Promoter or the Programme Operator decides to consider a significant modification in the budget to constitute a substantial modification, the budget indicated in the Project Contract shall be replaced with an updated budget.

Example:

Activities	TEE	Change	Difference	15% of TEE	Decision
Project management	60 000	45 000	- 15 000	150 000	Minor modification
Activity1	25 000	12 500	-12 500	150 000	Minor modification
Activity2	100 000	8 000	-92 000	150 000	Minor modification
Activity3	0	0	0	150 000	Minor modification
Activity4	50 000	25 000	- 25 000	150 000	Minor modification

⁹ It is not possible to define exactly which excess of the indicators is considered substantial. In general, the indicators exceeded substantially shall be those to exceed the indicators more than twice. Of course, with indicators such as e.g. the number of organized trainings, exceeding the indicator by a single unit shall be regarded a substantial excess of the same. The decision, therefore, depends on the type of indicator, assessed case by case.

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Activity5	150 000	100 000	- 50 000	150 000	Minor modification
Activity6	20 000	15 000	-5 000	150 000	Minor modification
Activity7	590 000	792 000	202 000	150 000	Significant modification - it is recommended to formalize the modification by entering into an amendment
Activity8	5 000	2 500	- 2 500	150 000	Minor modification
TOTAL	1 000 000	1 000 000	x	x	x

12.1.6 Modification of surety

- 1) Modifications in financial security can be approved only if the total amount of security or the reliability and credibility of this security is not reduced.

12.1.7 Modification of the project account

- 1) The modification of the project account of the Project Promoter or the Partner is possible only if the new account will meet the requirements specified in the current version of the System of Financing and Financial Management EEA FM and NFM for the programming period 2014 - 2021, which is managed by the Ministry of Finance of the SR.
- 2) If the Project Promoter or the Partner plans to change the project account, it is obliged to inform the Programme Operator in advance and request approval of the modification of account.
- 3) Before entering into an amendment to the Project Contract, the Programme Operator may require a copy of the contract opening a new account to be submitted along. The transfer of funds to the new project account is possible only after the amendment to the Project Contract has entered into force.

12.1.8 Modification of the legal form of the Project Promoter or that of the Partner

- 1) Where possible, the Project Promoter shall inform the Programme Operator of the intention to change the legal form in advance, as well as of any other substantial modifications to the project. Unlike other substantial modifications, the modification in the Project Contract can occur only after the modification of the legal form of the Project Promoter.
- 2) In the event that the legal form of the Project Promoter or the Partner changes in a way that would mean that the Project Promoter or the Partner are not eligible applicants under the call, the Programme Operator shall request the Project Promoter for a refund of the entire project grant provided up to that point. If clearly identifiable and viable (operable) parts of the project have been completed on the last day of the expenditure eligibility, the FMC / MFA KoN may waive, in whole or in part, its right to receive a refund.
- 3) In the event that the legal form of the Project Promoter or the Partner changes in such way that the Project Promoter or the Partner would be eligible applicants or partners in the call despite the

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modification in their legal form, the Project Promoter is obliged to provide a justification for the modification in legal form, including any impacts in relation to the project. Such a modification is always considered to be a substantial modification in the circumstances that formed the basis for the project implementation and/or the award of the project grant.

- 4) If the legal form changes in a way that would mean a lower allowable grant rate under the terms of the call, the Programme Operator shall make a financial correction by a necessary amount not later than when approving the final project report. For practical reasons, it is not recommended to change the grant rate during the project implementation. However, the Project Promoter should not be paid a higher grant than it is entitled to after the modification of its legal form.
- 5) The above provisions shall apply mutatis mutandis during the project implementation period as well as during the project sustainability period.
- 6) Donor States must be notified of such modification.
- 7) Modifications according to this chapter may constitute an irregularity or a suspected irregularity.

12.1.9 Expiration of a permit required to implement the project

- 1) If a permit, certificate, accreditation or other similar institute required for the project implementation expires, the Project Promoter shall be given a reasonable period of time to ensure that the situation is remedied.
- 2) If the Project Promoter does not provide a remedy in accordance with the previous clause, the Programme Operator shall request the Project Promoter to reimburse the entire project grant provided so far. If clearly identifiable and viable (operable) parts of the project have been completed, the FMC/MFA KoN may waive, in whole or in part, its right to receive a refund.
- 3) If the situation according to the previous clause occurs, this modification may constitute an irregularity or a suspected irregularity.
- 4) The above provisions shall apply mutatis mutandis during the project implementation period as well as during the project sustainability period.

12.1.10 Other partnership-related modifications

- 1) These modifications include in particular:
 - a) replacement of the original partner with financial share with a new partner,
 - b) withdrawal of a partner with financial share from the project,
 - c) modification of the Partnership Agreement between the Project Promoter and a Partner with financial share.
- 2) During the term of the Project Contract, it is possible to involve a new partner in the project, provided that this partner assumes the obligations of the previous partner with financial share, or if the new partner shall not participate in drawing on the project grant, but only in co-funding the project.
- 3) The new partner must meet the eligibility conditions set out in the call and must commit to the implementation of the project in the way set out in the call, the Project Contract and this Guideline,

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in particular by concluding a Partnership Agreement with the Project Promoter, which must be agreed by the Programme Operator.

- 4) Withdrawal of a partner with financial share from the project is possible only if its obligations are taken over by the Project Promoter or another Partner or a new Project Partner. The new partner must meet the eligibility conditions set out in the call and must commit to the implementation of the project in the way set out in the call, the Project Contract and this Guideline, in particular by concluding a Partnership Agreement with the Project Promoter, which must be agreed by the Programme Operator.
- 5) In exceptional cases, it is possible to approve the withdrawal of a partner with financial share from the project, even if the conditions stated in the previous clause are not met. In such case, however, the Programme Operator shall request a refund of the full amount of the project grant provided to the Partner. If clearly identifiable and viable (operable) parts of the project have been completed, the FMC / MFA KoN may waive, in whole or in part, its right to receive a refund.
- 6) An amendment to the Partnership Agreement shall be considered substantial if the following provisions of the Agreement are amended:
 - a) the roles and responsibilities of the contracting parties,
 - b) the financial parts of the agreement, in particular which expenses of the Partner can be covered by the project grant,
 - c) method of calculation and maximum amount of indirect costs,
 - d) provisions on audits of the Project Partner,
 - e) detailed budget in the sections concerning the Partner,
 - f) provisions on the settlement of disputes.
- 7) In the event of modifications according to the previous clause, the Project Promoter is obliged to submit a new draft text of the Partnership Agreement as part of the application for a change in the project, indicating the modifications compared to the previous version.
- 8) The above provisions shall apply mutatis mutandis during the project implementation period as well as during the project sustainability period.
- 9) Donor States must be notified of such modification.
- 10) Modifications according to this chapter may constitute an irregularity or a suspected irregularity.

12.2 Minor project modifications

- 1) The Programme Operator is obliged to decide on a minor modification of the project no later than 15 business days of the receipt of the application for a modification in the project and the complete documentation for the application for a modification in the project.
- 2) During the approval of minor project modifications, the Programme Operator may suspend the payment of the project grant as well as the approval of the coinciding project interim report, in particular if the modification concerns the project budget, project activities, output, outcomes, binding project indicators or other financial aspects of the project.

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12.2.1 Minor modifications subject to the Programme Operator's approval

- 1) The Programme Operator's approval of a minor modification requiring approval by the Programme Operator must be obtained in advance by the Project Promoter in the event of:
 - a) a modification in the project budget, other than one which is considered to be a desired modification in the project,
 - b) changing the name of the project activities.
- 2) If the Project Promoter has not obtained the approval of the Programme Operator before making the modification under the previous clause, there is a risk that the Programme Operator shall request the project grant, or a part thereof be refunded.
- 3) Unless the Programme Operator specifies another procedure, these modifications are formalized by approving a new version of the project application form, or the project budget, in which case the project application form or the project budget is given a new number (e.g. 2.0, 3.0, etc.).

12.2.2 Minor modifications subject to only to notification duty

- 1) Minor modifications to the project, which are subject only to the notification obligation, include in particular:
 - a) modification in the name of the Project Promoter, the statutory representative of the Project Promoter or that of the Partner, modification in the contact details, the contact person and persons involved in the project management (project coordinator and accountant) and in the domicile of the Project Promoter or that of the Partner;
 - b) a modification to the Partnership Agreement that does not constitute a substantial modification to the project,
 - c) and other modifications that the Programme Operator, having first discussed them with the Project Promoter, shall treat as a minor modification that does not require approval by the Programme Operator.
- 2) Modifications subject only to the notification obligation must be accompanied by official documents as supporting documentation, e.g. appointment to the position, extract from the register of organizations in case of change of domicile, changed text of the Partnership Agreement, etc.
- 3) The Programme Operator may require that modifications be reflected in the project application, in which case a new number shall be assigned to the project application form (e.g. 2.0, 3.0, etc.).

12.3 Reported project modifications

- 1) The reported project modifications include modifications about which the Programme Operator is continuously informed through the project interim report and modifications made by the Programme Operator itself.
- 2) The reported modifications are most frequently in particular:
 - a) modifications in reporting periods,

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- b) modifications in the project budget,
 - c) slight increase in indicators.
- 3) These modifications are considered approved by the approval or by generating a new project interim report by the Programme Operator.

12.3.1 Modifications of reporting periods

- 1) The standard reporting period is set out in the Project Contract.
- 2) The reporting periods may change or merge e.g. in the case of:
 - a) the project interim report being rejected by the Programme Operator,
 - b) the complete project interim report not having been submitted by the Project Promoter within the set deadline,
 - c) the Programme Operator having suspended the approval of the project interim report, and the approved not being granted within the next four-month period,
 - d) the project interim report not having been approved within the subsequent four-month period,
 - e) the first or the last reporting period.

12.3.2 Modification of project budget

- 1) The desired modifications in the project budget include in particular:
 - a) modifications in the way a budget line is procured and transfers of funds between types of expenditure and budget chapters, provided that these modifications do not affect the amount or type of State aid granted or the amount of minimum aid,
 - b) modifications and transfers within co-funding, direct expenditure, indirect costs and reserves, up to the limits set by the Project Contract,
 - c) modifications in the implementation of expenditure compared to the commentary / notes on the budget line indicated in the project application,
 - d) a slight increase in the unit price or quantity of the budget line up to the limit set by the Project Contract,
 - e) modifications related to public procurement,
 - f) savings or reduction in the unit price of a budget line.
- 2) If a single project combines different types of state aid, or a state aid and minimum aid, there should be no transfer of funds between these types of aid (e.g. between operating and investment aid in the context of cultural support).
- 3) Modifications and transfers within co-funding, direct expenditures, indirect costs and reserves are considered to be reported modifications to the project within the limits set by the Project Contract.
- 4) Modifications in the implementation of expenditure compared to the commentary / remarks on the budget line given in the project application are clarified in the part of the Guideline devoted to the expenditure eligibility ([Chapter 10.11.1 - Expenditure eligibility and project budget](#)).
- 5) A slight increase in the unit price or quantity means an increase which, while maintaining the principle of economy in the product of the unit price and the quantity of the budget line, does not cumulatively exceed EUR 10 000 or 15% of the original total price of the good.

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- 6) A budget modification for those items to be procured in a tender is considered necessary and envisaged. The Programme Operator is informed about the result of the public tender during its audit of the public procurement process after the Contract has been signed. Based on the results of the public procurement audit, the Programme Operator may adjust the project budget after the Agreement has been signed.
- 7) It is recommended to adjust the budget in the event that public procurement or other reasons result in savings in excess of 5% of the total eligible expenditure of the project or EUR 25 000, whichever is higher.
- 8) When achieving savings in a project, the principle that these savings shall be primarily used in the project applies.
- 9) If the Project Promoter achieves savings in the project implementation, it may propose a modification to the project, which should primarily aim at increasing those indicators that are binding on the Programme Operator at the level of the programme result.
- 10) Savings in the project can only be deemed achieved if the indicators set for the result to which the expenditure relates have been achieved.

12.3.3 Slight increase in indicators

A slight increase in indicators means an increase in the achieved target value of the indicator that does not represent a significant modification in the project.

13 IRREGULARITIES

Irregularities are governed by the relevant provisions of the Legal Framework of the EEA FM and the NFM and the Implementation Rules, in particular the NFP Guidance on Irregularities.

14 BOOKKEEPING

- 1) Under the Regulations, without prejudice to national accounting rules, the Project Promoter and the Partner are required to keep either a separate accounting system (bookkeeping centre) or an appropriate accounting code for all project-related transactions.
- 2) At the same time, the internal accounting and auditing procedures of the Project Promoter and the Partners must allow an immediate comparison of the expenditure and revenue declared under the project with the relevant accounts and supporting documentation.
- 3) The Project Promoter and the Partner shall keep and protect the accounting documentation or records and other documentation related to the project pursuant to Act no. 431/2002 Statutes on accounting and according to the Regulations at least 3 years from the date of approval of the final programme report by the Financial Mechanism Office.

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- 4) Foreign partners are required to keep accounts in accordance with national accounting rules and generally accepted accounting principles and are required to comply with clauses 1 to 5 of this chapter.
- 5) The Project Promoter and the Partner are obliged to prove the recognition of income and expenses by submitting a copy of the relevant page of the general ledger (in the case of double-entry bookkeeping) or the cash journal (single-entry bookkeeping) and the submitted documents need to make clear that expenditure or revenue was recorded in an analytical account or in a separate, project-designated accounting system (bookkeeping centre).
- 6) The bookkeeping obligations of the Partner are determined by the Project Promoter in accordance with the above requirements in the Partnership Agreement.
- 7) In addition to individual expenses, the regulations and receipt of the project grant must also be kept in the accounts of the Project Promoter and the Partner. More information can be found in the guidance the Ministry of Finance of the SR no. MF/002429/2004-72 on drawing, keeping the books and taxation of non-refundable contribution from the Structural Funds from the budget of the European Communities for private and public sector, which does not apply to EEA FM and NFM, but taking into account the necessary adjustments, may serve as suitable aid for Project Promoters and Slovak Partners.
- 8) Further details are specified in the Project Contract.

14.1 Bookkeeping documents

- 1) The Project Promoter is obliged to prove the eligibility of the expenditure through bookkeeping documents and documents of equivalent probative value. A bookkeeping document is a document defined in § 10 par. 1 of Act no. 431/2002 Statutes on accounting as amended.
- 2) An "Bookkeeping document of equivalent probative value" means any document submitted by the body responsible for implementation to prove that the book entry gives a true and fair view of the transactions actually made, in accordance with standard accounting practice.
- 3) The bookkeeping documents must contain a text from which it is clearly identifiable that the expenditure is linked to the implementation of a project supported by a project grant. It is recommended to include the text: "**The expenditure is related to the project <project number> financed from EEA / Norway Grants and the state budget of the SR**".
- 4) If the Project Promoter or the Partner does not claim the full amount of a bookkeeping document for redemption from the project grant or if the supplier / contractor did not state this on the bookkeeping document, the Project Promoter is obliged to add information about these facts to the bookkeeping document, including the amount claimed from the project grant.

14.2 Issuing copies and reviewing bookkeeping documents

- 1) Unless expressly requested by the Authorized Person¹⁰, the Project Promoter is not obliged to ensure the issuance of several copies or an official verification of bookkeeping documents or supporting documentation.

¹⁰ A person who is entitled to carry out a project audit in accordance with the Project Contract, the legal framework of the EEA FM and the NFM, the Implementation Rules or the legislation of the SR and the EU.

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- 2) If accounting documents or supporting documents sent by the Project Promoter or the Partner to the Programme Operator are concerned, the Project Promoter and / or the Partner shall verify the bookkeeping documents and supporting documents by the signature of the statutory representative and the Project Promoter's stamp on each page of the bookkeeping document and the supporting documentation. If the dossier is firmly bound, verification on the first page of the dossier is sufficient.
- 3) If the bookkeeping documents and the supporting documentation is submitted by the Project Promoter to the Programme Operator during the on-the-spot verification, the persons who participated in the on-the-spot verification by the Programme Operator and the Project Promoter or the Partner shall confirm by their signature that the attached documentation agrees with the original archived by the Project Promoter or the Partner.

14.3 Archiving

The conditions for archiving bookkeeping documents are determined by the Project Contract.

15 PROJECT AUDIT

- 1) For the purposes of this text, the term financial audit means basic financial audit, administrative financial audit and on-the-spot financial audit performed in accordance with the Financial Control and Audit Act, as amended.
- 2) In accordance with the Contract, the project may also be subject to monitoring, evaluation, government audit, or other types of inspections performed by Authorized Persons.

15.1 Access to information

- 1) The Project Promoter and the Partners are obliged to provide the Authorized Persons with full access to all information, documents, persons, locations and facilities, public or private, that are relevant for the performance of the inspection.
- 2) At the same time, the Project Promoters are obliged to ensure that this access is also provided to the Eligible Persons by the suppliers of goods within the project who have been selected on the basis of public procurement.

15.2 Financial audit procedures

- 1) Financial audit is performed by the Programme Operator in accordance with the Financial Control and Audit Act, as amended.
- 2) The procedure, obligations of the Programme Operator as the authorized person and the Project Promoter as the obligated person are regulated by the relevant law and the Project Contract.

16 PROJECT REVENUES, INTEREST, ACCOUNTS AND RATES

16.1 Project revenues

- 1) The project's ability to generate revenue is considered a positive aspect of the project as long as it does not generate excessive profits.
- 2) In determining the appropriate rate of return, the Programme Operator must take into account any economic benefits, i.e. savings or increased income, that result from the receipt of a financial support (grant). The economic benefits must be used in a way that supports the objectives of the project, while respecting the procedural and substantive rules of state aid.
- 3) To this end, the Programme Operator calculates a reasonable profit on an ongoing basis during the project's sustainability period. This calculation is based on standard practice and is based mainly on regulations governing block exemptions in the field of State aid.
- 4) Reasonable profit is calculated as the difference between the rate of return on capital and the relevant swap rate plus a premium of 100 basis points.
- 5) The rate of return on capital is defined as the internal rate of return (IRR) that an enterprise obtains from its invested capital.
- 6) Its invested capital means co-funding that the company (Project Promoter or the Partner) invests in the project.
- 7) The level of risk depends on the sector concerned, the type of service and the characteristics of the compensation. The internal rate of return (IRR) results from the net present value (NPV) as a function of the internal rate of return. The rate of return for which this function is zero is the internal rate of return.
- 8) Each year of the project sustainability period, the Project Promoter shall submit to the Programme Operator data on the revenues achieved under the project in the extent and structure determined by the Programme Operator. These may concern, e.g., the following data:
 - a) savings due to project implementation,
 - b) admission revenues,
 - c) premises rental income,
 - d) other revenues,
 - e) operational expenditure,
 - f) maintenance costs,
 - g) capital expenditure on renewal,
 - h) other related expenses.
- 9) Based on the data provided, the Programme Operator shall calculate the amount of the project grant at which the IRR is equal to the swap rate (i.e. at which the profit is reasonable).
- 10) If the result is a finding that the profit exceeds a reasonable profit, the Programme Operator is entitled to issue a request for a refund of the corresponding amount due to the achievement of excessive profit.
- 11) The regulations stipulate that the Project Promoter may not keep **any profit!** It is possible, and in terms of the project sustainability also desirable, for the project to generate a reasonable profit, but this must be used for the benefit of the project's objectives, i.e. the Project Promoter cannot keep it.
- 12) The Programme Operator may decide to use different methods and techniques to calculate the reasonable rate of return.

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16.2 Interest and accounts

The conditions regarding interest and accounts are determined in the Project Contract.

16.3 Exchange rates and exchange rate differences

- 1) Entities drawing funds from the EEA FM and the NFM and state budget funds for co-funding (if relevant) may reimburse expenditure in a currency other than EUR.
- 2) When using the exchange rate for the purpose of converting the amount of expenditure paid in a foreign currency, it is necessary to proceed in accordance with § 24 of Act no. 431/2002 Statutes on accounting as amended.
- 3) When transferring funds in a foreign currency from an account opened in EUR to the account of a supplier opened in a foreign currency, the bank's exchange rate valid on the day of debiting funds from an account opened in EUR, i.e. on the day of the bookkeeping event, shall be used. The expenditure converted into EUR under such exchange rate, paid to the supplier, represents the eligible expenditure amount.
- 4) In the event that a foreign partner keeps accounts in a currency other than EUR, the Project Promoter or the Partner is obliged to convert the total amount of expenditure in EUR in the list of bookkeeping documents using the exchange rate announced by the European Commission in the month when the expenditure was recorded in the Partner's accounts.

17 PUBLICITY

- 1) The basic conditions that the Project Promoter must meet are set out in the Project Contract.
- 2) In all communication tools, the Project Promoter and the Partners use the following common names instead of the official names of the financial mechanisms:
 - a) **EEA Grants** for the EEA Financial Mechanism,
 - b) **Norway Grants** for the Norwegian Financial Mechanism,
 - c) **EEA Grants and Norway Grants** or, alternatively, a shorter link **EEA and Norway Grants**, if both financial mechanisms are mentioned at the same time.
- 3) The Project Promoters and the Partners should be thoroughly familiar with the Communication and Design Manual issued by the Financial Mechanism Office and published at www.eeagrants.org, containing all the details of the basic communication tools, which are:
 - a) logos,
 - b) slogans,
 - c) websites,
 - d) social media,
 - e) photographs and audio-visual materials,
 - f) publications,
 - g) events,
 - h) press service,
 - i) press releases
 - j) information sharing.

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- 4) In order to build and maintain a visual identity, the Communication and Design Manual also contains information on:
 - a) the use of logos in specific situations (e.g. on a coloured background, in combination with other logos, etc.),
 - b) standardized (boilerplate) texts on EEA Grants / Norway Grants, which can be used e.g. on websites, in the publications' masthead, etc.,
 - c) common demonstrations of gratitude,
 - d) commemorative plaques,
 - e) posters, information boards (billboards) and roller presentation systems (rollups),
 - f) promotional materials such as notebooks, umbrellas, bags (not plastic), T-shirts, pens, memory sticks, bracelets,
 - g) magazines,
 - h) presentations.
- 5) Technical information such as fonts (typography), colour or grid can also be found in the Communication and Design Manual and it is recommended that the Project Promoters or the Partners provided this information to the producers of the relevant communication tool.

17.1 Logos

- 1) The Project Promoter and the Partners shall use only the **official** logos of the EEA Grants and Norway Grants as published on www.eeagrants.org. The creation of a new logo or its translation or other modification of the official logo is not permitted.
- 2) The Project Promoters and the Partners always use the logos at the same time as the coat of arms of the Slovak Republic. The coat of arms in curves is available at www.eeagrants.sk / www.norwaygrants.sk.
- 3) The logos can be used together with the official slogan.

17.2 Slogans, abbreviated names and acronyms

- 1) The official slogan that can be used together with the logo is "Working together for a green, competitive and inclusive Europe". Its Slovak translation reads as: „Spoločných úsilím k zelenej, konkurencieschopnej a inkluzívnej Európe“.
- 2) According to the Communication and Design Manual, it is possible to use various variations of the slogan within the individual programmes, e.g. under the Climate Change Mitigation and Adaptation Programme.
- 3) The National Focal Point and the Programme Operators also use the slogan "Together for good ideas" at the national and programme level, translated as „Spoločne za dobré nápady“. At the project level, use of this slogan is not common.
- 4) It is recommended to use abbreviated programme names when communicating. If necessary, it is also possible to use common abbreviations, as follows:
 - a) Climate Change Mitigation and Adaptation Programme - short for **Climate Change**, acronym ACC,

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- b) Domestic and Gender-based violence - the **full name is used, acronym DGV**,
- c) Good Governance, Accountable Institutions, Transparency / Cross-border Cooperation - abbreviated as **Good Governance and Cross-border Cooperation**, acronym GGC,
- d) Local Development, Poverty Reduction and Roma Inclusion - abbreviated name **Local Development and Inclusion**, acronym LDl,
- e) Business Development, Innovation and SMEs - abbreviated name **Business and Innovation**, acronym BIN,
- f) Cultural Entrepreneurship, Cultural Heritage and Cultural Cooperation - abbreviated name **Culture**, acronym CLT.

17.3 Websites

- 1) Domain and website requirements are included in the Project Contract. Important recommendations and tips can be found in the Communication and Design Manual, and in the Annex no. 3 of the Regulations.
- 2) The domain must be the subject of statistical tools to evaluate site traffic (e.g. Google Analytics).
- 3) The domain or the individual web pages must contain:
 - a) current information about the project, including photo documentation,
 - b) acknowledgement of support, which may take the form of customary speeches as follows:
 - **in the framework of projects financed by EEA Grants**
 - in Slovak: <Project title> získal grant z Islandu, Lichtenštajnska a Nórska v sume <use rounded figure> € prostredníctvom Grantov EHP. Projekt bol spolufinancovaný v sume <use rounded figure> € z prostriedkov štátneho rozpočtu Slovenskej republiky. Cieľom projektu je <specify aim>.
 - in English: The <project title> benefits from a € <amount - use rounded figure> grant from Iceland, Liechtenstein and Norway through the EEA Grants. The project has been co-financed from the State Budget of the Slovak Republic in the amount of <amount - use rounded figure> €. The aim of the project is to <objective>.
 - **in the framework of projects financed by Norway Grants**
 - in Slovak: <Project title> získal grant z Nórska v sume <use rounded figure> €. Projekt bol spolufinancovaný v sume <state round figure> € zo štátneho rozpočtu Slovenskej republiky. Cieľom projektu je <specify aim>.
 - in English: The <project title> benefits from a € <amount - use rounded figure> grant from Norway through the Norway Grants. The project has been co-financed from the State Budget of the Slovak Republic in the amount of <amount - use rounded figure> €. The aim of the project is to <objective>.
 - **in the framework of projects financed by the EEA Grants and Norway Grants**
 - in Slovak: <Project title> získal grant z Islandu, Lichtenštajnska a Nórska v sume <use rounded figure> € prostredníctvom Grantov EHP a Nórskeho grantov. Projekt bol spolufinancovaný v sume <use rounded figure> € z prostriedkov štátneho rozpočtu Slovenskej republiky. Cieľom projektu je <specify aim>.

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- in English: The <project title> benefits from a € <amount - use rounded figure> grant from Iceland, Liechtenstein and Norway through the EEA Grants and Norway Grants. The project has been co-financed from the State Budget of the Slovak Republic in the amount of <amount - use rounded figure> €. The aim of the project is to <objective>.
- c) Texts containing links to national domains:
- **in the framework of projects financed by EEA Grants**
 - in Slovak: „Ak sa chcete dozvedieť viac o programoch a projektoch financovaných z Grantov EHP na Slovensku, navštívte stránku www.eeagrants.sk.“
 - in English: "If you want to know more about programs and projects financed by the EEA Grants in Slovakia, visit www.eeagrants.sk."
 - **in the framework of projects financed by the Norway Grants**
 - in Slovak: „Ak sa chcete dozvedieť viac o programoch a projektoch financovaných z Nórskeho grantov na Slovensku, navštívte stránku www.norwaygrants.sk.“
 - in English: "If you want to know more about programmes and projects financed by the Norway Grants in Slovakia, visit www.norwaygrants.sk."
 - **in the framework of projects financed by the EEA and Norway Grants**
 - in Slovak: „Ak sa chcete dozvedieť viac o programoch a projektoch financovaných z Grantov EHP a Nórska na Slovensku, navštívte stránku www.eeagrants.sk alebo www.norwaygrants.sk.“
 - in English: "If you want to know more about programmes and projects financed by the EEA and Norway Grants in Slovakia, visit www.eeagrants.sk or www.norwaygrants.sk.“
- d) basic information on EEA Grants and / or Norway Grants as relevant, using the following standardized texts:

Standard text for projects funded only by the EEA Grants	Standard text 1 - EEA Grants
<p>EEA Grants represent the contribution of Iceland, Liechtenstein and Norway to a green, competitive and inclusive Europe.</p> <p>They have two main objectives: reducing economic and social disparities in Europe and strengthening relations between the Donor States and the 15 EU countries in Central and Eastern Europe and the Baltics.</p> <p>The three Donor States work closely with the EU through the Agreement on the European Economic Area (EEA). As donors, they gradually provided EUR 3.3 billion through grant schemes between 1994 and 2014. EEA Grants for the period 2014-2021 amount to € 1.55 billion. The priorities of this period are:</p> <p># 1 Innovation, research, education and competitiveness</p>	<p>The EEA Grants represent the contribution of Iceland, Liechtenstein and Norway towards a green, competitive and inclusive Europe.</p> <p>There are two overall objectives: reduction of economic and social disparities in Europe, and to strengthen bilateral relations between the donor countries and 15 EU countries in Central and Southern Europe and the Baltics.</p> <p>The three donor countries cooperate closely with the EU through the Agreement on the European Economic Area (EEA). The donors have provided € 3.3 billion through consecutive grant schemes between 1994 and 2014. For the period 2014-2021, the EEA Grants amount to € 1.55 billion. The priorities for this period are:</p> <p># 1 Innovation, Research, Education and Competitiveness</p>

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<p># 2 Social inclusion, youth employment and poverty eradication # 3 Environment, energy, climate change and a low carbon economy # 4 Culture, civil society, good governance and fundamental rights #5 Justice and home affairs</p> <p>EEA Grants are co-financed by Iceland, Liechtenstein and Norway according to their GDP.</p> <p>Eligibility for these grants reflects the criteria set for the EU Cohesion Fund, which is intended for Member States with a gross national product (GNP) per capita below 90% of the EU average.</p> <p>15% of all projects is co-funded from the state budget of the Slovak Republic.</p>	<p># 2 Social Inclusion, Youth Employment and Poverty Reduction # 3 Environment, Energy, Climate Change and Low Carbon Economy # 4 Culture, Civil Society, Good Governance and Fundamental Rights # 5 Justice and Home Affairs</p> <p>The EEA Grants are jointly financed by Iceland, Liechtenstein and Norway, whose contributions are based on their GDP.</p> <p>Eligibility for the grants mirror the criteria set for the EU Cohesion Fund aimed at member countries where the Gross National Income (GNI) per inhabitant is less than 90% of the EU average.</p> <p>All projects are co-financed by the State Budget of the Slovak Republic in the amount of 15%.</p>
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Standard text for projects funded by both EEA Grants and Norway Grants	Standard text EEA and Norway Grants
<p>The EEA and Norway Grants represent the contribution of Iceland, Liechtenstein and Norway to a green, competitive and inclusive Europe.</p> <p>They have two main objectives: reducing economic and social disparities in Europe and strengthening relations between the Donor States and the 15 EU countries in Central and Eastern Europe and the Baltics.</p> <p>The three Donor States work closely with the EU through the Agreement on the European Economic Area (EEA). As donors, they gradually provided EUR 3.3 billion through grant schemes between 1994 and 2014. The EEA and Norway Grants for the period 2014-2021 amount to EUR 2.8 billion. The priorities of this period are:</p> <p># 1 Innovation, research, education and competitiveness # 2 Social inclusion, youth employment and poverty eradication</p>	<p>The EEA and Norway Grants represent the contribution of Iceland, Liechtenstein and Norway towards a green, competitive and inclusive Europe.</p> <p>There are two overall objectives: reduction of economic and social disparities in Europe, and to strengthen bilateral relations between the donor countries and 15 EU countries in Central and Southern Europe and the Baltics.</p> <p>The three Donor States cooperate closely with the EU through the Agreement on the European Economic Area (EEA). The donors have provided € 3.3 billion through consecutive grant schemes between 1994 and 2014. For the period 2014-2021, the EEA and Norway Grants amount to € 2.8 billion.</p> <p>The priorities for this period are:</p> <p># 1 Innovation, Research, Education and Competitiveness # 2 Social Inclusion, Youth Employment and Poverty Reduction</p>

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<p># 3 Environment, energy, climate change and a low carbon economy # 4 Culture, civil society, good governance and fundamental rights #5 Justice and home affairs</p> <p>Eligibility for these grants reflects the criteria set for the EU Cohesion Fund, which is intended for Member States with a gross national product (GNP) per capita below 90% of the EU average.</p> <p>The EEA and Norway Grants consist of two financial mechanisms. The EEA Grants are co-funded by Iceland, Liechtenstein and Norway, whose contributions are based on their GDP. The Norway Grants are funded exclusively by Norway.</p> <p>15% of all projects is co-funded from the state budget of the Slovak Republic.</p>	<p># 3 Environment, Energy, Climate Change and Low Carbon Economy # 4 Culture, Civil Society, Good Governance and Fundamental Rights # 5 Justice and Home Affairs</p> <p>Eligibility for the grants mirror the criteria set for the EU Cohesion Fund aimed at member countries where the Gross National Income (GNI) per inhabitant is less than 90% of the EU average.</p> <p>The EEA and Norway Grants scheme consists of two financial mechanisms. The EEA Grants are jointly financed by Iceland, Liechtenstein and Norway, whose contributions are based on their GDP. The Norway Grants are financed solely by Norway.</p> <p>All projects are co-financed by the State Budget of the Slovak Republic in the amount of 15%.</p>
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Standard text for projects funded only from the Norway Grants	Standard text Norway Grants
<p>The Norway Grants represent Norway's contribution to a green, competitive and inclusive Europe.</p> <p>Through the Norway Grants, Norway contributes to reducing economic and social disparities and strengthening mutual relations with beneficiary countries in Central and Eastern Europe and the Baltics.</p> <p>Norway cooperates closely with the EU through the Agreement on the European Economic Area (EEA). Together with other donors, Norway provided € 3.3 billion through grant schemes between 1994 and 2014.</p> <p>Norway Grants are funded exclusively by Norway and are available in countries that joined the EU after 2003. For the period 2014-2021, Norway Grants amount to 1.25 billion euros. The priorities of this period are:</p> <p># 1 Innovation, research, education and competitiveness</p>	<p>The Norway Grants represent Norway's contribution towards a green, competitive and inclusive Europe.</p> <p>Through the Norway Grants, Norway contributes to reducing social and economic disparities and to strengthening bilateral relations with beneficiary countries in Central and Southern Europe and the Baltics.</p> <p>Norway cooperates closely with the EU through the Agreement on the European Economic Area (EEA). Together with the other donors, Norway has provided € 3.3 billion through consecutive grant schemes between 1994 and 2014.</p> <p>Norway Grants are financed solely by Norway and are available in the countries that joined the EU after 2003. For the period 2014-2021, the Norway Grants amount to € 1.25 billion. The priorities for this period are:</p> <p># 1 Innovation, Research, Education and Competitiveness and Decent Work</p>

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<p># 2 Social inclusion, youth employment and poverty eradication # 3 Environment, energy, climate change and a low carbon economy # 4 Culture, civil society, good governance and fundamental rights #5 Justice and home affairs</p> <p>15% of all projects is co-funded from the state budget of the Slovak Republic.</p>	<p># 2 Social Inclusion, Youth Employment and Poverty Reduction # 3 Environment, Energy, Climate Change and Low Carbon Economy # 4 Culture, Civil Society, Good Governance and Fundamental Rights # 5 Justice and Home Affairs</p> <p>All projects are co-financed by the State Budget of the Slovak Republic in the amount of 15%.</p>
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17.4 Social networks

- 1) For communication, the Project Promoter may also use social networks such as FB, YT, IG, LI, TW and other.
- 2) When communicating via social networks, it is recommended to take into account capacities and focus on quality rather than quantity. Useful tips are contained in the Communication and Design Manual.
- 3) When communicating on social networks, it is also advisable to use the hashtag #eeagrants.

17.5 Photographs and audio-visual recordings

- 1) The Project Promoter is obliged to continuously create photo documentation from the implementation of project activities in a reasonable quality and submit it to the Programme Operator.
- 2) It is recommended to make photo documentation with a resolution of at least 300 dpi.
- 3) It is recommended to use time collection in construction and infrastructure projects.
- 4) In projects of a sensitive nature, e.g. when working with vulnerable groups, great emphasis must be placed on the protection of personality, therefore it is recommended not to display faces, or to blur or otherwise modify photographs so that persons are not identifiable.
- 5) In all cases that make it possible, the Project Promoter or the Partner should have the consent of the persons captured in the photographs and audio-visual recordings from the implementation of the project, especially if they are disseminated further.
- 6) Where audio-visual recordings intended for websites are concerned, it is recommended to create short clips (up to 60 seconds) with an immediate message and subtitles, ideally in Slovak and English.
- 7) Photo documentation must be informative about the process of implementation of activities or on the results achieved and must be provided by the Project Promoter at any time to the Programme Operator for further dissemination without restriction. By sending digital photos, the Project Promoter automatically consents to further dissemination for the awareness and publicity purposes, and the Project Promoter is responsible for their content.

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- 8) Photographs and audio-visual recordings can be shared with the National Focal Point at www.eegrants.sk/zakladne-informacie/publicita-komunikacia/foto-video/aplikacia.

17.6 Publications

- 1) In all publications, it is necessary to use the common names according to this Guideline, i.e. EEA Grants, Norway Grants, or EEA and Norway Grants.
- 2) All publications must include acknowledgement of support, which may take the form of customary speeches to be found in [Chapter 17.3 of this Guideline](#).
- 3) All publications must also be available in electronic (PDF) version.
- 4) Publications must be informative about the activities implementation process or the results achieved and must be made available by the Project Promoter at any time to the Programme Operator for further dissemination without restriction. By sending digital photos, the Project Promoter automatically consents to further dissemination for the awareness and publicity purposes, and the Project Promoter is responsible for their content.
- 5) Publications can be shared with the National Focal Point at www.eegrants.sk/zakladne-informacie/publicita-komunikacia/web-kniznica/aplikacia.

17.7 Events

- 1) When organizing events, it is necessary to ensure that participants are aware that the activities have been supported by EEA Grants, Norway Grants or the EEA and Norway Grants and the state budget of the SR.
- 2) According to the Project Contract, all Project Promoters are obliged to ensure the organization of a certain number of information activities. The information activity may be, e.g., an event such as an opening conference, a closing conference, workshops, seminars, press conferences, organized visits of projects by the public or the journalists or other similar events.
- 3) In the context of events, a smaller information activity means an event for more than 10 and less than 30 invited participants (with the exception of the organizer's participants, i.e. those of the Project Promoter and its Partners). In the event of an organized visit for journalists, the lower limit according to the previous sentence does not apply.
- 4) Representatives of the Programme Operator and representatives of the Embassy of the Kingdom of Norway in the Slovak Republic must be invited to all events. The National Focal Point may set up an application on its domain to make it easier to invite these institutions.
- 5) The Embassy of the Kingdom of Norway can be contacted by e-mail at emb.bratislava@mfa.no. The postal address is Royal Norwegian Embassy in Bratislava, Palisády 29, 811 06 Bratislava, Slovakia.
- 6) Contact details of Programme Operators can be found at www.eegrants.sk, www.norwaygrants.sk.

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17.8 Press service

The communication and design manual contains useful tips on how to attract media attention in a positive way.

17.9 Press releases

- 1) It is necessary to use the common names according to this Guideline, i.e. EEA Grants, Norway grants, or EEA and Norway grants in all press releases.
- 2) All press releases must include acknowledgement of support, which may take the form of customary speeches to be found in [Chapter 17.3 of this Guideline](#).

17.10 Information sharing

- 1) Upon request, Project Promoters are required to share photographs, audio-visual recordings, publications and other information about the project in electronic form with the Programme Operator.
- 2) One copy of each material produced in printed form must be delivered to the Programme Operator.
- 3) The National Focal Point is continuously working on building a unified visual identity and joint promotion of all supported programmes and projects, especially through the Gallery and the Web Library. The gallery shall capture photographs and audio-visual recordings from the projects. The web library shall contain electronic outputs from projects, e.g. textbooks and other methodological texts and publications such as brochures, leaflets, etc. The Programme Operator shall share information from Project Promoters with the National Focal Point if so requested by the National Focal Point.

17.11 Informative and commemorative boards

- 1) During the project implementation, the Project Promoter shall erect an information board at each project implementation site in accordance with the requirements of the Communication and Design Manual, if the implementation site meets the following conditions:
 - a) the total public contribution at the implementation site exceeds EUR 50 000,
 - b) a physical object, infrastructure or construction work has been funded at the implementation site.
- 2) The information board should contain in particular:
 - a) Logo of the relevant financial mechanism or mechanisms and the coat of arms of the Slovak Republic,
 - b) Link to the national domain of the financial mechanisms, i.e. according to the relevance either www.eegrants.sk or www.norwaygrants.sk,

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- c) Information on what the project is intended to achieve and / or at whom it is aimed (e.g. "This project shall result in restoration of the courtyard of the Doremifasol Castle to become accessible to the public"),
 - d) Information on which States provided the funding, using the text referred to in clause 4,
 - e) The institution managing the project (name of the Project Promoter),
 - f) The total amount of the project grant that the project has received,
 - g) Any other information, such as data on the beginning and expected date of the project completion, slogan (according to [section 17.2 of this Guideline](#)), profile photo, etc.
- 3) No later than six months after the end of the project, the Project Promoter shall replace the information board with a permanent **commemorative board** that will be visible, of the appropriate size and in accordance with the Communication and Design Manual.
- 4) Depending on the source of funding, the commemorative plaque must contain the following texts in English and their Slovak equivalents:
- **in the framework of projects financed by EEA Grants**
 - in English: "Supported by the peoples of Iceland, Liechtenstein and Norway through the EEA Grants. Co-financed by the State Budget of the Slovak Republic".
 - in Slovak: "Podporené občanmi Islandu, Lichtenštajnska a Nórska prostredníctvom Grantov EHP. Spolufinancované zo štátneho rozpočtu Slovenskej republiky".
 - **in the framework of projects financed by Norway Grants**
 - in English: "Supported by a grant from the people of Norway. Co-financed by the State Budget of the Slovak Republic".
 - in Slovak: "Podporené grantom od nórskeho ľudu. Spolufinancované zo štátneho rozpočtu Slovenskej republiky".
 - **in the framework of projects financed by the EEA and Norway Grants**
 - in English: "Supported by the peoples of Iceland, Liechtenstein and Norway through the EEA and Norway Grants. Co-financed by the State Budget of the Slovak Republic".
 - in Slovak: Podporené občanmi Islandu, Lichtenštajnska a Nórska prostredníctvom Grantov EHP a Nórska. Spolufinancované zo štátneho rozpočtu Slovenskej republiky".
- 5) The graphic design of the information and commemorative board is subject to the approval of the Programme Operator, who assesses the suitability of the elements used, their size and the data used in the design of the board in terms of the Communication and Design Manual.
- 6) The Project Promoter may electronically request the Programme Operator to comment on the graphic design of the information board and the commemorative board. The Programme Operator shall assess the suitability of the elements used, their size and the proposed data in terms of the Communication and Design Manual and shall send an opinion to the Project Promoter within a reasonable time.

17.11.1 Marking excluded equipment

- 1) The Project Promoter is obliged to ensure that all equipment designated as exempt equipment, i.e. fixed assets for which the total entry price is applied, is marked with a sticker, label or poster or by other appropriate means.

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- 2) The size of the marking must be commensurate with the size of the equipment. In the case of equipment the marking of which is impossible due to its dimensions or characteristics, or the marking of which is complicated or would disturb the visual aspect of the equipment, the Project Promoter shall ensure that an adequate information carrier is placed in close proximity to the object.
- 3) In the case of intangible assets, the above provisions shall apply mutatis mutandis or shall not apply if there are objective reasons to the contrary.

17.11.2 Small promotional items

- 1) Small promotional items include pens, pencils, bags, memory sticks, umbrellas, T-shirts, calendars, notebooks, document folders, etc.
- 2) Promotional items provide a quick visual identification function and perform a specific role in terms of advertising. An essential element of these items is the identification based on the EEA FM logo / NFM logo, which is a mandatory element of these promotional items.
- 3) The logo can be supplemented with additional information about the project (if the dimensions of the promotional item allow it).
- 4) If the promotional item does not allow it due to its size, it is necessary to provide at least a link to the programme domain / website, e.g.: www.eeagrants.sk/ct, www.norwaygrants.sk/ldi as relevant.
- 5) Items which, for various reasons, cannot be marked with the above-mentioned identifiers cannot function as promotional items.

17.12 Technical requirements for information and publicity measures

- 1) All technical characteristics, the use of the logo and other technical specifications can be found in the Communication and Design Manual.
- 2) The manual sets out the logotype, colour of the logotype, graphic links, fonts, dimensions and design of information materials (stickers, posters, roll-up panels, presentations, videos and website templates).
- 3) Logo and presentation templates are available at the following links. Other templates can be found in the Communication and Design Manual.

Package with the EEA and Norway Grants logos	https://eeagrants.org/resources/eea-and-norway-grants-logo-package
Package with the EEA Grants logos	https://eeagrants.org/resources/eea-grants-logo-package
Package with the Norway Grants logos	https://eeagrants.org/resources/norway-grants-logo-package

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Model presentation of the EEA and Norway Grants	https://eeagrants.org/resources/powerpoint-presentation-template-eea-and-norway-grants
Model presentation of the EEA Grants	https://eeagrants.org/resources/powerpoint-presentation-template-eea-grants
Sample presentation of Norway Grants	https://eeagrants.org/resources/powerpoint-presentation-template-norway-grants

- 4) Expenditure on information and publicity measures which do not comply with the requirements of the Communication and Design Manual may be considered, in whole or in part, ineligible expenditure.**

17.13 Monitoring and evaluation of information and publicity measures

- 1) The Project Promoter / Partner shall inform about the information activities and measures implemented in the field of publicity via e-mail and the project interim or final report.
- 2) Compliance with publicity measures according to the rules set out in this Guideline and on the basis of the approved project communication plan is subject to project audit.
- 3) The Project Promoter shall inform the Programme Operator through an interim report or, upon request, of:
 - a) implementation of measures of the communication plan,
 - b) implemented information and publicity measures,
 - c) all means of communication used,
 - d) partial and final results of the implementation of publicity measures, raising awareness of the project and the EEA FM / NFM and ensuring maximum openness and visibility of the benefits of project implementation.
- 4) In the event that the Project Promoter fails to comply with all mandatory publicity measures during implementation, expenditure on information and publicity shall be categorized as ineligible.

17.14 Access of the public to project results

- 1) All project results must be available to the public throughout the term of the Project Contract and under the conditions set out in the Project Contract and in this Guideline.
- 2) All paper-based or paper-convertible documents created with the support of the project grant must be made available to the Programme Operator for publication on the Programme Operator's domains, and the Project Promoter or the Partner must settle all rights related to the authorship of these documents in such a way that disclosure could not be considered a breach of relevant legislation, e.g. copyright law, the Commercial Code and the Personal Data Protection Act. Such documents are considered to be methodological documents, manuals, studies, brochures and all other materials, the creation of which was fully or partially covered by the project grant.
- 3) All documents of a paper nature or convertible into paper form created in connection with the project grant, e.g. the Project Contract, supplier contracts, project interim reports, lists of

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bookkeeping documents, bookkeeping documents and supporting documentation, etc. shall be published by the Programme Operator or provided upon request under the Freedom of Information Act in a manner that respects the Personal Data Protection Act.

- 4) Equipment, which is not used for the production of goods, e.g. cultural monuments, homes, etc., must be accessible to the public on a non-discriminatory basis and under conditions agreed between the Programme Operator and the Project Promoter.
- 5) Equipment intended for the production of goods must be accessible to potential applicants in accordance with safety protocols, e.g. media, representatives of state administration, etc.

18 LIST OF ANNEXES

Annex no. 1 Table for verification of conflict of interest and bid coordination

Annex no. 2 Rules for applying flat-rate compensation

Annex no. 3 Model affidavit on waste management

Annex no. 4 Project modification request

Annex no. 5 Recommended financial caps for certain expenditure