

# WORKING TRANSLATION



Government Office of the Slovak Republic  
National Focal Point  
Slovak Republic



EEA Financial Mechanism



Norwegian Financial Mechanism

## Guidelines for bilateral fund at national level

The EEA Financial Mechanism and the Norwegian Financial Mechanism  
Version 1.0

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## INTRODUCTION

The Guidelines for bilateral fund at national level (hereinafter referred to as the “**Guidelines**”) are intended for all applicants for contribution from the bilateral fund at national level (hereinafter referred to as the “**bilateral fund**”), with the exception of applicants implementing predefined activities. The Guidelines contain the basic information on the bilateral fund and specify the procedures for the implementation of the bilateral fund from the publication of the Announcement of the launching of the bilateral fund to the payment of funds to the applicant.

The **legal framework** of the bilateral fund at national level is formed by these guidelines and the following documents:

- ✓ Memorandum of Understanding on the Implementation of the EEA Financial Mechanism 2009–2014;
- ✓ Memorandum of Understanding on the Implementation of the Norwegian Financial Mechanism 2009–2014;
- ✓ Regulation on the Implementation of the European Economic Area Financial Mechanism 2009 – 2014 and the Regulation on the Implementation of the Norwegian Financial Mechanism 2009 – 2014 (hereinafter referred to as “**Regulation**” or jointly as “**Regulations**”) in current version;
- ✓ Guideline for strengthened bilateral relations;
- ✓ The management system for the European Economic Area Financial Mechanism and the Norwegian Financial Mechanism for the 2009–2014 programming period in current version;
- ✓ The funding and financial management system for the European Economic Area Financial Mechanism and the Norwegian Financial Mechanism for the 2009–2014 programming period in current version.

The Guidelines are issued in accordance with the Agreement between the Financial Mechanism Committee and the Ministry of Foreign Affairs of the Kingdom of Norway and the Government Office of the Slovak Republic on the financing of technical assistance and the fund for bilateral relations at national level (hereinafter as the “**Agreement**”), signed on 25 May 2012.

The bilateral fund is designed for financing the activities with a strong potential and relevance for the strengthening of bilateral relations and typically supports one-off activities rather than a coherent set of activities (projects). They primarily include complementary activities with clearly defined objectives and focus which relate to the organisation of, or participation at, conferences, seminars and workshops, or information activities that are important for the strengthening of bilateral relations. Individual activities are implemented within predefined thematic components.

The Guidelines consist of three parts:

- Part **A** provides basic information on the bilateral fund;
- Part **B** focuses on information related to the submission of grant applications and their evaluation, i.e. prior to the approval and implementation of a bilateral activity;
- Part **C** governs the financing and submission of requests for payment, including the conditions which must be met before contribution is to be paid from the bilateral fund, i.e., following the implementation of the bilateral activity.

The overall liability for the implementation of the bilateral fund rests with the Government Office of the Slovak Republic as the National Focal Point (hereinafter as the “**NFP**”). Within the NFP, the tasks related to the bilateral fund are carried out in particular by the Strategic Operations Unit at the EEA and Norway Grants Department. The NFP is the provider of financial resources from the bilateral fund to the applicants.

The Guidelines may be updated by means of an amendment to the Guidelines or by releasing a new version. Annexes to the Guidelines may be updated by sending a new version of the annex directly to the applicant using the e-mail address specified in the grant application and by publishing them on the NFP's

website. In the event that the system for the implementation of the bilateral fund is updated or if any of the provisions becomes unjustified or unenforceable in practice, or if obligations of applicants and partners are being further detailed or extended, an amendment to the Guidelines will be issued. The amendment is approved by the Head of the Government Office of the Slovak Republic. If the Guidelines extend the obligations of applicants beyond the scope of obligations specified in the decision, an implicit consent of applicants will be required. Such implicit consent will be given if the applicant undertakes, for the first time, an action implemented in accordance with the updated Guidelines. This consent is not required if the scope of obligations of applicants remains unchanged.

## TERMS AND DEFINITIONS

**Activity** is a range of actions, the implementation of which contributes to the strengthening of bilateral relations between the Slovak republic and donor states, and is carried out in accordance with announcement of the launching of the bilateral fund at national level. It is not a coherent project, but a complementary activity with a defined objective and focus.

**Aim of the bilateral activity** is a medium and long-term effect of the implementation of bilateral activities that contribute to the strengthening of bilateral relations between the Slovak republic and donor states.

**Announcement of the launching of the bilateral fund** – is a document through which the potential applicants for the contribution from the bilateral fund are informed on the availability of funds for the implementation of activities under the bilateral fund, the focus of the fund for the respective period and the basic conditions that must be met in connection with the submission of the grant applications.

**Applicant** is a relevant subject, which submitted a grant application.

**Contribution from the bilateral fund** – is the amount of funds from FM EEA and NFM provided to the applicant to implement an activity.

**Decision on the approval of the grant application** is a document by which is the applicant informed about the approval of the submitted grant application. The decision specifies conditions under which the funds will be reimbursed from the bilateral fund.

**Decision rejecting the grant application** is a document by which is the applicant informed about the rejection of the grant application including the reasons for such rejection.

**Donor states** are Norway, Lichtenstein and Iceland.

**Evaluation of the grant application** is a verification procedure of the grant application in three steps – initial evaluation, evaluation by the bilateral commission and final evaluation by the NFP.

**Eligible expenditure** is an expenditure, which complies with eligibility criteria provided in this guideline, the announcement of the launching of the bilateral fund and decision on approving the grant application.

**Eligible applicant** is a subject, which is eligible to apply for the contribution from the bilateral fund.

**FIFO** is an implementation system of the bilateral fund based on „first in - first out“ verification of the grant application, which ensures efficient evaluation of the grant application according to the day of its submission.

**Grant application** is an application, which is submitted by the applicant based on the announcement for launching of the bilateral fund on prescribed form.

**Guideline for strengthened bilateral relations** is a guideline issued by the Financial Mechanism Office in Brussels (available at [www.eeagrants.sk](http://www.eeagrants.sk)), which specifies the framework processes and procedures for bilateral fund at the national level.

**Memorandum of Understanding on the Implementation of the EEA Financial Mechanism and Norwegian Financial Mechanism 2009–2014** are international treaties concluded between the Slovak republic and the donor states. They establish the basic framework on EEA and Norway grants implementation.

**Outcomes and results of the bilateral activity** for specific activities are defined in the announcement of the launching of the bilateral fund.

**Partner with financial participation** is an eligible subject selected and provided by the applicant, which is involved in the implementation of activities with specific expenditures that he implements.

**Partner without financial participation** - is an eligible subject selected and provided by the applicant, which is involved in the implementation of activities without any specific expenditures that he implements.

**Partnership Agreement** – a written agreement concluded between the applicant for the contribution from the bilateral fund and the partner with financial participation, which specifies basic rights and obligations of the both parties.

**Payment claim** is a claim submitted by the applicant within 2 months from the date of completion of the activity on the prescribed form and through which the applicant requests for reimbursement of incurred eligible expenses incurred for the implementation of the activity.

**Predefined activity** is an activity within the bilateral fund, which is previously agreed between the Slovak republic and the donor states.

**Regulation on the Implementation of the European Economic Area Financial Mechanism 2009 – 2014 and the Regulation on the Implementation of the Norwegian Financial Mechanism 2009 – 2014** are the basic implementation rules adopted by the FMC and NMFA governing the implementation of the EEA and NFM.

**Reimbursement** means that the applicant is provided with the financial resources after the applicant files a payment claim on already incurred and documented expenditures.

**Reservation of the funds** is the amount of funds allocated to a grant application, which has met the formal criteria within the initial evaluation of the grant application defined by the announcement of the launching of the bilateral fund.

**Thematic component** is a thematic focus (priority area) of the implementation of the bilateral fund for the respective year / period defined in the announcement of the launching of the bilateral fund.

## **PART A: Basic information on the bilateral fund at the national level**

### **1. Basic information about the bilateral fund**

**The primary objective of the bilateral fund at national level is to financially support the process of strengthening the bilateral relations between institutions operating in Slovakia and donor states in particular by attaining the following objectives:**

- a) developing and strengthening the existing bilateral relations;
- b) establishing new ties and possibilities of bilateral cooperation with respect to sustainable cooperation;
- c) supporting the bilateral dimension in the implementation of the EEA and Norway grants.

The bilateral fund is supported jointly by the EEA Financial Mechanism and the Norwegian Financial Mechanism. The total allocation for the bilateral fund has been set at EUR 403,750 from which EUR 191,750 is provided from the EEA Financial Mechanism and EUR 212,000 is provided from the Norwegian Financial Mechanism. The activities of the bilateral fund are not financed from the state budget of the Slovak Republic.

The focus and amount of funds allocated for bilateral activities is set by the NFP typically on an annual basis through the Announcement of the launching of the bilateral fund at national level for the respective calendar year (hereinafter only as the “**announcement**”) which will contain further information important for the submission of grant applications. Grant Application form is an obligatory annex to the announcement. When appropriate, other annexes to the announcement are added.

The announcement remains open for the period of six months from its publication or until the available allocation is used up, unless the NFP sets a different deadline in the announcement. The grant applications delivered after the expiry of a period of six months following the publication of the announcement will be rejected by the NFP. Information on the full use of the available allocation for the respective year and/or for a thematic component will be published at the NFP’s website. Grant applications delivered and registered after the deadline set in the information on the full use of the available allocation for the respective year and/or for a thematic component will be rejected by the NFP.

The contributions are paid out from the bilateral fund as reimbursement of the actually incurred eligible expenditures. Further details are provided in part C.

Unspent allocation in a given year will automatically be carried over to the total allocation for the next year.

## **2. Thematic components and bilateral activities**

The focus of the bilateral fund for the respective year is proposed by the bilateral commission composed of 3 members (a representative of the NFP, a representative of the Ministry of Foreign Affairs of the Slovak Republic and a representative of the Norwegian Embassy to Slovakia) and approved by the NFP together with the donor states, and will be based on particular thematic components (hereinafter as the “**component**”) defined in every announcement.

Every component contains at least one bilateral activity (hereinafter as the “**activity**”) with predefined outcomes and results.

## **3. Eligibility of activities**

The bilateral fund can support only activities falling under the components specified for the respective calendar year as defined in the published announcement and an individual applicant is allowed to implement only one activity within a single selected component.

The eligible period for the submission of grant applications will be specified in the announcement for the respective year. The activity and all eligible expenditures may be implemented only following the issuance of a decision approving the grant application and its subsequent acceptance by the applicant. In terms of eligibility, the requirement is that every activity eligible for financing from the bilateral fund must be clearly oriented towards the strengthening of bilateral relations.

## **4. Eligible applicants**

Eligible applicants are entities from the Slovak republic.  
Further criteria for assessing the eligibility of applicants will be defined in the relevant announcement.

Applicants **are required to implement the activity in cooperation with at least one partner from a donor state, or with an international organisation.**

## **5. Eligible partners**

Eligible partners under the bilateral fund are as follows:

- a) Entities from the Slovak republic (private or public entities, including on-governmental organisations)
- b) Entities from Norway, Liechtenstein and Iceland (private or public entities, including non-governmental organisations)

c) International organisations.

Eligible partners may be partners with financial participation or partners without financial participation. The relevant announcement will define the total permitted number of partners, including partners with financial participation and partners without financial participation. In the relevant announcement, additional eligibility criteria for a partner with financial participation will be defined as well.

The relationship between an applicant and a partner with financial participation may not substitute for supplier-customer relations. In relation to the NFP, the liability for all obligations and any misconduct on the part of the partner is borne by the applicant.

Applicants and partners with financial participation are therefore recommended to conclude a partnership agreement before submitting the grant application.

## 6. Territorial eligibility

As a general rule, activities can only be implemented in Slovakia or in donor states. Within the territories of any other countries, activities can be implemented only in exceptional cases necessitated by the specific character of activities; in that case, however, an explicit consent granted by the NFP is necessary. Further territorial eligibility criteria are specified in the relevant announcement.

## 7. Eligibility of expenditures

Eligible costs are costs that relate to the implementation of activity and are related to the achievement of the objective of the measure particularly travel costs, costs related to the organization of events etc. ( following Articles 7.2; 7.7.2 and 7.7.3 of the Regulation on the implementation of the EEA Financial Mechanism and the Regulation on the implementation of the Norwegian Financial Mechanism).

When financing travel expenses, except for flight tickets, lump sums compensation shall apply. Only flight tickets in economy class are eligible. Lump sums compensation is calculated as follows:

1. Lump sums compensation shall be determined in accordance with current rates stipulated by the European Commission which are published at <http://ec.europa.eu/europeaid/sites/devco/files/perdiem-rate-20150318.pdf> and that represent a rate for one night stay, respectively. The lump sum for the business trip that lasted more than 12 hours (without overnight stay) in the Slovak Republic or the donor state (respectively when other State is not mentioned in the decision as an eligible area for the implementation of activities) is reduced by 60%;
2. The term lump sums compensation means compensation for accommodation, meals, travel insurance, local transport (including transport from airport to accommodation) and necessary extra expenses;
3. Title for a lump sums compensation is reported by a report from business trips abroad, which must be signed by the business trip participants and must contain information about the progress and results of the trip and accurate time data path must be apparent from it (beginning and end of the business trip abroad - the date and time );
4. The lump sum compensation for participants of a domestic business trip in the Slovak Republic or the donor state (respectively when other State is not mentioned in the decision as an eligible area for the implementation of activities) is reduced by 40% if the travel takes place only in one state.

The limits specified in Annex. 1 of the newest versions of Project Promoter and Project Partner Guide, issued the Government Office as the National Focal Point, shall adequately apply on the other costs.

The last date of eligibility of expenditures for the bilateral fond at national level is 31 October 2017. The date of eligibility of expenditures for the individual activities is specified in the relevant announcement.

In accordance with the documents referred to above, the expenditures must be in compliance with the following eligibility criteria:

- a) the expenditure must be incurred in the period following the acceptance of the NFP's decision by the applicant;
- b) the expenditure must be evidenced by an accounting document or a document of equivalent probative value and by supporting documents in accordance with Annex 1 of the newest versions of Project Promoter and Project Partner Guide, issued by the Government Office as the National Focal Point. By means of supporting documents, applicants declare the link between the financial aspect of the implemented expenditure and the substantive aspect of the implemented expenditure,
- c) the expenditure must be incurred in accordance with the national legislation, EU law and the legislation of the relevant donor state in the case of a partner with financial participation;
- d) the expenditure must comply with the principles of economy, efficiency and effectiveness and efficacy.

Where the expenditure does not cumulatively meet all the eligibility criteria (in accordance with the Regulation, these Guidelines or the relevant announcement), the NFP is authorised to classify the relevant expenditure or its part as non-eligible. Expenditures classified as ineligible will not be reimbursed from the bilateral fund.

## **PART B: Submission and evaluation of the grant application**

### **1. Submission of grant applications**

Grant applications are submitted by applicants on the basis of the relevant announcement published on the websites [www.eeagrants.sk](http://www.eeagrants.sk) and [www.norwaygrants.sk](http://www.norwaygrants.sk). By means of the announcement, applicants are in particular notified of the availability of the fund, including the basic conditions for the implementation of activities for the individual components, the amount of allocations, the limits and procedures for the preparation and submission of grant applications.

In the grant application form, applicants must provide a detailed description of the proposed activity, the objective of the activity, as well as the outcomes and outputs expected from the implementation of the activity. The design of the forms allows the applicants to choose from among activities defined under the individual components specified in the relevant announcement. Within the selected activity the applicant may choose one activity result and one activity objective.

The outcomes of individual activities are defined in the announcement. In accordance with the Guideline for strengthened bilateral relations issued by the Financial Mechanism Office in Brussels, an activity financed from the bilateral fund must contribute to the attainment of one of the following outcomes;

- a) extent of cooperation
- b) shared results
- c) knowledge and mutual understanding
- d) wider effects

The above information concerning the objective, outcome and output of the activity is **fundamental** for evaluating the eligibility of a planned activity.

The grant application can only be submitted **electronically** to the address [bilateralnyfond@vlada.gov.sk](mailto:bilateralnyfond@vlada.gov.sk) using the prescribed form which constitutes an annex to the announcement. The grant application is submitted in English language, with amounts indicated in euro.

The signed grant application must be submitted together with the affirmative in due time.

### **2. Evaluation of grant applications**

Grant applications are evaluated using the **“first in, first out” method (FIFO)**. The date and time of submission of the grant application is the decisive factor for the FIFO system. The FIFO method is applied until the funds allocated for a particular component defined in the announcement are used up.



The applications are evaluated within **30 working days from the delivery of the application by applying formal and factual criteria specified in the announcement**. The evaluation of grant application is carried out in the following phases:

- a) Initial evaluation of the grant application
- b) Evaluation of the grant application by the bilateral commission
- c) Final evaluation of the grant application

#### **Initial evaluation**

The initial evaluation of a grant application is carried out by the NFP and its purpose is to assess the compliance with formal and factual criteria defined in the announcement. If the specified formal criteria are not fulfilled, the NFP will reject the grant application and notify the applicant of having rejected the grant application, while stating the reasons for which it was rejected and the information on the possibility to request a review of the rejection within 5 working days from the delivery of the rejection.

In case the applicant does request the review of the grant application rejection, the review will be done by other person than the one who rejected the grant application. The review will examine the reasons set out in the rejection and within 10 working days of receiving such request, the NFP will make a final decision, about which will be the applicant informed electronically without undue delay.

If the formal criteria are met, the NFP will reserve the required amount in the bilateral fund and send an e-mail notification to the applicant with information that the funds have been earmarked and that the application evaluated in terms of compliance with factual criteria.

If the grant application does not contain all the required information/documents, the NFP will request the applicant, within the initial evaluation of factual criteria, to submit the missing information / documents the shortcoming by electronic means. If the applicant fails to submit the missing information or documents the shortcomings within the specified deadline, the grant application will be evaluated as originally submitted.

If the grant application contains all the required information / documents, the NFP will refer the grant application to the bilateral commission for evaluation.

#### **Evaluation of the grant application by the bilateral commission**

The evaluation of the grant application by the bilateral commission focuses in particular on the assessment of the factual criteria defined in the announcement. In performing the evaluation, the bilateral commission acts in line with its rules of procedure. The evaluation of the grant application by the bilateral commission may result in the following conclusions:

- a) grant application recommended for approval within the final evaluation;
- b) grant application not recommended for approval within the final evaluation.

Detailed information on the operation of the bilateral commission is provided in the Statute of the Bilateral Commission and the Rules of Procedure of the Bilateral Commission. The above documents constitute part of the basic documents for the implementation of the bilateral fund which are published on the websites [www.eegrants.sk](http://www.eegrants.sk) and [www.norwaygrants.sk](http://www.norwaygrants.sk).

#### **Final evaluation of the grant application**

The final evaluation of the grant application is carried out by the NFP. The NFP will approve the grant application if it has been recommended by the bilateral commission for approval. If the grant application was not recommended for approval, the NFP will reject it.



The NFP will notify the applicant of the approval of the grant application by means of a decision on the approval of the grant application (hereinafter referred to as the “**decision on approval<sup>1</sup>**”), which will be issued within 5 working days after the end of the evaluation and which will also contain specific conditions under which the funds can be reimbursed from the bilateral fund. In the approving decision, the applicant will be asked to notify the NFP, within the specified deadline, whether it accepts the decision. If the decision is accepted, the applicant is required to send a scanned version of the letter of acceptance to the NFP.

If the grant application is rejected, the NFP will inform the applicant of the rejection of its application, including the reasons for such rejection, by means of a decision rejecting the grant application (hereinafter referred to as the “**rejecting decision<sup>2</sup>**”).

### 3. Reservation of funds

The reservation of funds will be performed immediately after the grant application is evaluated as complying with the formal criteria and such reservation can be updated if the amount of eligible expenditures is changed prior to the issuance of the decision approving the grant application (e.g. a reduction in the required amount of eligible expenditure, respectively the non-acceptance of certain proposed expenditures).

The reservation of funds may be cancelled if the grant application is rejected, if the applicant does not accept the NFP’s decision approving the grant application or if the applicant fails to submit a payment claim in due and timely fashion in accordance with the specified conditions.

In case the grant application complies with the formal criteria during the initial evaluation and the National Focal Point does not have any financial resources available within the allocation for the given component and respective year, such grant application will be placed on the reserve list. The applicant will be notified to that effect.

If funds become available under the given component and in the given year, the evaluation process will be resumed for the application which was originally placed on the reserve list, using the same order of precedence based on which it was placed on the reserve list.

## PART C: Financing and payment claim submission

### 1. Proof of the eligibility of expenditures

The costs incurred by the applicant and Slovak partners must be evidenced by accounting documents and supporting documents as laid down in Article 7.13 of the Regulations and Annex 1 of the newest versions of Project Promoter and Project Partner Guide, issued the Government Office as the National Focal Point. The salary expenditures incurred by a partner with financial participation from a donor state or an international organisation must be supported by a worksheet and a declaration of honour signed by the statutory representative, which forms Annex 1 to these Guidelines. More detailed rules concerning the proof of expenditure are specified in Annex 1 of the newest versions of Project Promoter and Project Partner Guide, issued the Government Office as the National Focal Point.

### 2. Payment of financial resources from the bilateral fund<sup>3</sup>

The financial resources are paid from the bilateral fund by means of **reimbursing** those expenditures which the NFP recognised, on the basis of the criteria set out in the Regulation, these Guidelines and the relevant announcement, as duly proved and eligible. The actual amount of the contribution will be determined on the basis of the actually incurred eligible expenditures which the NFP recognised as eligible expenditures.

<sup>1</sup> The decision in question cannot be deemed a decision within administrative procedure pursuant to Act No. 71/1967 Coll. on administrative procedure (Code of Administrative Procedure).

<sup>2</sup> The decision in question cannot be deemed a decision within administrative procedure pursuant to Act No. 71/1967 Coll. on administrative procedure (Code of Administrative Procedure).

<sup>3</sup> When the NFP accounts for the funds, NFP prepares an interim financial report in accordance with the current version of the System of financing and financial management of the Financial Mechanism of the European Economic Area and Norwegian Financial Mechanism for the programming period 2009-2014

The payment of financial resources from the fund is conditional upon the submission of the payment claim, including the complete documentation in accordance with these Guidelines and the conditions specified in the announcement and the **decision on approval**.

The payment claim must contain the necessary supporting documents based on the individual types of expenditures in accordance with the announcement. Any derogation from the required accounting or supporting documents must be consulted with the NFP. The payment of the financial resources is conditional upon the accomplishment of the proposed outcomes. A solemn statement of the ownership of the applicant's account to which the funds will be paid constitutes an integral part of the payment claim.

The payment claim is submitted as a hardcopy to the NFP's address and, simultaneously, by electronic means to the address [bilateralnyfond@vlada.gov.sk](mailto:bilateralnyfond@vlada.gov.sk) no later than **within two months** of the date on which the implementation of the activity is planned to be completed. The payment claim is deemed submitted if delivered both as a hardcopy and by electronic means.

In justified cases the NFP may extend the specified deadline on the basis of a written request.

The NFP is authorised to approve, suspend or reject the payment claim or approve it subject to reduction, or ask the applicant to provide additional information within 15 working days of the receipt of the payment claim.

If the NFP approves the payment claim, it will notify the applicant to that effect and forward the payment claim for reimbursement to the competent organisational unit of the Government Office of the Slovak Republic which is responsible for the processing of payments. After the payment has been made, the applicant is notified of the transfer of funds by electronic means.

In the event that the NFP suspends the payment claim, it will notify the applicant of the deadline and of the conditions which must be complied with in order for the approval procedure to resume with respect to the suspended payment claim.

The NFP will decide to reject the payment claim in particular when:

- a) the payment claim has been submitted after the period of two calendar months of the date on which the implementation of the activity is planned to be completed in cases when the NFP did not extend the deadline for the submission of the payment claim;
- b) the applicant failed to implement the activity in accordance with the substantial conditions specified by the NFP in the decision approving the grant application;
- c) the applicant failed to implement the activity in accordance with the submitted grant application;
- d) the applicant failed to comply with the eligibility criteria for the implementation of the activity,
- e) the applicant failed to submit relevant documentation in accordance with the announcement;
- f) the approved payment claim would amount to € 0.00 .

The NFP will reduce the payment claim in particular when:

- a) it has identified such expenditures in the payment claim which do not meet the criteria of eligibility of expenditures specified in the Regulation, these Guidelines and/or the announcement;
- b) the applicant failed to implement the activity in accordance with the conditions specified in these Guidelines and/or the conditions specified by the NFP in the decision approving the grant application.

The NFP will request to supplement additional documents/information in particular when:

- a) the documents are not complete;
- b) the payment claim does not make it possible to verify, in a reliable manner, the eligibility of expenditures and to decide on their reimbursement to the applicant.

### **3. Recovery of funds**

The contributions from the bilateral fund, including any part thereof, are deemed funds disbursed from the EEA Financial Mechanism and/or the Norwegian Financial Mechanism. The use of these funds, the monitoring of the use of these funds and the recovery of unauthorised use or retention, as well as imposition and enforcement of penalties for the breach of financial discipline is subject to the procedure governed by separate

regulations, in particular, but not limited to, Act No. 523/2004 Coll. on budgetary rules of public administration, as amended, Act No. 502/2001 Coll. on financial control and internal audit, as amended, and Act No. 440/2000 Coll. on financial control administrations, as amended.

In the event that the NFP or other control body (the certifying authority, audit authority, Office of the Auditor General of Norway, the EFTA Board of Auditors, an entity authorised by the NMFA/FMC or other entity authorised to perform the control of the use of funds from the bilateral fund) learns, after the actually incurred eligible expenditures have been paid (refunded), that the obligations laid down in these Guidelines, the announcement or the decision on approval have been breached and that such conduct also constituted a breach of financial discipline pursuant to § 31 (1) of Act No. 523/2004 Coll. on budgetary rules of public administration and on amendments to certain acts as amended, the applicant is required to pay the provided funds on the basis of the request for the recovery of funds stipulated in the guideline of the Ministry of Finance No. 1/2012 – U on the forms used in the EEA Financial Mechanism and Norwegian Financial Mechanism for programming period 2009 -2014 (hereinafter as the “**request for recovery**”) in the full amount to the account specified by the NFP in the request for recovery within the deadline of 15 working days following the delivery of the request for recovery. Such a breach also causes the occurrence of an irregularity in accordance with Chapter 11 of the Regulations and the NFP will proceed in line with that chapter and the relevant parts of the System of financing and financial management Financial Mechanism of the European Economic Area and Norwegian Financial Mechanism for the programming period 2009-2014.

The applicant will also refund to the NFP the funds resulting from an erroneous payment within 15 working days of the receipt of such funds.

#### **4. The use of exchange rates and currencies in the case of partners with financial participation**

In the event that partners with financial participation are not keeping the accounting records in euro, the incurred expenditures will be converted into euro using the monthly accounting exchange rate of the European Commission in the month during which the expenditure was entered in the accounts of the partner. **Every accounting document must contain the date on which the expenditure was entered in the accounts of the partner with financial participation.**

The accounting exchange rate of the European Commission is published by the National Focal Point on its websites during the entire period of announcement publication.

#### **5. Public procurement**

All expenditures must be paid in accordance with the national legislation, EU law and Article 7.16 of the Regulation.

**For those contracts that are not above-threshold or below-threshold pursuant to the Law on Public Procurement, the following rules have been set by the NFP:**

- a) the applicant must respect the rules laid down in the Law on Public Procurement, ensure the cost-effectiveness of procured goods, services or works and prevent collusive behaviour.
- b) for contracts which are neither above-threshold nor below-threshold and do not exceed **€ 1,000 excl. VAT**, no additional procedures or rules for awarding such contract are set by these Guidelines.
- c) Where the value of the contract exceeds **€ 1,000 excl. VAT** and the Law on Public Procurement prescribes the application of §9 (9) for such procurement, it is necessary to conduct a market survey in accordance with the following procedure:
  - within the market survey, the applicant or the Slovak partner must receive at least three bids to allow comparison;
  - the applicant or the Slovak partner will conduct a market survey by means of internet browsers, e-commerce websites, catalogues, pricelists or a telephone survey by interviewing

at least three entities supplying the required goods or service. Every contacted entity must be registered in the trade register or business register (or other registers/lists based on which entities are authorised to perform certain activities) and its line of business (performed activity) must correspond to the subject-matter of the contract. Based on the results of the market survey, the applicant / Slovak partner will select the supplier offering the lowest price or the best quality for the best price (in that case, the best quality-to-price ratio must be demonstrated).

The market survey must be supported by written documents (printed pricelists available on the Internet, transcripts of telephone interviews indicating the terms and the price, archived price quotes delivered as a hardcopy). This should preferably be in the form of a record containing the description of all actions undertaken within the market survey, in particular:

- definition of the subject-matter of the contract (the relevant budget item must be clearly identifiable);
- the procedure used for determining the expected value of the contract;
- the manner in which the market survey has been conducted (in writing, by phone, the Internet, etc.), including the date and time and the identification of data of the person who conducted the market survey;
- information on contacted suppliers, prices shown in a chart and their comparison, or a comparison of the quality-to-price ratios;
- the winner of the market survey and the reasons for its selection, including the justification of the fairness of the price or the quality-to-price ratio.

A transcript of the phone interview must contain all information necessary for the verification of the bid (in addition to the description of the contract and the price, the names of responsible entities, their position, phone numbers, etc., must be provided as well).

## 6. Archiving and access to documents

For the purposes of control, the applicant is obliged to store all accounting documents and supporting documents pertaining to the payment claim until 31 May 2021. This is without prejudice to the applicant's obligation to comply with the applicable legislation for the archiving of accounting documents.

The applicant for contribution is required to make the original accounting documents and supporting documents accessible to the NFP and other control bodies at their request by 31 May 2021.

For the purposes of these Guidelines, the control bodies are, in particular, the Government Office of the Slovak Republic, the Ministry of Finance of the Slovak Republic as the certifying authority, the Ministry of Finance of the Slovak Republic as the audit authority, the Financial Mechanism Office, the Supreme Audit Office of the Slovak Republic, the Ministry of Foreign Affairs of the Kingdom of Norway, the Financial Mechanism Committee, as well as organisations and entities authorised by these organisations and other entities, if a separate regulation so provides.

## 7. Communication

The NFP and the applicant for contribution communicate by electronic means in the Slovak language.

In the period between the submission of the grant application and the financial settlement, the NFP communicates with the applicant mainly by electronic means using the e-mail address of the contact person specified in the grant application.

The applicant communicates with the NFP through the e-mail address [bilateralnyfond@vlada.gov.sk](mailto:bilateralnyfond@vlada.gov.sk).

The NFP's postal address is as follows:

Úrad vlády Slovenskej republiky - Národný kontaktný bod  
odbor grantov EHP a Nórska, oddelenie strategických činností  
Námestie slobody 1,  
813 70 Bratislava 1

Oral information is not binding and may not be referred to by any of the parties.

#### **8. Validity and effect**

These Guidelines are approved by the Director General of the Bilateral Financial Instruments Section.

The Guidelines enter into force as of the date of signature by the Director General of the Bilateral Financial Instruments Section.

#### **9. List of annexes**

Annex 1: Declaration of honour by the partner with financial participation on salary expenditures /remuneration