

## LV webinar 4 and 6 December 2017 – Questions and Answers

### **1. How decisive is Non-paper for CN development? How much do we have to follow Non-paper in CN development?**

Answer: The non-papers were produced as part of the MoU negotiations. Only the elements that have been carried over to the MoU have formal status. The development of the Concept Note rests on the needs identified through the stakeholder consultations, not the content of the previously prepared non-papers.

### **2. Since we are planning a joint Baltic research program, how to better structure the concept note? Does each of the Baltic countries include this program in its own form, or does each country write a separate CN for this program? When providing support to our Estonian colleagues in preparing their CN, our proposal was to include the Baltic Research Program in each country's CN, describing the country's challenges, justification and additional output indicators that are relevant to the country. Mandatory outcomes are common for all three states. How does FMO look at this?**

Answer: Indeed it is referred to as a 'join Baltic research programme', but in reality this will be implemented by way of three separate programmes carried out by three different POs, one in each of the Baltic countries. The provisions of the Regulation will apply to all of these programmes, requiring e.g. that each PO develops a concept note on the basis of the programme identified in the MoU for its country. It is thus required that each of the POs/NFPs submit a separate concept note for the programme in its country, where also the modalities of the joint programme should be included. As this is a joint initiative, some parts of the CN may be similar and it is also recommended that a similar structure is followed for the three CNs.

The FMO agrees with the approach to include common mandatory outcomes as well as including additional output indicators specific for each country. As the joint programme will be included in the research programme in all Baltic countries it needs to be included in the CNs. Please note however, that the basic information on the first page of the CN template should include the programme specific information only for the specific country, e.g. programme grant and PO should only mention LV information (and not include information on programme grant/POs in the other Baltic countries). Such information on the other countries should rather be included in the narrative part of the CN. Further country specific challenges and needs the programmes will address as well as justifications and outputs should also be included, as required by the CN template.

### **3. What should be included in Annex II of the Concept Note?**

Answer: Annex II of the Concept Note is only for programmes using Financial Instruments. This is not applicable for Latvia since no such programme is foreseen.

### **4. Could you elaborate on the time when Bilateral Fund Agreement between FMC and NFP would be signed? What it will include?**

Answer: The Bilateral Fund Agreement (BFA) between the Donors and the NFP shall follow the template provided in Annex 4 to the Regulations. There is no set deadline for the signature of the Bilateral Fund Agreement. It is however recommended that the Joint Committee for Bilateral Funds is formed as early as possible after the signing of the MoU and starts discussing strategic

ways to use the fund for bilateral relations. In accordance with Article 4.2 of the Regulation, the NFP shall, within two months of the last signature of the MoU, submit to the Donors a proposal on the composition, role and functioning of the Joint Committee for Bilateral Funds. Following the receipt of this document FMO will prepare the BFA for signature, which should not take too much time. The BFA will normally not include much additional information, unless there is a specific need for this.

**5. To avoid double auditing is it possible to inform Audit Authorities about FMO audit missions and outsourced audit missions, as well as disseminate audit results?**

Answer: According to the regulations article 11.3, the NMFA/FMC shall in case of in urgent cases, give two weeks' notice to the NFP and the PO concerned before an audit or on the spot verification is carried out. This can also be shared with the AA by NFP.

**6. What are the rules for size of the management costs in pre-defined projects?**

Answer: Expenditure in pre-defined projects are subject to the same rules as projects selected through open calls. Consequently, the rules set in Chapter 8 of the Regulations will apply, including Article 8.2 which sets out the general principles on the eligibility of expenditure.

**7. What was meant by broader use of lump sums, could you please explain more on what was changed comparing with 2009-2014?**

Answer: The Regulations for the Financial Mechanisms 14-21 include a broader use of lump sums by also allowing the PO to calculate travel costs as lump sums, see Article 8.3.1 (b). Also, the possibility for the project grant to take the form of standard scales of unit costs have been introduced, see Article 8.4.

**8. Could you please mention more examples for exception for reporting requirements for irregularities?**

Answer: The cases of irregularities in projects that do not need to be reported are listed in Article 12.5.3 of the Regulation. Please note that these cases only refer to irregularities in projects. Irregularities at programme level and also irregularities that need to be reported on immediately pursuant to Article 12.5.1 shall always be reported to the FMO. The Irregularities Authority shall keep a register of all irregularities, including those that need not be reported.

**9. Within the previous presentation you haven't mentioned any changes in requirements for the Audit Authorities. For instance - Audit Authorities obligations to audit result (outcome) and output indicators?**

Answer: There are no major changes in requirements for the Audit authorities, but there are some adjustments. Please see regulation article 5.5 for more details.

**10. Could you please clarify if an irregularity means also infringements made by third persons such as bidders and suppliers?**

Answer: The definition of irregularities is set in Article 12.2 of the Regulations. The definition is broad and if a case falls within the definition it is considered as an irregularity. Pursuant to Article 12.1 of the Regulation, the Beneficiary State and the Programme Operator shall make every effort possible to prevent, detect and nullify the effect of any cases of irregularities.

**11. Please could you clarify if the costs for training staff will be eligible in Norway grants during the programming period 2014-2021?**

Answer: The Regulations do not specifically identify trainings and improvement of professional skills in general as being eligible under the EEA/Norway Grants. There is a general assumption that the national authorities/POs should already possess the necessary skills and competences required to fulfil their role (including e.g. language skills).

In justifiable cases, however, costs of the participation of the staff in trainings aimed at improving skills in terms of performing their tasks, such as monitoring, public procurement, financial management and/or programme content-related may be considered as eligible.

**12. As we now the description of Management and Control system shall be submitted to the FMC within 6 months of the date of the last signature of the MoU. In this regard, is there any specific deadline or recommended deadline for development of the Latvia's Risk Management Strategy? (FYI – In the 2009-2014 the Latvian FP developed the Risk Management Strategy for the Financial Mechanisms (approved on May 2015) taking into account Donor Sates Risk Management Strategy 2009-2014).**

Answer: No, there is no specific recommended deadline for delivering Latvia's risk management strategy. It should be part of the MCS.