

**AGREEMENT ON THE AMENDMENT TO THE
MEMORANDUM OF UNDERSTANDING
ON THE IMPLEMENTATION OF THE EEA FINANCIAL
MECHANISM 2004-2009
BETWEEN THE REPUBLIC OF ICELAND, THE PRINCIPALITY
OF LIECHTENSTEIN, THE KINGDOM OF NORWAY,
AND THE REPUBLIC OF POLAND,
SIGNED ON 28.10.2004 IN BRUSSELS**

between

THE REPUBLIC OF POLAND,

hereinafter referred to as the “Beneficiary State”

and

THE REPUBLIC OF ICELAND,

THE PRINCIPALITY OF LIECHTENSTEIN,

THE KINGDOM OF NORWAY,

hereinafter referred to as the “EFTA States”

together hereinafter referred to as the “Parties”,

Article 1

The Memorandum of Understanding on the implementation of the EEA Financial Mechanism 2004-2009 between the EFTA States and the Republic of Poland, signed on 28.10.2004 in Brussels is modified as follows:

1. Paragraph 5 of Article 4 shall read as follows:

‘5. The Republic of Poland has authorized a National Focal Point, designated in Annex A, to act on its behalf. The National Focal Point shall have overall responsibility for the management of the EEA Financial Mechanisms activities in the Republic of Poland, including financial control and audit and serve as a contact point. Its managerial setup is contained in Annex A.’

2. The words “Ministry of Economy and Labour” shall be replaced with “National Focal Point” in paragraphs 6 and 8 of Article 4, and paragraphs 2 and 3 of Article 5.

3. The words “Focal Point” shall be replaced by “National Focal Point” in paragraph 1 of Article 5 .

4. A new paragraph shall be inserted in Article 5 as paragraph 3 with the following:

‘3. Annexes A, B, and C may be subject to review in the annual meetings. Amendments to the Annexes agreed upon at such meetings do not require a formal change to this MoU. Such amendments shall be confirmed through an exchange of letters between the EEA Financial Mechanism Committee and the National Focal Point.’

5. Paragraphs 3 and 4 of Article 5 shall be renumbered to become paragraphs 4 and 5 of Article 5.

6. Paragraph 2 of Article 7 and paragraph 3 of Article 8 shall be deleted. Paragraph 1 of Article 7 shall be unnumbered.

7. Annex A to the said Memorandum is amended by the following:

(a) Paragraph 3 is amended by the following:

- In the first sentence, the words “Ministry of Economy and Labour”, shall be replaced by “Ministry of Regional Development”.
- In the second sentence, the words “Focal Point” shall be replaced by “National Focal Point”.

(b) Paragraph 4 is amended by the following:

- In the second sentence, the words “Focal Point” shall be replaced by “National Focal Point”.
- After seventh bullet point, the bullet points eight and nine shall be added as follows:
 - ‘conduct formal, technical and content-related application appraisal
 - present to the members of the Steering Committee a ranking list together with justification’

(c) In paragraph 5 the fourth sentence including the following bullet points shall be deleted.

(d) Table 1 in Paragraph 5 shall read as follows:

Table 1.

Priority	Intermediate Body	Auxiliary institution for Intermediate Body
Protection of the environment, including the human environment, through, <i>inter alia</i> , reduction of pollution and promotion of renewable energy	Ministry of Environment	The National Fund for Environmental Protection and Water Management
Promotion of sustainable development through improved resources use and management	Ministry of Environment	The National Fund for Environmental Protection and Water Management
Conservation of European cultural heritage including public transport, and urban renewal	Ministry of Culture and National Heritage	
Human resources development through, <i>inter alia</i> , promotion of education and training, strengthening of administrative or public service capacities of the local government or its institutions as well as the democratic processes that support it	Office of the Committee for European Integration	
Health and childcare	Ministry of Health	The Office for Foreign Aid Programs in Health Care in the Ministry of Health
Academic research grants	Ministry of Science and Higher Education	

(e) Paragraph 6 is amended by the following:

- The first sentence is modified as follows:

'The National Focal Point will create one Monitoring Committee for the EEA Financial Mechanisms and the Norwegian Financial Mechanism.'

- In the fourth sentence, containing the composition of the Monitoring Committee, the second bullet point is deleted.

(f) Paragraph 7 is amended by the following:

- The second sentence shall be replaced by the following:

'Based on the ranking list of eligible projects and the justification, as presented by the Intermediate Body, the Steering Committee decides on the possible financing from the EEA Financial Mechanism to projects on the ranking list.'

- In the sixth sentence, containing the composition of the Steering Committee, the second bullet point is deleted.

- The seventh sentence shall be replaced by the following:

'The Chairman of the Committee invites, as observers, representatives of National Focal Point, the Paying Authority and, as appropriate, representatives from other institutions and organisation, whose presence could be essential to the effective implementation of the assistance provided by the EEA Financial Mechanism.'

(g) The first sentence and the second sentence of paragraph 9 shall be replaced with the following:

- The Ministry of Finance, through its subordinate departments, performs the tasks of an Audit Institution.'

(h) A new Section 10 "Working capital" shall be added as follows:

'10. In order to facilitate timely transfers of funds to Project Promoters and Intermediaries, the FMC shall provide the National Focal Point with an advance payment (working capital) to be held on an account by the Paying Authority. Payments to Project Promoters and Intermediaries may be transferred from the working capital when Polish national conditions for payments have been met. The

amount, special reporting requirement, set-off mechanism and other modalities and conditions shall be specified in an instruction issued by the EEA Financial Mechanism Committee to the National Focal Point. The instruction shall be binding for the National Focal Point.'

(i) The paragraph "Application procedure" shall read as follows:

'The application procedure

Information relating to the gathering of project proposals will be announced according to availability of funds and projects. As a general rule and based on the nature of the project, the collection of applications shall be carried out by open calls for proposals. The applications should be submitted to the Intermediate Body/Auxiliary Body, which evaluates the completeness of applications and assesses them on the formal aspects. If any faults are found, applications shall be corrected by the applicants upon request from the Intermediate Body/Auxiliary Body. Applications, after preliminary assessment, will be evaluated according to technical and content-related criteria by the Intermediate Body/Auxiliary Body, which awards points to the projects. The procedure results in the preparation of a ranking list of eligible projects, including justification. The list is forwarded to the Steering Committee for approval. The Steering Committee can make justified changes to the list before approval. The list, as approved by the Steering Committee as its recommendations, is submitted to the National Focal Point. Based on the recommendations of the Steering Committee, the National Focal Point decides which proposals are eligible for submission to the Financial Mechanism Office (FMO) and submits such proposals to the FMO along with its reasoned opinion. According to the Rules and Procedures, the FMO makes recommendations on the proposals and submits them to the EEA Financial Mechanism Committee, which makes the final decision on the co-financing of the project. On the basis of a positive decision, a Grant Agreement will be concluded between the EEA Financial Mechanism Committee and the National Focal Point.'

8. Annex B to the said Memorandum is amended by the following:

(a) The second sentence shall be replaced by following:

'The EEA Financial Mechanism aims to contribute to the reduction of economic and social disparities in the European Economic Area and strengthen the bilateral relations between Poland and the EEA EFTA States.'

(b) The table, in fourth priority area titled 'Human resources development through, inter alia, promotion of education and training, strengthening of administrative or public service capacities of local government or its institutions and the democratic processes that support it', second column, seventh bullet point is amended by the following:

‘-modernisation of local and regional government administration services and improvement of efficiency and implementation of best business practices through the use of latest IT software and technology;’

9. Annex C to the said Memorandum is amended by the following:

(a) Paragraph 1 shall read as follows:

‘1. Technical Assistance Fund

Measures relating to information on and promotion of the possibilities of using funds from the EEA Financial Mechanism, preparation of management, implementation system, including monitoring, control and audit in the institutions involved in the implementation of the EEA Financial Mechanism and translation of documents and the assistance of experts and advisors.’

(b) Paragraph 2 shall read as follows:

‘2. Funds for Non-governmental Organisations

Fund for non-governmental associations operating in all priority sectors.’

(c) Paragraph 4 shall be deleted.

(d) Paragraph 5 shall be renumbered to become paragraph 4.

(e) After paragraph 4, paragraph 5 shall be added as follows:

‘5. Cultural Exchange Fund

A cultural exchange fund will be developed to foster cultural exchange between Poland and the EFTA States.’

Article 2

All other terms and conditions of the Memorandum of Understanding, including Annexes A, B and C, remain unchanged.

Article 3

The amendments shall be incorporated into the current text of the Memorandum of Understanding, including Annexes A, B and C and published on the websites of the National Focal Point and the Financial Mechanism Office.

Article 4

This agreement is drawn up in quadruplicate in the English language.

Article 5

This agreement shall enter into force on the day after the date of the last signature.

Signed inon.....
For the Republic of Poland

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

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Signed inon.....
For the Principality of Liechtenstein

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Signed inon.....
For the Kingdom of Norway

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