

Implementation of the EEA Financial Mechanism 2009-14  
Spain – Strategic Report 2015 (Covering 1<sup>st</sup> January 2015- 31<sup>st</sup> December 2015)



**SPAIN**

**MINISTRY OF FINANCE AND PUBLIC ADMINISTRATIONS**

## **EEA FINANCIAL MECHANISM 2009-2014**

### **STRATEGIC REPORT – 2015**

**Covering the EEA Grants implementation in Spain between 1<sup>st</sup> of January 2015 and  
31<sup>th</sup> December 2015**

**National Focal Point  
Kingdom of Spain, Madrid 2016**

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## Strategic Report 2015 - Spain EEA Financial Mechanism 2009-2014

### 1 EXECUTIVE SUMMARY

#### **Main developments that may have affected the context where the programmes are implemented**

2015 has been the year of the confirmation of the economic recovery in Spain. However, the same problems identified in previous Strategic Reports are still in place (high unemployment, economic and social disparities, low level of investment in R&D, budget cuts in scientific research and in culture...). So, the objectives and programmes put in place by the EEA Grants were still crucial in 2015. Because the paramount concerns continued to be the need to foster research and development in innovative sectors in order to ensure economic sustainability, especially in the field of climate change and environment, where the future of Earth heavily depend on. But also, the need to promote social inclusion and to ensure that the Welfare State reaches all the population.

According to the NGO Intermon Oxfam, Spain is the OECD country where inequality most increased during economic crisis. 29% of the Spanish population is at risk of social exclusion. So Spanish NGOs role is crucial in the promotion of social inclusion and the combat against discrimination, but they face their own challenges (lack of funding, low level of political leverage...).

In the field of Gender Equality, where things are moving but quite slowly, new regulations and policies at national level have contributed to the achievement of the goals of the EEA Grants Programme (ES04), such as an amendment to the Criminal Code reinforcing the protection of women belonging to vulnerable groups, the Integral Plan of Family Support 2015-2017 or the Plan for the Promotion of Rural Women (2015-2018).

To contribute to the objective of reducing social disparities, promoting sustainable growth is of crucial importance. However, Spanish public investment in R&D was still at 1.24% of the GDP in 2015, lagging behind the EU average of 2%. And the economic crisis has also made Spanish science moved back ten years ago, in terms of investment, according to scientific associations. Public R&D investment (including grants and credits, for civil and military research) was in 2015 at the level of 2005.

The recovery didn't reach cultural sector in 2015. Budget cuts and high VAT are still prevailing even though culture has measurable investment return in economic and social terms.

## Key achievements towards the two overall objectives, using concrete examples from a selection of programmes

The two overall objectives were very much taken into account in the design and implementation of the programmes in Spain. As far as **the first objective is concerned, reducing economic and social disparities**, the selected programme areas reflect the chapters in which Spain is still lagging behind its European partners, such as R&D or social and economic inequalities among the population, especially gender inequality.

Although the EEA Grants can't solve all the problems in Spain, they have unarguably helped to increase investment in innovation -key for fostering sustainable growth-, and also to reduce social exclusion and empower citizens in the promotion of human rights.

Within **ES02**, the 18 million euros the EEA Grants have allocated to this programme have contributed to mobilize more than 100 million euros canalized through 162 projects involving 176 Spanish companies in fields so important as renewable energies, environment, energy efficiency, thus producing an important increase in Spanish business investment in R&D and contributing to close the gap in innovation with our European partners.

Within **ES03 Programme**, operated by the NGO Platform of Social Action, 158 Spanish organizations have been involved in 38 projects with the objective of strengthening the NGOs capacities and making them able to provide better services for the most disadvantaged segments of the population. The initial results tell us that the projects have had a direct impact on 115,000 people and that 45% of the projects will continue beyond the EEA Grants, so they will continue contributing to reinforce the Third Sector of Social Action in Spain in the important task of promoting social inclusion and reducing disparities, since the NGOs beneficiaries of the programme focus their activity on the most vulnerable groups, including child and youth people, women at risk of exclusion and immigrants.

Within **ES04**, 70 projects have been developed aimed at improving the labour market access for women considered vulnerable (rural women, gender-based violence victims, immigrants, single mothers, Roma...); or reducing the equality gap in business (pay gap, women on Boards...); or fostering female entrepreneurship. The initial results show that the objectives have been fulfilled (see Chapter 3). By way of example, 25% out of almost 200 women that have took part in Promociona project (aiming at encouraging, from the business organizations, a higher number of women executives on Boards), have been promoted within their companies just after finishing the project, so the number, without a doubt, will increase.

Within **ES07**, there is no doubt that education is the key factor to improve the economic level of a country and to reduce disparities. For that reason, the almost 4 million euros allocated to this programme focused on education and scientific research have contributed to close some gaps in the field due to budget cuts in Spain. For example, almost 200 students have spent an academic year in Norway, Iceland or Liechtenstein, an enriching experience not only for their CV but also at personal level, otherwise unthinkable because of the economic differences between Spain and the donor countries.

As regards the **second objective, strengthening bilateral relations**, the figures speak for themselves: three out of six projects have at least one Donor Programme Partner –it should be mentioned that ES07 have three- and more than 180 projects (out of a total of 444 up to December 2015) have donor project partners. This is the quantitative assessment, in the qualitative aspect, the cooperation between Spain and the Donor Countries, especially Norway, has been very fruitful and in many cases it is expected to continue beyond the end of the EEA Grants.

43 projects out of 162 within the **ES02** (Environmental and Climate Change-related Research and Technology Programme) have been developed in collaboration with entities from donor countries (40 from Norway and 3 from Iceland). The collaboration is thus revealing very successful: a transfer of knowledge and technology has been produced, which will result in technological improvements, and relationships are being built which are expected to be durable over time. Indeed, 68% of the Spanish companies with donor project partner consider that the collaboration will continue beyond the programme. Besides, the relationship between the Programme Operator (CDTI) and the DPP (Innovation Norway) has been so close that they even have organized events so Spanish and Norwegian companies get to know each other in order to apply jointly to funds under other European schemes (Horizon 2020). Both organizations have made several study trips to share knowledge and experiences in internal aspects such as financing.

**Gender Equality Programme (ES04)** is another programme with a strong bilateral component. The Donor Programme Partner, LDO (The Ombud for Equality and Against Discrimination) has been heavily involved in the programme activities and projects. As a result, mutual learning and experience-sharing between Norway and Spain has been increased not only between both institutions but also between many other stakeholders involved, such as Ministry Departments, municipalities, companies, NGO's and individuals from Norway and Spain. Moreover, a good number of bilateral activities (workshops, best practices exchange seminars...) have been developed, especially in the field of gender-based violence, where a project developed by Spain (to help victims of gender-based violence to enter the workforce) has been transferred to Norway with very good results.

It should also be mentioned the **ES07 Programme** in which all the projects have a bilateral aspect: in the case of the students mobility, 196 students from 11 Spanish higher education institutions have spent part of the academic year in Norway, Iceland or Liechtenstein; in the case of the research mobility, 101 research projects have been developed, most of them by Norwegian-Spanish or Icelandic-Spanish scientist teams, in areas as mathematics, physics, climate change or energy. The initial results, such as more than 150 seminars (or similar activities) reported or more than 110 articles/papers in preparation or submitted to peer reviewed international journals, suggest that the cooperation will last after the EEA Grants closing. Furthermore, the close relationship established between the programme operator (Complutense University of Madrid) and the three DPPs is also expected to continue in the future.

## Key management issues

If 2014 was an intensive period of the implementation of the EEA Grants 2009-2014 in Spain, just as much effort was put in 2015 in order to fully implement and to close the projects, since the period' eligibility ended in December 2015.

The six programmes were approved in 2013, 2014 was the year not only of the administrative articulation of the programmes but also the year of the Open Calls' launching, closing, reviewing and resolving, and 2015 has been the year of the fully development and closure of the projects. That means that in barely two years and a half it has been implemented what should have been a five years period.

Despite the tight deadlines and lack of time, in general, the outcome of the 2009-2014 period is extremely positive.

## Challenges (risks) and opportunities.

Most of the initial risks have been overcome in 2014/2015 but new risks emerged in 2015.

**The main risk is still referred to the Cultural Heritage Programme (ES05). Despite the efforts made in 2015 (opening and concentration of cultural activities in four months), there is still the pending question of the relocation of the Federico García Lorca's legacy from Madrid to the Centre in Granada, which threatens the fulfilment of the project objectives and bilateral relations.**

Most of the risks referred to in the previous period were related to the Cohesion Objective, and stemmed from two factors affecting implementation:

- Uncertainty, by both POs and NFP, about whether it could be possible to develop complex programmes in such a short period of time. Finally, all the programmes have successfully developed and ended and they have overcome the identified risks through applying the preventive measures envisaged.
- Insecurity about the feasibility of implementing conceptual innovations in the EEA Grants Programmes in Spain, such as the financial instrument developed by CDTI in ES02; the Coordinated Mobility in the ES07; or the periods of development maturation previous to the Open Call resolution designed by the NGO Platform of Social Action in ES03. This NGO Platform has no previous experience in Grants management, even though the results have been excellent.

The risks that have emerged during the programmes implementation in 2015 refer to the difficulty for the reallocation of funds that couldn't have been used for the projects due to the lack of time.

Risk categories at national level and for each programme are included in Attachment 7 of this document.

## 2 ASSESSMENT OF THE EFFECT OF THE GRANTS

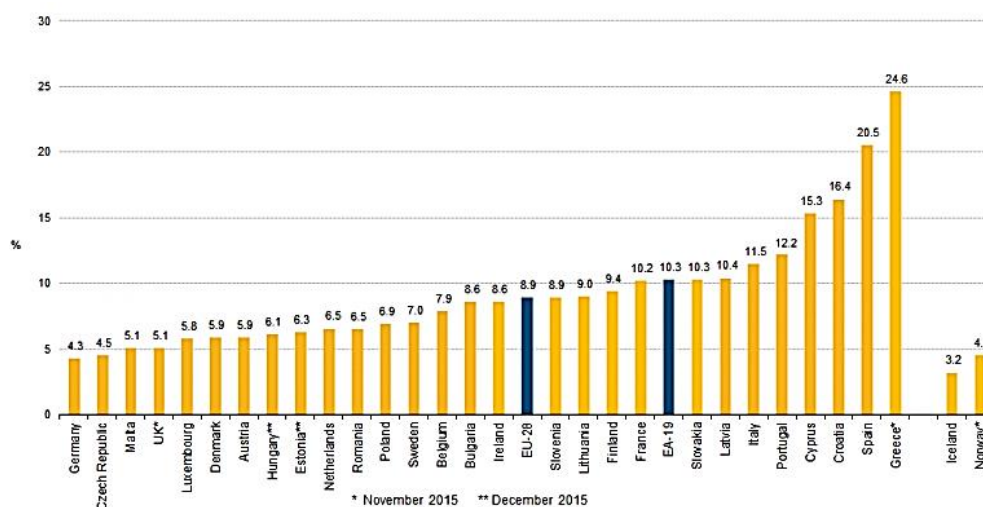
### 2.1 COHESION

The funding from the EEA Grants has helped Spain in 2015 to address the needs in priority sectors such as R&D, Science or Gender Equality in order to achieve the general objective of reducing economic and social disparities. Although it is difficult to evaluate the impact in the general economic indicators, the EEA Grants contribution can be appreciated in some sectors, contributing more often than not to place some issues in public agenda.

2015 is considered the year of the confirmation of the economic recovery in Spain. The GDP increased 3.2%, after growing 1.4% in 2014, according to macroeconomic data<sup>1</sup>, even leading the growth in the European Union. The main cause of this sound advance was the boost in internal consumption (household expenditure increased 3.1%).

However, unemployment continues being Spain's main problem. Although things are improving: unemployment rate declined by 678.200 persons in 2015, the harsh truth is that 20.9% of the labor force can't find a job (4.77 million), well ahead of the rest of Europe, excluding Greece.

#### Unemployment Rates. Eurostat. January 2016



Source: Eurostat. [http://ec.europa.eu/eurostat/statistics-explained/index.php/File:Unemployment\\_rates\\_seasonally\\_adjusted\\_January\\_2016.png](http://ec.europa.eu/eurostat/statistics-explained/index.php/File:Unemployment_rates_seasonally_adjusted_January_2016.png)

This being so, the paramount concern for Spain are the social and economic disparities. The recovery is partially grounded in austerity measures and cuts plans that have affected large parts of the population.

A research by the NGO Intermon Oxfam<sup>2</sup> showed that Spain is the OECD country where inequality most increased during the economic crisis, even ahead of Greece. The latest data

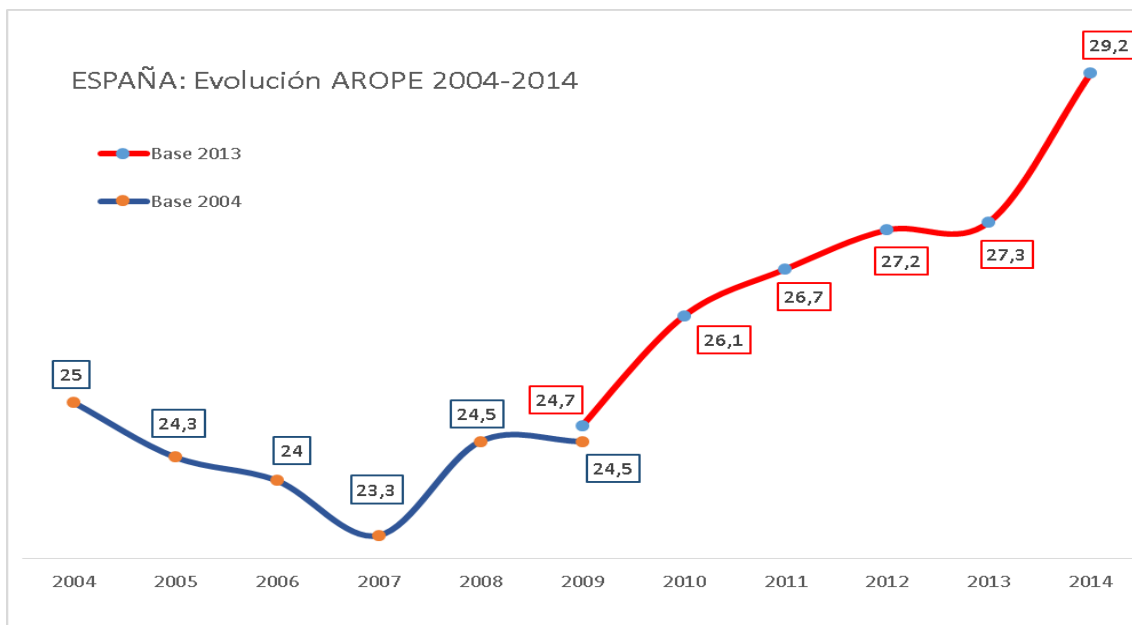
<sup>1</sup> Statistics National Institute of Spain (INE): <http://www.ine.es/prensa/cntr0415.pdf>

<sup>2</sup> Intermon Oxfam report: [https://www.oxfam.org/sites/www.oxfam.org/files/file\\_attachments/bp210-economy-one-percent-tax-havens-180116-es\\_0.pdf](https://www.oxfam.org/sites/www.oxfam.org/files/file_attachments/bp210-economy-one-percent-tax-havens-180116-es_0.pdf)

reveals that people at risk of social exclusion remains about 13.4 million, that is 29% of Spanish population. According to the report, the gap between rich and poor has increased and in 2015 1% of the population owned as much as 80% of the most underprivileged.

## Poverty and Exclusion trends (% Spanish population)

[Report Red Española de la Pobreza y la Exclusión Social](#)



For that reason, NGOs role is crucial in the promotion of social inclusion and the combat against discrimination. The Third Sector of Social Action in Spain is highly fragmented, with more than 29,000 entities, many of them very small-sized and facing several challenges mainly funding and lack of impact in social and political life. EEA Grants has helped to support NGOs in Spain through the Active Citizenship Programme (ES03), through 38 projects with a direct impact on approximately 115,000 people, and an innovative **“Study of the Third Social Action Sector in Spain”** that will help the entities to strengthen their capacities.

Also in the area of Human Development, Gender Equality has been the second more important programme in Spain in terms of funding, which reflects the importance attached to that issue.

Indeed, some new regulations and policies at national level have contributed to the achievement of the goals of the EEA Grants Gender Equality Programme (ES04), such as an amendment to the Criminal Code reinforcing the protection of women belonging to vulnerable groups, the Integral Plan of Family Support 2015-2017 or the Plan for the Promotion of Rural Women (2015-2018).

The 71 projects developed within this Programme have, for example, contributed to the increase of the presence of women in big companies’ Board at a rate of 13.7% in 2015 compared with the previous year (91 women vs 80), according to a study carried out by the

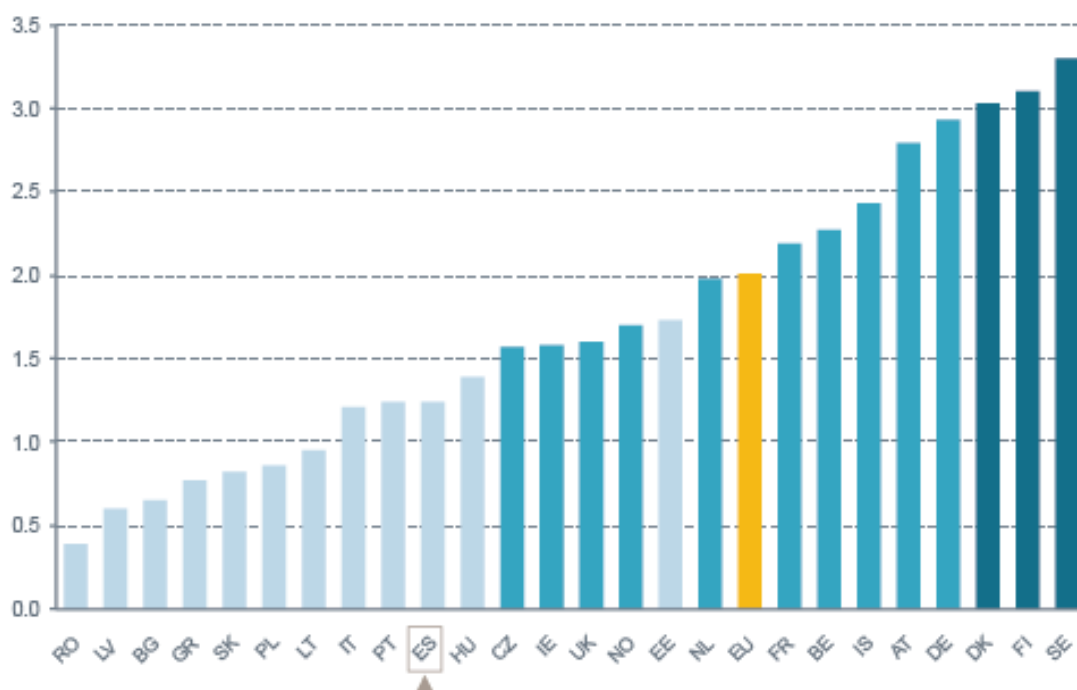


prestigious IESE business school. However, there is still much to be done towards equality. The same study reveals that women hold only 20% of jobs on these same Boards.

Promoting gender equality is a matter of profitability. A study published by Peterson Institute for International Economics<sup>3</sup> showed that companies with at least 30% of female managers are 15% more profitable.

In order to reduce inequalities, promoting sustainable growth is another great challenge for Spain. That requires investment in R&D, science and technology. However, Spanish public investment in R&D was still at 1.24% of the GDP in 2015, lagging behind the EU average of 2%.

### Investment in R&D in 2015

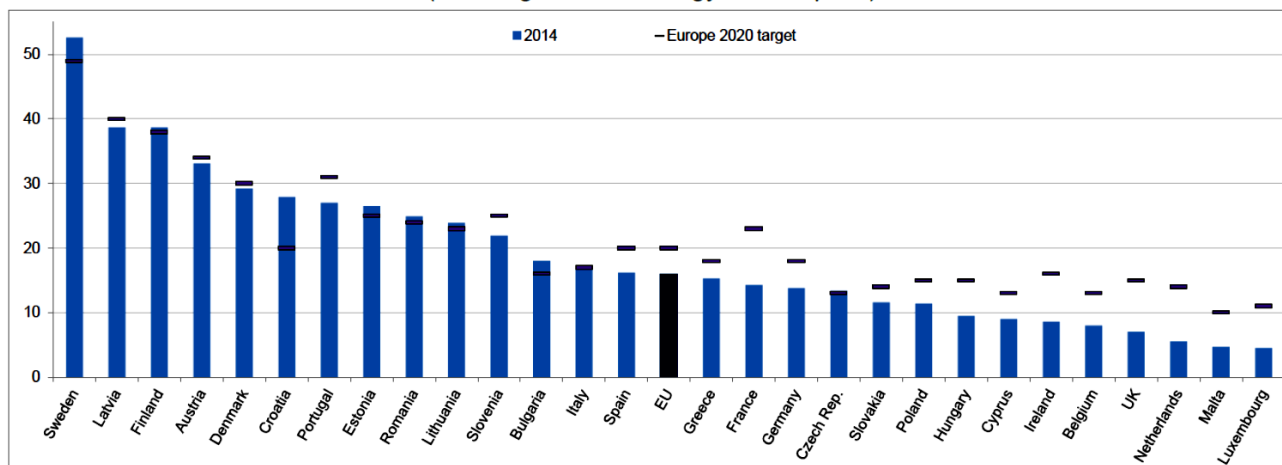


Sustainable growth is especially related to environment. In a moment where fighting against global warming has become a priority all over the world, the fact that 176 Spanish companies have embarked on 162 R&D projects in environment, energy efficiency, renewable energies or climate change thanks to the EEA Grants is really remarkable. Furthermore, the Environmental and Climate change-related Research and Technology Programme has contributed to mobilize more than 100 million euros in R&D, improving companies' competitiveness and therefore, Spanish economy.

48 out of these 162 projects are related to renewable energies, such as storage systems to overcome one of the main problems of these kind of energies: the dependence on weather conditions, therefore helping Spain to achieve one of the targets of Europe 2020 Strategy: a share of 20% energy from renewable sources in gross final consumption of energy.

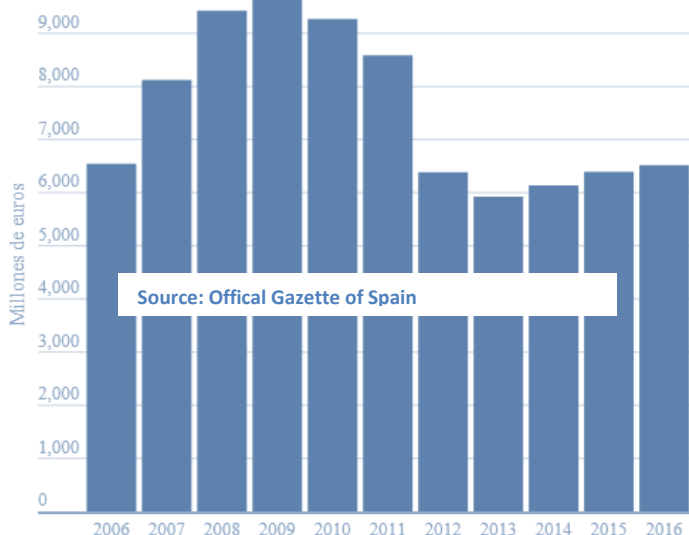
<sup>3</sup> Peterson Institute for International Economics report: <http://www.piie.com/publications/opeds/oped.cfm?ResearchID=2915>

### Share of energy from renewable sources in the EU Member States, 2014 (in % of gross final energy consumption)



The economic crisis has also made Spanish science moved back ten years ago, in terms of investment, according to scientific associations. Public R&D investment (including grants and credits, for civil and military research) was in 2015 at the level of 2005.

### Public R&D Investment Budget for civil and military research



Funding made available by the Spanish government for research in the form of grants decreased 7 million euro in 2015 respecting to 2014.

NILS Science and Sustainability Programme, with EEA Grans funding, has allowed the development of 100 projects of scientific research in areas such as biotechnology, renewable energies, medicine, mathematics or physics.

The downward trend in students mobility funding has also continued in 2015 and some institutions were obliged to reduce or to cancel their mobility funding schemes. Thanks to the EEA Grants, 200 students from 11 Spanish universities have undertaken a study placement in Norway, Iceland or Liechtenstein overcoming the obstacle of high cost of living.

Cultural sector in Spain has also been severely affected by the economic downturn and the recovery hasn't been reflected in the sector in 2015, even though culture has measurable investment return in economic and social terms. Culture sector represents 3.4% of Spanish GDP, and 2.8% of employment.

EEA Grants support has made possible the opening of the Federico García Lorca Centre in Granada, aiming at raising awareness among the population on the need to valorize the cultural heritage, such as Lorca's work, and at the same time increasing wealth and employment.

Furthermore, the Cultural Diversity and Cultural Exchange Programme has contributed to increase cultural dialogue and to foster European identity through the exchange of cultural diversity, developing 27 projects fully implemented with bilateral cooperation, reaching a broad audience.

## **2.2 BILATERAL RELATIONS**

### **a) Progress towards the overall objective of strengthened bilateral relations. Focus on what has been achieved in 2015**

2015 has been the year of the consolidation of relationships between POs and DPPs in all areas covered by the Programmes in Spain. And what is more important, the year of looking into the future to assess how the collaboration can continue beyond the EEA Grants.

The end of the projects' eligibility in December 2015 and the presentation of the results in 2016 mark also the turning point for the project promoters and their donor project partners to decide if the cooperation will stand the test of time. As an example of the good prospects, a monitoring questionnaire sent to the project promoters in ES02 showed that 68% of the companies developing their projects in cooperation with entities from donor countries consider that the collaboration will continue beyond the programme.

Considering the relationship between POs and DPPs and between project promoters and their donor partners, and the scope of the activities developed within the Bilateral Relations funds at national and programme level in 2015, the overall objective of strengthened bilateral relations is more than achieved, as will be explained in this chapter and in chapter 3.2.

## b) Mention concrete results for each of the four outcome areas:

The EEA Grants in Spain have increased in 2015 the extent of cooperation between countries' institutions and individuals, at national, programme and project level, through formal partnerships or through more ad hoc exchange and collaboration.

- **Extent of cooperation**

During 2015, the effort developed by POs and DPPs in 2013 and 2014 to promote a better knowledge between Spain and the donor countries and thus, partnership, has been rewarded. More than 180 out of 444 projects developed during 2015 have been carried out in association with at least one partner from a donor country, that is 40.5%. This figure is a remarkable achievement and in most cases, the cooperation has been vital to reach the programme/projects outcomes.

It is noteworthy the extended bilateral component of two programmes in particular, as stated in the previous Strategic Report:

- Cultural Diversity and Cultural Exchange (ES06) managed by the Royal Embassy of Norway in Spain, whose 27 projects have been developed on partnership, 8 out of them between cultural institutions from Spain and Norway. The programme has led to the development of extensive bilateral relations between both countries and many of the projects funded have a great potential to grow into larger projects.
- The second one is NILS Science and Sustainability (ES07), managed by the Complutense University of Madrid, fully and successfully implemented in partnership with institutions from Norway, Iceland and Liechtenstein, at programme and at project level. Every activity funded within NILS programme is a bilateral activity: projects involving students' mobility needed bilateral agreements to be signed in advance, and every project of scientific research has been developed under an agreement signed by partners from every participating country.

Furthermore, several activities have been developed with Bilateral Relations funds at national level who have involved a substantial number of Spanish, Norwegian and Icelandic institutions.

- **Shared results**

The bilateral cooperation at national, programme and project level has produced very interesting shared results, although not always in the form of an official document. In many cases, it has contributed to solve particular issues through sharing knowledge, best practices and technology, and it has resulted in the development of policies, strategies or new experiences.

A good example of shared results is the publication, in Spanish and English, "Coping with New Social Risks in Norway and Spain: Long-term care, gender and family, and labour market and unemployment protection policies", commissioned by the Norwegian Embassy and developed by Spanish and Norwegian researchers under the umbrella of the prestigious Spanish National Research Council (CSIC).

- **Improved knowledge and mutual understanding**

The bilateral cooperation activities have contributed, without a doubt, to improve knowledge and mutual understanding.

It should be noticed the case of the close cooperation between CDTI (ES02 Programme Operator) and Innovation Norway, which has led to a considerable exchange of best practices and experiences in the crucial sector of Environment and Climate Change research. Several study trips have been made to Spain and Norway in 2015 to learn from each other about projects management and funding in general, that will benefit both societies.

Or the case of Gender Equality Programme (ES04) in which the PO and the DPP have developed a very close and productive relationship based on mutual learning and experience-sharing in this field, that has spread to other stakeholders involved, such as Ministry Departments, municipalities, companies and individuals from Norway and Spain. The result is an improvement in the way of fighting against gender inequality in both countries.

- **Wider effects**

The improved knowledge and mutual understanding that we assessed above has opened the door to future collaboration.

We shall mention here:

- **Common sector-wide initiatives.** CDTI and Innovation Norway are working together in the organization of an Investment Forum in Green Technologies that will be held in 2016 aiming at being an important forum to gather together investors and companies from Spain and Norway trying to build stronger and long-term links between them. And NILS Science and Sustainability Programme is preparing a field trip to Norway to take advantage of all the lessons learned in order to build sustainable cooperation in higher education and research between both countries.
- **Work to address common challenges.** In this chapter, we should include the aforementioned publication about the challenges that faces European Welfare States such as Norwegian and Spanish. Besides, many bilateral activities have been developed in the field of gender-based violence that has allowed, for example, local Norwegian authorities to develop a pilot plan to promote labour inclusion of GBV victims that will continue beyond the EEA Grants.

As another wider effect in the Gender Equality Programme it is worth highlighting that thanks to the mediation of the PO, the Norwegian DPP was invited to an international seminar on Roma women where the DPP had the opportunity to get in contact with Roma women associations from Spain, Italy, Finland, Ukraine and Macedonia.

### c) Key events/meetings in the reporting period at national level between the Donor states and Spain that may have contributed to strengthened bilateral relations.

Main events implemented by the Programmes are described in the chapter 3.2 of this Strategic Report. Nevertheless, we should emphasize some key events as important in the strengthening of bilateral relations:

- Event “European financing mechanism for R&D within the energy and environment sector”, organized by CDTI, that on 19<sup>th</sup> November brought together 100 participants of which 27 were Norwegian entities and companies. Norwegian Ambassador, Johan Christopher Vibe, and the Spanish Secretary General of Science, Technology and Innovation, M<sup>a</sup> Luisa Poncela, inaugurated the event.
- Seminar “Strategic alliances to improve NGO results” held on 1<sup>st</sup> October in which the NGO participants, several from Norway and Iceland, had the opportunity to share good strategies and results when advocating for social rights.

#### d) An assessment of the cooperation with the Council of Europe.

ES 03 PO has cooperated with the Council of Europe in the form of participation in thematic workshops and other events organized by the Council.

#### e) Summary of the main risks that the programmes will not contribute to this objective as well as the mitigating actions put in place/needed to address these risks.

As aforementioned, all programmes in Spain have developed an excellent performance regarding bilateral relations in 2015. The results are even more positive taking into account some difficulties that POs have faced and overcome:

The main challenge, and common to all programmes, has been the difficulty of finding suitable donor entities willing to participate in the activities and projects because of the large amount of beneficiary states organizations addressing the same small amount of Norwegian and Icelandic possible partners. In some cases, such as in ES04 Programme, the problem has been single entities participating as donor partner in several projects without previously assessing its real capacity.

This challenge has been especially significant in the Active Citizenship Programme, where the huge differences between the NGO sector and priorities in Spain and in Norway has made very difficult the achievement of the objectives in this chapter. Nevertheless, the Programme has organized many events attended by representatives from Norway and Iceland and two successful projects have been developed with DPPs.

Lack of time has also been a crucial factor in the development of these activities. The tight deadline for the development of the Programmes (open calls launching, projects selection, development and closing barely in two years) has in many cases prevented the Programme Operators from organizing more activities with involvement of entities from the donor countries.

#### f) Fund for Bilateral Relations at National Level.

The initial proposal for the Bilateral Relations at National Level fund sent to the before the Annual Meeting:

*Bilateral relations fund at National level - Spain  
 Work Plan 2015/2016 (Version May 2015 before AM)*

TOTAL REMAINING AT 01 JANUARY 2015		95.107,21
	ACTIVITIES PROPOSED (*)	YEAR 2015/2016 BUDGET (€)
1	<b>ES04 – Equality bodies exchanges:</b> a) 2 study visits PO/DPP April and October (1st study visit done&paid in May 2014, 2nd one postponed to April-May 2015) b) final conference, postponed after the 2nd study visit	16,000.00
2	<b>ES04 – Follow up on implementation recommendations of the gender mainstreaming study (2014/2015)</b>	16,308.00
3	<b>ES05 – Culture sector study visits</b> (1st study visit done&paid in June 2014, 2nd one postponed to April 2015)	8,913.18
4	<b>ES06 – Launching of the report on the challenges of European Welfare States</b> (postponed to Q1 2015)	10,000.00
5	<b>Embassy + NFP – EEA Grants Spain Closing Ceremony and Publication</b> about EEA Grant Spain	30,000.00
6	Closing events and other activities 2015/2016	13,886.03
<b>Total allocated 2015/2016</b>		<b>95,107.21</b>

In this chart, two activities proposed on the Annual Meeting 2014 do not appear:

- ES 03- Evaluation seminar of the Programme (2016) – 15,000 €
- ES 07- Study trip. Building Sustainable Cooperation in Higher Education and Research (June 2015) – 12,000 €

Both activities were dismissed in order to save funds for the activity EEA Grants Spain Closing Ceremony and Publication about 20 years of EEA Grants in Spain (both in English and Spanish for both versions: printed and online).

In the Annual Meeting hold on 2<sup>nd</sup> June 2015, the above mentioned two activities (ES 03 and ES 07) were included again in the Bilateral Relations at National Level Fund for 2016, due to the fact that the savings in other activities allowed it.

On the other hand, the initial budget in 2014 for the two activities within ES 04-Equality bodies exchanged (2 study visits PO/DPP) and the final conference was 21,000€. A revision of the expected expenditures reduced this budget to 16,000€.

*Bilateral Relations fund at National Level - Spain  
 Work Plan for 2015 and 2016 (Version June 2015 after AM)*

EVENTS PROPOSED	YEAR	BUDGET
	2015	
1	<b>ES04 – Equality bodies exchanges:</b> a) 2 study visits PO/DPP April and October <ul style="list-style-type: none"> <li>• 1st study visit done&amp;paid in May 2014</li> <li>• 2nd one postponed to April-May 2015- Finally done 8-9<sup>th</sup> June 2015</li> </ul> b) Final conference, postponed after the 2nd study visit <ul style="list-style-type: none"> <li>• Finally done 22nd September 2015</li> </ul>	16,000.00
2	<b>ES04 – Follow up on implementation recommendations of the gender mainstreaming study (2014/2015)</b>	16,308.00
3	<b>ES05 – Culture sector study visits</b> <ul style="list-style-type: none"> <li>• 1st study visit done&amp;paid in June 2014</li> <li>• 2nd one postponed to April 2015)</li> </ul>	8,913.18
4	<b>ES06 – Launching of the report on the challenges of European Welfare States</b> (postponed to Q1 2015)	10,000.00
5	<b>Embassy + NFP – EEA Grants Spain Closing Ceremony and Publication about EEA Grant Spain (Postponed to 2016)</b>	30,000.00
6	<b>ES07-Study Trip. Building Sustainable Cooperation. June 2015 (Postponed to 2016)</b>	5,000.00
7	<b>ES03- Digital presentation and infographic Active Citizenship Programme. (2016)</b>	8,000.00
	<b>Total allocated 2015/2016</b>	<b>78,221.18</b>
8	<b>Closing events and other activities 2015/2016</b>	16,886.03
	<b>Total 2015/2016</b>	<b>95,107.21</b>



*Bilateral relations fund at National level - Spain  
 Plan 2015 – Implementation  
 Revised (disemburments): 30 March 2016*

**TOTAL BILATERAL FUND** **229,250**

	PROGRAMME	ACTIVITIES PROPOSED	ALLOCATED	SPENT	% BUDGET EXPENDED
1	ES04	Equality bodies exchanges: Second Study visit done 8-9 <sup>th</sup> June 2015	1,523.00	1,523.00	100%
2	ES04	Equality bodies exchanges Final conference done 22 <sup>nd</sup> September 2015	11,000.00	8,889.19	81%
2	ES04	Follow up on implementation recommendations of the gender mainstreaming study (2015/2016) <i>This activity will finalise in 2016</i>	16,308.00	3,131.71	19%
3	ES05	Cultural exchange with Norway entities (cinema, design...) 2 <sup>nd</sup> Study Tour for 2015. Total budget for two trips: 17.000 € (**) <sup>4</sup>	8,913.18	0	0%
4	ES06	Launching of the report on the challenges of European Welfare States. Done Mars 2015	10,000.00	8,778.30	88%
<b>TOTAL 2015</b>			<b>47,744.18</b>	<b>45,503.27</b>	
<b>Implementation</b>			<b>21%</b>	<b>20%</b>	
<b>CUMULATED 2015</b>			<b>204,111.14</b>	<b>156,489.57</b>	<b>77%</b>
<b>Implementation</b>			<b>89%</b>	<b>68%</b>	

**TOTAL REMAINING** **72,760.43**

NFP has managed the use of these funds and monitored the implementation of such activities according to its MCS, attending all activities developed in Spain and applying the established methodology for payment applications.

ES 04: Equality bodies exchanges: intersectionality and multi-discrimination. Second study visit to Oslo. 8<sup>th</sup>-9<sup>th</sup> June 2015

The first visit to Oslo in 2014 was the kick off meeting of a bilateral exchange programme between the Norwegian Equality and Anti-Discrimination Ombud (LDO) and the Spanish Council for the Promotion of Equal Treatment and Non-Discrimination on the Grounds of Racial or Ethnic Origin. The general objective of the exchange programme was to gather a

<sup>4</sup> 1<sup>st</sup> study tour implemented in 2014. Second tour probably won't be done due to the situation of the ES05 programme

better understanding of the creation process, organizational structure, legal mandate, objectives, functions and the most relevant activities developed by the LDO, taking into account the important role it plays as a national equality body; and to provide information about the functioning of the Spanish Council and of its assistance service to victims of racial discrimination as its core function.

In **June 2015**, the second visit to the DPP in Oslo allowed discussing in greater depth some specific topics of interest:

- The changes foreseen in the structure and functions of the LDO and in Norwegian antidiscrimination legislation.
- The strategies of the LDO to tackle underreporting of discrimination incidents and to reach out to communities.
- To enhance the communication capacity of the LDO and the fight against hate speech and hate crime.
- Exchange on the functioning, strengths and weaknesses of the NGO-based Assistance Service to Victims of Racial Discrimination of the Spanish Council.

The Spanish delegation consisted of 2 members: One representative from Fundación Secretariado Gitano, an NGO member of the Council, Sara Giménez Giménez, and one representative from the Women's Institute and for Equal Opportunities, Pablo López Pietsch.

**Some of the conclusions reached:**

In exercising its duties and competences, the LDO and the Council have several points in common. Both are independent bodies but administratively attached to a Ministerial. In contrast to LDO, which covers several grounds of discrimination, the only discrimination ground explicitly covered by the Council's mandate is the racial or ethnic origin. However, the Working Plan 2013-2015 of the Council also aims at combating intersectional/multiple discrimination of women belonging to racial or ethnic minorities.

Furthermore, the exchange has allowed learning lessons from each other:

- Norway has enhanced mechanisms for the assistance to victims of discrimination, and the head of the LDO doesn't receive instructions from the government and cannot be dismissed for political reasons.
- Underreporting is a major common challenge both for the LDO and the Spanish Council. Both are addressing the challenge from a different perspective: the LDO through a strategy based on the improvement of the knowledge within the organization, the contact with representative civil society organizations. On the other hand, the Council addresses this issue through the assistance service implemented by a network of specialized NGOs.
- Hate speech is also a further challenge that calls for intensified action.

#### ES 04: Equality bodies exchanges: intersectionality and multi-discrimination. Final Conference. Madrid.

After two study trips, a European roundtable was organized within the framework of the bilateral exchange project between the LDO and the Spanish Council for the Elimination of Racial and Ethnic Discrimination.

The knowledge gathered through this exchange, together with the work on standards for equality bodies launched in the framework of Equinet offer a solid basis for a general reflection on possibilities and challenges of strengthening existing equality bodies at EU level.



#### ES 04: Follow up on implementation recommendations of the gender mainstreaming study (2015/2016). The activity will finalise in 2016.

The purpose of this project is the study of gender mainstreaming in all programmes approved under the Financial Mechanism of the European Economic Area 2009-2014 and it has been carried out since the beginning of the period.

In 2013, an analysis of incorporation of the gender perspective was carried out under the advice of experts, including the systematization and analysis of the documents obtained from all the programmes, bilateral meetings between POs and the experts and the presentation of a report for each programme with recommendations.

In 2014, a follow up on implementation recommendation of the mainstreaming study was implemented, with new bilateral meetings between the gender mainstreaming and the POs to know the difficulties to integrate the gender mainstreaming into their programmes, the elaboration of Action Plans documents to adjust the initial recommendations, bilateral meetings and a report.

There has been a request for the postponement of planned activities for 2015 until february 2016. A final evaluation was planned for late 2015, including bilateral meetings between the expert and each PO to determine the implementation of the Actions Plans, as well as a report with the last conclusions and its formal presentation.

Eventually, these activities planned for late 2015 will be developed between February-March 2016.

#### ES 05: Cultural exchange with Norway entities (cinema, design...) 2<sup>nd</sup> study tour for 2015.

The Spanish Ministry of Culture as ES 05 Programme Operator proposed the organization of an institutional exchange among the Spanish and Norwegian public administrations in areas of interest such as promotion of creative industries, audiovisual arts, music and theatre, and final arts and heritage. The objective was sharing new management practices and studying the Norwegian cultural context aiming at building a long term network.

However, the complex situation of the ES 05 Programme (up to December 2015) with the Programme Operator trying to solve the problems related to the pre-defined project (Equipment and cultural activity plan for Federico García Lorca Centre) in order to guarantee the objectives' accomplishment made it impossible to implement the bilateral activity.

#### ES 06: Launching of the report on the challenges of European Welfare States. 24<sup>th</sup> March 2015. Madrid.

The Embassy commissioned a comparative analysis of the Norwegian and Spanish welfare state models, particularly looking at policies on dependent persons, gender and family policies, and labour market policies and unemployment protection.

The report was carried out by Spanish and Norwegian researchers under the umbrella of the Spanish National Research Council (CSIC) and was presented in 24<sup>th</sup> March 2015 in Madrid.

In the presentation of the report, the eight researchers of high academic standing (five Spanish and three Norwegian) involved took part and an open debate on the subject "The challenges and future of the Welfare State" closed the event.



## Work Plan for Bilateral Relations fund at National Level

The work plan for 2016 of activities under the Bilateral Relations fund at National level was proposed and discussed during the Annual Meeting 2015.

### *Bilateral Relations fund at National Level - Spain Work Plan 2016 (Version March 2016)*

	ACTIVITIES PROPOSED	YEAR 2016	BUDGET
	<b>Total remaining at 01 January 2015</b>		<b>95.107,21</b>
	<b>Total allocated 2015</b>		35,221.18
	<b>ACTIVITIES PROPOSED 2016</b>		
1	<b>Embassy + NFP – EEA Grants Spain Closing Ceremony and Publication about EEA Grant Spain (Postponed to 2016)</b>		30.000,00
2	<b>ES07-Study Trip. Building Sustainable Cooperation. June 2015 (Postponed to 2016)</b>		5,000.00
3	<b>ES03- Digital presentation and infographic Active Citizenship Programme. (2016)</b>		8,000.00
	<b>Total allocated 2016</b>		<b>43,000.00</b>
	<b>Total Allocated 2015/2016</b>		<b>78,221.18</b>
4	<b>Closing events and other activities 2015/2016</b>		16.886,03
	<b>Total 2015/2016</b>		<b>95.107,21</b>

It is worth highlighting the activity **ES06 + NFP EEA Grants Spain Closing Ceremony and Publication about EEA Grants Spain.**

The Embassy has commissioned a Final Report of the EEA funds in Spain with emphasis on the bilateral perspective, and sharing the story of the EEA Grants in Spain between 1994-2014, which has been carried out during 2015 and 2016 in cooperation with the NFP.

The publication will focus on a selection of projects that illustrate the impact of the large number of projects that have been implemented, the innovative forms of cooperation and the creation of networks that continues to be useful for the bilateral relationship with Spain.

Particular emphasis will be put on projects where Spain and Norway, Iceland or Liechtenstein have been able to share experiences of mutual interest. The report will thus not aim to give an exhaustive description of all the projects, but rather present an appealing narrative of some of the best experiences in a media-friendly language.

Two versions of the Final Report will be made:

- 1) An electronic version of which can be read on a computer or a handheld device that will include project stories, media gallery and videos of some of the projects. This version will be available in Spanish and English.
- 2) A printed version of the Final Report, available in Spanish and English.

This publication will be presented in the NFP EEA Grants Closing Ceremony, to be held on June 2016. The event will mark the end of the 2009-2014 period and Programme Operators, Donor State Partners, some Project Promoters representatives and other stakeholders from Spain and the Donor States will be invited.

### 3 REPORTING ON PROGRAMMES

#### 3.1 OVERVIEW OF PROGRAMME STATUS

##### a) Progress in establishing agreed Programmes, including calls undertaken.

If 2014 was a crucial year for EEA Grants 2009-2014 implementation, meaning a huge activity in all programmes taken into account that most of them approved in the summer of 2013 we can define 2015 as the key year for their concrete implementation due to the fact that the deadline of project's eligibility was 31 December 2015. So the Programmes have been running for 26 months (some of them even less).

During these 26 months, besides articulating administratively the programmes, the 6 Spanish Programme Operators have launched and closed 12 Open Calls. Adding the results of these calls to the predefined projects, up to December 2015, 444 projects have been successfully completed. 183 of them were projects with donor project partners (41,22%). During 2015, promoters have sent interim financial reports and final reports, and some of them are being received along 2016. The verification task, both financial and technical, is going to be carried out during 2016 as a previous step to close the projects and the corresponded balance payment or reimbursement ordered.

The workload and the effort carried out by the programmes has been remarkable particularly in view of the fact that all work of the planned period 2009-2014 has been done in barely 2 years.

Almost all the programmes have successfully exceeded the targets in record time. The analysis of the target indicators of achievement set in each Programme Agreement (see chapter 3.2) is different and to summarize:

**ES02 Programme** contains 7 target indicators of achievement. Up to December 2015, 85% of the indicators exceeded 100% accomplishment. The only one in 83% accomplishment is the *percentage of women in funded period*.

**ES03 Programme** takes into account 10 target indicators of achievement. Most of them are linked to the achievements of the projects selected in the Open Call, barely starting in 2014. Up to December 2015 all of them reach a value equal to or exceeding 100%.

**ES04 Programme** includes nothing less than 16 target indicators of achievement. As stated in the previous Strategy Report, this is such a difficult programme that it may be questioned if it has the appropriate means for its implementation. However, 87.50% (14) of the indicators reaches a value equal to or exceeding 100%. The remaining indicators (2) depend on the development and the opportunities open to the projects at that moment. That is the case of the indicator *Entrepreneurial activity rate* (87% of the target) and the indicator *Number of municipalities implementing work-life balance plan* reaches 80% of its target of achievement.

**ES05 Programme** includes 7 performance indicators after the modification done in 2015. Up to December 2015, 3 of them are 0% achieved because they are linked to activities that should be developed after the first part of the PDP Equipment of García Lorca Centre. Out of the rest only one reaches 100%. Problems from the placement of the Garcia Lorca's Legacy in Granada may put in risk the accomplishment of the main outcome of the Programme.

**ES06 Programme** included 3 performance indicators. The projects finished in September 2014 and the programme was closed by July 2015. 100% of the performance indicators reaches values exceeding 100%.

**ES07 Programme** includes 10 performance indicators, which 80% reaches a value equal to or exceeding 100%. Many of the performance indicators refers to data of projects still in progress.

Bilateral activities developed by the Programme Operators with the bilateral activity funds at programme level is included in next chapter. Although each programme has different kind of bilateral activities carried out, one concern is certainly shared: the sustainability of the networks and relations created between Spanish and Donor Countries institutions beyond the EEA Grants 2009-2014 period.



a) Commitments and disbursements made by the Programmes

	BUDGET	PREVIOUS YEARS			2015			TOTAL TO 2015			
		Incurred	Disbursements from FMO	Payed to PO/PP	Incurred	Disbursements from FMO	Payed to PO/PP	Incurred	Disbursements from FMO	Payed to PO/PP	Payed/Incurred
ES01	917.000	424.032	532.550	333.788	136.572	170.686	170.686	560.604	703.236	504.474	90%
ES02	18.215.000	4.744.737	4.754.110	4.703.593	3.459.747	3.562.026	3.547.688	8.204.484	8.316.136	8.251.281	101%
ES03	4.585.000	2.512.183	3.525.104	2.783.941	2.299.248	1.009.525	1.008.933	4.811.431	4.534.629	3.792.874	79%
ES04	10.191.250	7.289.056	5.137.849	5.131.849	4.819.523	1.614.998	1.614.998	12.108.579	6.752.847	6.746.847	56%
ES05	4.085.000	1.180.375	2.579.470	2.566.890	1.118.701	1.008.116	1.008.116	2.299.076	3.587.586	3.575.006	155%
ES06	500.000	318.645	500.000	n.a.	0	0	n.a.	318.645	500.000	n.a.	
ES07	3.918.000	2.358.662	3.062.131	3.060.447	850.876	766.021	763.232	3.209.538	3.828.152	3.823.680	119%

b) Problems related to absorption and/or disbursements, with suggested solutions

Not especial problems related to absorption or disbursement has arisen during the period.

Just to mention a delay in the submission of ES04 IFR#6 due to the difference of criteria arisen regarding incurred expenditures between FMO and NFP. This different opinion didn't affect the reality of the transaction only the way of account them.



### 3.2 Individual Programme summaries

#### ES 02: Environmental and Climate change-related Research and Technology.

Programme Approved on 10<sup>th</sup> June 2013 and fully implemented.

##### a) Overall progress as regards implementation of the Programme (Open calls).

The first call was launched in 2013 but awarded at the beginning of 2014. A second one was launched in the first quarter of 2014. Projects funded through the two calls have finished on 31<sup>st</sup> December 2015. During 2016 companies will do their justification and CDTI will perform the verification and payment activities.

Initially, within only eight months (from 2nd August 2013, when the first call was opened, to 10th April 2014, when the second call was closed) 339 project proposals, involving 377 Spanish companies, were submitted. 189 contracts, for the development of 174 different projects (some projects are developed in collaboration between several companies and each one signs a contract with CDTI) were signed. 50 of these contracts had a collaboration agreement with a Norwegian or Icelandic entity.

From the signature of the contracts to 31st December 2015, some projects have been cancelled:

- First Call: 8 projects, with 9 participating companies
- Second Call: 4 projects, with 4 participating companies

In addition, one Project of the first call and another of the second one have communicated that they will not carry out the collaboration with the entity from the donor country.

Therefore, the projects under implementation on 31st December 2015 are the following:

ES02- PROJECTS UNDER IMPLEMENTATION	FIRST CALL	SECOND CALL	TOTAL
Number of projects	75	87	162
Number of contracts	80	96	176
Thematic Area			
Environment			
Energy	33	34	67
Efficiency			
Renewable	18	38	56
Energy Climate	26	22	48
Projects with collaboration with entities from donor countries	28	15	43
Budget	62,906,072	45,468,687	108,374,759
Aid granted	49,127,462	35,260,704	84,388,16
Non-reimbursable portion (EEA Grants) granted	8,997,136	6,473,722	15,470,85
			9

At project level, on 31st December 2015, there are 43 projects with collaboration with entities from donor countries (40 Norwegian and 3 Icelandic).

b) Progress towards expected outcomes.

All the objectives set are far fulfilled with the results of the two calls. The only indicator that is below the objective is the percentage of women in funded projects, which is 24.80%. Most of the projects belong to the field of engineering, systems development... which are usually occupied by men. Women, in the field of R&D, tend to have greater participation in sectors related to biotechnology.

INDICATOR	OBJECTIVE	MEASUREMENT	% OF FULFILLMENT
R&D Projects submitted (total)	100	339	<b>339%</b>
Share of Donor Partnership Projects submitted	10%	23.60%	<b>236%</b>
Eligible total budget in approved R&D Projects	80,000,000	108,374,759	<b>135%</b>
Eligible total budget in Donor Partnership Projects	8,000,000	34,815,004	<b>435%</b>
Percentage of women in funded projects	30%	24.80%	<b>83%</b>

c) Outputs achieved

The results obtained after the end of the signing period of the projects approved in the two calls are very satisfactory, even considering the cancellation of projects produced since the approval of projects, highly exceed the established outputs.

The programme implementation results are, on 31st December 2015, the following:

OUTPUT	TARGET (SET IN PA)	MEASUREMENT	% OF FULFILLMENT
Increased number of enterprise producing innovation in the targeted sector	60	176	<b>293%</b>
Knowledge transfer from universities and research institutions.	10	145	<b>1450%</b>

The programme objective of obtaining an increased development and application of technology that benefits the environment will be achieved, as there are a high number of companies (176) which have developed an innovation and development project in the areas of environment, climate change, renewable energies and energy efficiency.

The projects have a high number of contracts with universities and research centres (145), so these projects clearly contribute to produce a transfer of knowledge from universities and research institutions to companies, and this transfer will materialize in new developments for the market. The

kind of research of all projects is applied or experimental development, being the latter the most frequent.

The most important Spanish universities and research centres are involved in the projects, developing relevant R&D activities. They are projects with a high technical quality. These institutions include the main universities (Polytechnic University of Madrid, Polytechnic University of Catalonia, University Carlos III ...) and research centres (Superior Council of Scientific Investigations (CSIC), Research Centre for Energy, Environment and Technology (CIEMAT), National Centre of Renewable Energy (CENER) ...).

#### d) Potential risks that may threaten the achievement of the objectives set out in the Programme.

Risks associated with this programme are both, described in the PO Annual Report 2015 and assessed at national level in Attachment 7 of this document. Nevertheless regarding this programme the following risks and measures are remarkable:

- The possibility of having an insufficient number of good projects and, consequently, not being able to fully allocate the EEA-Grants budget, was considered in the programme proposal. Although there is a high interest from companies, as evidenced by the number of submitted projects, it has not been possible to allocate all EEA Grants budget.

The tight schedule of the Programme means that R&D projects approved in the second call only had a maximum of 17 months to be developed, when the usual for a standard R&D project is 3 years. This has meant that the submitted projects have an average budget below those of the first call and, despite the large number of contracts signed; they have been insufficient to allocate 100% of the budget. In addition, this has meant that several companies had renounced to the aid for not having enough time to develop the project.

The ES02 Programme has special features in its design (loan with a non-reimbursable portion financed by EEA Grants) which means that, in order to allocate all no reimbursable aid budget for companies (16,754,050 euros), they need to execute a budget higher than 100 million euros, which is a very high budget for the little time available.

Having the Programme had a longer period for Project implementation, projects would likely have had a larger size so that, not only all the budget would be allocated, but also a reserve list to cover possible renounces could have been set. In addition the projects which have been cancelled because lack of time would have been developed. With a longer execution period for projects, it is very likely that the whole programme budget had been allocated.

#### e) Major deviations from plan.

There haven't been major deviations from plan.

#### f) Need for adjustments of plan, including actions for risk mitigation.

In 2015 CDTI has asked to FMO the modification of the budget to increase the fund for bilateral relations in 132,000 euros with part or the remaining fund from projects, as well to increase slightly the programme management budget (increase of 190,049). This increase of the programme management budget is justified mainly by the estimation of expenses that CDTI will have in order to carry out the project verification of 176 projects under EEA Grants in 2016 (That includes on spot visits).

BUDGET HEADING	Budget initially approved	Budget modified
PROGRAMME MANAGEMENT	€1,403,000	€1,593,049
INCREASED DEVELOPMENT AND APPLICATION OF TECHNOLOGY THAT BENEFITS THE ENVIRONMENT	€16,754,050	€16,432,001
FUND FOR BILATERAL RELATIONS	€277,082	€409,082
PREPARATION OF PROGRAMME PROPOSAL	€38,000	€38,000
<b>TOTAL</b>	<b>€18,472,132</b>	<b>€18,472,132</b>

At 31st December 2015 the budget of “Increased development and application of technology that benefits the environment” (non-reimbursable portion of the loans granted to the companies) is 15,470,859 euros. This means at least a budget of 961,142 euros (16,432,001 less 15,470,859) of the Programme that will not be spent.

g) The use of funds for bilateral relations.

During 2015 CDTI has continued maintaining a close relationship with the donor programme partner, Innovation Norway (IN). 2 Cooperation Committees have been celebrated (24th March and 21st October). In these Cooperation Committees a monitoring of the Programme general situation have been done, proposals of new activities have been discussed and promotion actions of bilateral relations have been organized.

- Activities to promote **bilateral relations at programme level**

As mentioned in the previous point, in 2015 CDTI has asked to FMO the modification of the budget to increase the fund for bilateral relations in 132,000 euros with part or the remaining fund from projects.

The new activities to develop with the increase of the fund for bilateral relations are:

- Investment forum “Investment Forum in Green Technologies”, estimated budget: 120,000 euros.
- Study visit of Innovation Norway to CDTI, estimated budget: 12,000 euros. (Meeting already celebrated in 2015).

- This Study visit called **“Competence exchange between the Spanish (CDTI) and the donor states innovation agencies”** took place on 10th and 11th November 2015, in CDTI premises. 6 participants from Innovation Norway, coming from the office in Oslo, were the Assisting credit director and team leader for Loan Recovery Team, Senior adviser in IN’s Financing department, Special advisor in IN’s Division Corporate services, Special advisor in IN’s Division for growth companies and clusters, Senior adviser, loan financing, corporate development and financial services and Senior adviser in IN’s Division for growth companies and clusters.

The agenda of the study visit included among others: actions to promote Spanish participation in H2020, promotion and dissemination activities, activities to foster technological collaboration with other countries and activities to foster Seed and Venture Capital.

The study visit had an active participation of CDTI and IN, which facilitated the exchange of knowledge and experience between the two entities.

- Event **“European financing mechanism for R&D within the energy and environment sector”**. This seminar was held in CDTI on 19th November 2015. There were around 100 participants, of which 27 were Norwegian entities and companies. The aim was to review European Calls for R&D within the energy and environment sector: Eurostars, Horizon 2020 and Eureka, in order to promote joint participation of companies and entities from Spain and the Donor countries in these calls. Mr. Johan Christopher Vibe, Ambassador of Norway, and Ms. Maria Luisa Poncela, Chairman of CDTI and Secretary General of Science, Technology and Innovation in the Spanish Ministry of Economy and Competitiveness inaugurated the event.

The contents of the seminar were the following:

- ✓ Presentation of the Project “Advanced zinc-air flow batteries for large-scale renewable energy storage (SAMER)”, developed by the company Técnicas Reunidas and in which the Norwegian research entity SINTEF participates.
- ✓ European Calls for R&D within the energy and environment sector: Horizonte 2020, Eureka and Eurostars
- ✓ Bilateral meetings between Norwegian and Spanish companies. There was a high interest by Spanish and Norwegian companies in having bilateral meetings to explore possibilities of joint participation in next European calls. 45 bilateral meetings were celebrated, with the participation of 10 Spanish companies and 15 Norwegian companies. Therefore, it is expected that this event contribute to foster the collaboration between both countries beyond the EEA Grants Programme.
- ✓ Reception at the Norwegian Ambassador’s Residence

- Regarding **bilateral relations at project level**

The number of proposals submitted in the two calls with collaboration with donor countries entities was 80, which represents a high proportion of the total proposals submitted (23.6%) and highlights the success of the promotion of the bilateral relations carried out. The number of contracts signed with collaboration with entities from donor countries is 50 (46 entities from Norway and 4 from Iceland).

After the cancellation and changes of some projects, as it is explained in section 5 of this report, there are, on 31st December 2015, 43 projects with collaboration with an entity from a donor country (40 from Norway and 3 from Iceland).

The four bilateral objectives of the Guideline for strengthen bilateral relations are fulfilled. There is a wide collaboration between Spanish and donor countries companies and institutions, mainly from Norway, which is reflected in the different activities carried out in collaboration with Innovation Norway, and in the high amount of projects with collaboration agreements or contracts with Norwegian and Icelandic research companies and institutions. This collaboration means that there is a transfer and exchange of knowledge and technology that will result in technological improvements that benefit the environment.

It is important to mention the results of the monitoring questionnaire sent to the companies awarded by EEA Grants at the end of 2015 regarding the continuity of the cooperation with entities from donor countries, with 68% of the companies with this kind of cooperation answering that it will continue beyond the programme.

- Activities to promote **bilateral relations at programme level in 2016**

In 2016 it is foreseen, therefore, to carry out the following activities to foster bilateral relations at programme level:

- ✓ ***“Investment Forum in Green Technologies”***, aimed at start-ups which develop technology-based projects in the areas of environment, renewable energies, energy efficiency and climate change. Participating companies and investors have to be Spanish or from one of the donor countries. It is scheduled the celebration of the Forum in Madrid on 14th June 2016.
- ✓ ***Programme closing event***: it will be celebrated in Madrid, probably in June. This event will be devoted to make the summary of initiatives carried out within the Programme, success stories and impact analysis, including projects in cooperation.

### ES 03: NGO's for social action. Active Citizenship.

Programme Approved 23 April 2013.

#### a) Overall progress as regards implementation of the Programme (Open call).

This Civil Society Programme aims at strengthening the role of the NGO in Spain. There are four categories of projects and the main objective is to increase the capacities of the NGOs, through networks, cross sectorial partners, raising awareness or increased involvement in policy making.

As stated in the Programme proposal, the Programme has had one call for proposals launched in 2013 and the selection process finished in 2014. The projects were grouped in four axes that coincide with the four outcomes designed for the programme and described in the Programme agreement.

During 2015 the 38 projects selected have implemented and finished their activities. Most of them are yet in review but, at the date of this report, there are 9 of the 38 that have been formally closed and 4 are closed too but pending of the final balance payment.

At this stage, we can assure that the projects selected are in line with the expected outcomes. Although there are only 38 project promoters one of the aims of the call for proposal was promote networking and partnership and this aim has been achieved because there are 120 partners giving a total of 158 organizations involved in the Programme.

Most of the partners are NGOs but also there are from other sectors public and private: city halls, cooperative society, enterprises and universities.

CALL FOR PROPOSAL FROM 6 SEPTEMBER 2013 TO 6 NOVEMBER 2013. FINAL SELECTION IN APRIL 2014				
CONTRACTS SIGNED IN APRIL AND MAY 2014				
OUTCOMES				
TOTAL APPLICATIONS AND FINAL SELECTION				
Applications	1 Active citizenship fostered	2 Increased involvement on NGOs in policy and decision making processes with local, regional and national governments	3 Cross sectorial partnership developed, particularly with government organisations at local, regional and/or national level	4 Developed networks and coalitions of NGOS working in partnership
Total applications	130	56	13	36
Total amount applied (€)	13,200,222.00	7,200,000.00	1,700,000.00	4,600,000.00
Final amount available (€)*	1,322,550.00	921,500.00	550,000.00	921,500.00
Total project selected	13	9	5	11
Total project contracted	13	9	5	11
<b>TOTAL PROJEC PROMOTERS</b>	38			
<b>TOTAL PARTNERS</b>	120			
<b>Total of organizations involved</b>	158			

Date: 10/01/2015

Selection Committees: 28th January 2014 and 18th Mars 2014

Projects with partner: 2 (1 Norway- 1 Iceland )

Remnant Budget 0

At this stage, when all the projects are finished, although the results are not all evaluated yet, we can anticipate that most of them have helped to reduce economic and social disparities in their respective areas of focus, following the main objectives of the EEA Mechanism. The Programme has contributed to allow the projects of the NGOs beneficiaries to be a real actor of social change and empowering users to participate in the decision-making process regarding social inclusion and prevention of discrimination.

In fact, the projects of the programme focus their activity on the human rights including minority rights (ethnic, religion, linguistic and social orientation) and the most vulnerable groups including child and youth people at risk of exclusion. They also foster participative democracy by fighting against the discrimination, racism and xenophobia, and gender balance including in rural areas.

**b) Progress towards expected outcomes.**

At 31<sup>st</sup> December 2015 all the projects have completed the implementation phase, while the reporting (financial and technical) is still ongoing. Therefore, although the conclusions to be drawn in the final report will be somehow different to those stated here, it is possible to raise some relevant matters showing that the projects, in general, have achieved the expected results and outputs.

The Programme is targeted to four main outcomes which include the main Programme’s indicators. The outcomes are being achieved through the outputs agreed in the Programme through the development of the projects selected.

<b>ES03 OPEN CALL</b>  PROJECTS AIMED DIRECTLY AT VULNERABLE GROUPS, INCLUDING IMMIGRANTS	<b>AXIS 1. ACTIVE CITIZENSHIP. 11 projects out of 13 awarded</b>	<ul style="list-style-type: none"> <li>• 4 of them aimed specifically at Roma and immigrants and other 2 at racism.</li> <li>• 5 of them are addressed to children and young people in risk of social exclusion.</li> </ul>
	<b>AXIS 2. INCREASING INVOLVEMENT OF NGOs IN POLICY 6 projects out of 9 awarded</b>	<ul style="list-style-type: none"> <li>• One of them is for Immigrant women from Latin America and Caribe and another is for political refugees.</li> <li>• One address Hate Crimes.</li> <li>• One aims at fighting poverty</li> <li>• One aims at helping victims of gender-based violence.</li> <li>• One is for children in risks of exclusion</li> </ul>
	<b>AXIS 3. CROSS SECTORIAL PARTNERSHIPS 4 projects out of 5 awarded</b>	<ul style="list-style-type: none"> <li>• 4 out of 5 projects selected in this category aimed specifically at vulnerable groups.</li> </ul>
	<b>AXIS 4. NETWORKS AND COALITIONS OF NGOs 11 projects awarded</b>	<ul style="list-style-type: none"> <li>• Projects selected in this category focuses on building networks and coalitions of NGOs, so the main activities are training, central purchasing bodies... There are not any project aimed specifically at vulnerable groups, although in the long-term, these activities will help to improve the social assistance to the most disadvantaged groups.</li> </ul>



c) Outputs achieved

OUTCOME 1- ACTIVE CITIZENSHIP FOSTERED	OBJECTIVE	MEASUREMENT	% OF FULFILLMENT
OUTPUT 1.1 Awareness-raising campaigns on participation of civil society.	10	10	100%
OUTPUT 1.2 Number of cross cutting cooperation initiatives between NGOs of different sectors emerged at	10	10	100%

**Outcome 1:** Active Citizenship fostered. This outcome comprises 13 projects with a total of 39 organizations directly involved in aiming the strength of the third sector in local settings. The overall expected outputs, marked as indicators, are the following:

Output 1.1: 10 Awareness raising campaigns

The 10 campaigns initiated last year have continued to develop. This obviously means a 100% success in this indicator. However, it is probably more important to underline the qualitative results rather than the obvious numbers. In this regard the themes in the campaigns are variegated, but most of them revolve around combating racism, extremism and discrimination particularly against the Roma population and immigrants. One campaign is about promoting social economy and another one to promote participation of the disabled in their NGOs.

Output 1.2: 10 Cross cutting cooperation initiatives between NGOs of different sectors emerged at local level.

During the first stages of the programme (as stated in the previous Annual Report) ten out of thirteen projects in this outcome had engaged in these initiatives counting with 26 partners. In 2015, one more project has initiated a cross-cutting cooperation initiative at local level. In general the projects under this indicator have outstandingly contributed to foster active citizenship at the local level. The joint initiatives by different stakeholders that the projects have represented are one of the most remarkable results the programme has had. Of course, in the NGO sector we tend to demand this type of cooperation and when it happens the results are always better than expected and they are not only expressed through numbers but specially in the qualitative analysis.

OUTCOME 2- INCREASED INVOLVEMENT ON NGOS IN POLICY AND DECISION MAKING PROCESSES WITH LOCAL, REGIONAL AND NATIONAL GOVERNMENTS.	OBJECTIVE	MEASUREMENT	% OF FULFILLMENT
OUTPUT 2.1 Increase in the number of policies, plans and legal initiatives assessed by networks.	1	1	100%
OUTPUT 2.2 Number of new cross-cutting coalitions	4	4	100%

**Outcome 2:** Increased involvement on NGOs in policy and decision making processes with local, regional and national governments. Under this outcome nine projects are fund with a total of 47 organizations

directly involved. During 2015 more results have been developed, as we will see, achieving the previewed results.

#### Output: 2.1. Existing cross-cutting networks influence decision making process.

The indicator was achieved last year with the start of two networks. During 2015, we can give the details of the work carried out.

Last year the network INJUCAM started to develop positions on specific policy measures affecting children and youth in neighborhoods with more social problems within the Community of Madrid. This year this work has been increased, developing proposals to require the competent institutions the effective implementation of the recognized rights.<sup>5</sup>

The second cross-cutting network influence decision making developed by Mugarik Gabe works specifically on violence against women which is a major problem in defending women's rights. They have generated different experiences among organizations working on these issues in four different places, Madrid, Bilbao, Barcelona and Malaga.<sup>6</sup>

#### Output 2.2.: New cross-cutting coalitions created.

The target has been achieved. This year, the two coalitions initiated last year, have been developed as follow:

The coalition initiated last year with the aim of combating hate crimes (LGTB) composed of prosecutors, security forces, media, companies and NGO, involving the administration have created a host, care and referral protocol for hate crime victims. They also participate now in COVIDOB (Council of Victims of hate and discrimination), incorporating the perspective of sexual orientation and gender identity.<sup>7</sup>

The second one was the creation of a crosscutting group for advocacy in defending the right of asylum and the rights of refugees in Catalonia. asil.cat is created, to defend the right of asylum in Catalonia and the rights of persons who have suffered human rights violations caused by forced displacement.<sup>8</sup>

During 2015, two more cross-cutting coalitions have been created:

Fundación Salvador Soler promotes a project born from the civil society to strengthen their capacities for influencing the processes of political decision-making and in generating public debate on poverty and social justice in Spain.<sup>9</sup>

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<sup>5</sup> Please click here to see an example: <http://www.injucam.org/blog/2015/07/25/10-razones-para-entender-e-impulsar-la-coordinacion-entre-los-servicios-sociales-colegios-institutos-y-las-asociaciones-de-infancia/>.

<sup>6</sup> 101 entities, 818 people, 4 places) (<http://www.mugarikgabe.org/rederradicacionviolenciasmachistas/en-la-lucha-somos-muchas>)

<sup>7</sup> You can visit the microsite created [www.redescontraelodio.com](http://www.redescontraelodio.com), and the campaign that they have launched: #conlavozbienalta

<sup>8</sup> The Asil.Cat network consists of seven entities as full members: ACCEM, ACATHI, EXIL Association, Comissió Catalana d'Ajuda to Refugiat, ACSAR Foundation, the Catalan PEN and -Adoratrices SICAR cat and one observer member: Comitè Català de l'UNHCR. ([www.asil.cat](http://www.asil.cat))

<sup>9</sup> The TIPI project has different tools: Political Scanner: online transparency tool to monitor parliamentary activity. Investigative journalism: data and analysis on poverty and social exclusion in Spain. Citizen participation: instruments that facilitate participation and give opportunities for dialogue among citizens and policy makers. Workshops: spaces to work on social innovation to fight against poverty (<http://tipiciudadano.es/>)

The Network of Social Action “Xarxa de Xarxes” (project led by CVONGD), created by different networks, representing over 800 NGOs. The main objective is design a common strategy to fight against social exclusion<sup>10</sup>.

OUTCOME 3 - CROSS SECTORIAL PARTNERSHIP DEVELOPED, PARTICULARLY WITH GOVERNMENT ORGANISATIONS AT LOCAL, REGIONAL AND/OR NATIONAL LEVEL.	OBJECTIVE	MEASUREMENT	% OF FULFILLMENT
OUTPUT 3.1 New initiatives emerge of cooperation between NGOs public bodies and other actors	4	5	125%
OUTPUT 3.2 Pre-defined project: Research on the composition, aims, links, challenges and strategic options of the Third Sector. Number of Publications	1	1	100%
OUTPUT 3.3 Creation of cross-sectorial institutional consultative bodies at regional and local level.			
3.3.1 Number of bodies created	5	2	40%
3.3.2 Number of cooperation agreements	4	4	100%

**Outcome 3:** Cross sectorial partnerships developed, particularly with government organisations at local, regional and/or national level.

For this outcome, 5 projects have been funded with a total of 29 organizations directly involved.

#### Output 3.1. New initiatives between NGOs and other actors

It was expected to achieve 4 new initiatives and the result has been overcome because the 5 initiatives started last year have continued to develop. These initiatives are focused in the fields of social inclusion, public policy innovation and hate crime. The main objective to be achieved was to find ways to work together whereby NGOs and other stakeholders, especially public administrations, felt comfortable and boosted the impact they have alone. In Spain NGOs and governments have had a difficult relationship because they have different organisational cultures and timings. However, during the 17 months that these projects have been implemented the work and results have been tremendously satisfactory. The main prove is that they are going to carry on existing once the EEA Grants are finished.

#### Output 3.2: Pre-defined project. Publication of the research “Third Sector in Spain”

Under this outcome has been included as specific output the pre-defined project although this project is going to contribute to the programme outcome 2 and 4 too as it was established in the PA. The study was specifically approved by the FMO in order to give greater visibility of the Predefined Project, is the Study “Third Social Action Sector in Spain” The presentation was hold on 27 November with more than 150 attendees, including programme operators and project promoters from Lithuania, Cyprus and Romania.

<sup>10</sup> <https://laxarxadexarxes.wordpress.com/>  
examples of campaigns <https://primerolaspersonas2015.wordpress.com/>  
#noalcopagoconfiscatorio

The study illustrates the impact of the crisis on the Third Social Action Sector showing the current characteristics and situation of the sector and also analyses the current and futures challenges of the Third Sector of Social Action in Spain<sup>11</sup>.

Output: 3.3. Cross-sectorial consultative bodies at regional and local level

3.3.1 Number of bodies created. Bodies created. Target: 5. The 2 bodies created last year have developed their activities as it was planned and a new model of intervention with vulnerable population has been generated and systematized in a tool that guides the NGOs in this field. The other one has been developed by a university-NGO partnership in order to become a national consultative body in the field of youth in shelters and the best intervention methods to apply in these cases. During this year there has been a new case, it is a consultative body which has emerged in the late stages of a project in Seville (Andalusia). In this project a solid network of NGOs working in a deprived neighborhood has attracted a lot of attention from the local and regional governments. This interest led to a close collaboration in structuring several thematic groups where the NGOs are working together with the administrations not only consulting but also drawing the future public interventions in this area and others alike.

Although the five bodies expected have not yet been created, the results achieved have been very successful taking into account that for this outcome there are only 5 projects and that the socio-political context in Spain is more complex than few years ago.

3.2.2. Number of Cooperation Agreements. More than 4 cooperation agreements have been signed between project promoters in this outcome and other NGOs and institutions. More concretely, one project led by EMAUS has managed to put together the whole sector of social inclusion in Galicia and the regional administration to work on an innovative inclusion strategy and a specific tool that improves that developed by the regional administration. The collaboration has resulted in 16 NGOs and local administrations signing agreements with the project promoters as well as the regional level funding the 2016 activity of this partnership.

OUTCOME 4. DEVELOPED NETWORKS AND COALITIONS OF NGOS WORKING IN PARTNERSHIP.	OBJECTIVE	MEASUREME NT	% OF FULFILLMENT
OUTPUT 4.1 Coalition mechanisms created and competitiveness gained	5	3	60%
OUTPUT 4.2 Mergers of NGOs working in the same field (contracts)	4	4	100%

**Outcome 4.** Developed networks and coalitions of NGOs working in partnership

Under this outcome have been financed 11 projects and more than 40 organisations have been working together.

Output 4.1.: Coalition mechanism created and competitiveness gained.

<sup>11</sup> See the study on: <http://www.plataformaong.org/ciudadaniaactiva/tercersector/index.php>

In 2015 the output has been reached. Last year we highlighted three important developments in this direction; the first one, the creation of a central purchasing for disability, the second one, the development of coeducation in the schools and the third, the effort in strengthening regional networks for the processes of cohesion and networking of Solidarity Economy in Spain. During this year two new more coalitions have been developed; the first one, a partnership that serves to create a common seal of quality and sustainability for the Third Sector and the second is to promote the third sector and the administration work together for social innovation as a strategy for tackling youth unemployment in Spain.

#### Output 4.2.: Mergers between organizations working in the same field to avoid duplication

Last year we pointed out two developments, one, the creation of an alliance of four entities that have advanced especially in coordination, creating a communication department and the creation of a central purchasing and the second, a project that aims to create a methodology for analyzing projects from a systemic approach. This year two new mergers have been developed, one for the articulation of a national network of organizations promoting the recognition of skills, competences and knowledge acquired through volunteering as a measure to improve the employability of young people, and the second through, a communication, training and networking with enterprises program for all the entities taking part in the network for childhood of Vallecas, a run-down district in Madrid.

#### d) Potential risks that may threaten the achievement of the objectives set out in the Programme.

In general, the main risks hindering the programme ability to achieve its expected outcomes are still being the same and they are operational, such as the need of guaranteeing the cash flow through the programme lifetime or delays in the implementation of the projects. These kind of risks are mitigated with monitoring and controls by the Programme Operator EEA team. (Please see Attachment 7 for further details)

#### e) Major deviations from plan.

During 2015, there have been no major deviations from the plan.

#### f) Need for adjustments of plan, including actions for risk mitigation.

There have been no needs for adjustments.

#### g) The use of funds for bilateral relations.

##### **Bilateral Relations**

During 2015, activities within Measure B: study visits and one thematic seminar have been developed.

##### 1. Study visits.

The project promoters had the possibility of applying for study visits from July 2014 till September 2015 (the deadline was extended from July 2015 to September 2015 in August 2015) in order to promote more applications.

This year three project promoters applied for the visits and the 100% of them got the grant. Specific reports have been issued for each one of the study visits with sources to identify the activities and the achieved results. The following bullet points summarize the main results by visit:

- AESIM. The main collaboration areas are: exclusion/ inclusion, under aged population. The bilateral relations are well established and will probably be sustainable.
- JOVESOLIDES: Two Norwegian organizations working in the field of social innovation: Lyk-z & dotre and EsFrog, have visited de II Forum of Social Action organized by JOVESOLIDES in Valencia, Spain.
- RAIS Foundation. The study visit was focused on knowing and learning from two important stakeholders in the fight against homelessness in Oslo (one non-profit and one faith based organization).

## 2. Thematic seminar:

"Strategic alliances to improve NGO results" held on 1st October, 2015 in Madrid, promoted the cooperation with entities from the Donor Countries.

During the seminar participants had the chance of fostering the exchange of strategies and results the NGO have when advocating for the social rights within the Active Citizenship Programme, and also with initiatives and institutions from the EEA Grants Donor Countries, in particular from Norway and Iceland<sup>12</sup>.

3. The bilateral relations continued through the development of the two projects in partnership with organizations from the Donor Countries. These projects can be summarized as follow:

- eCitizen promoted by Siderurgia Integral Workers Foundation aims at diagnosing and generating tools to empower the local population through volunteering, especially elders. In this regard, in 2015 the Ideenbanken from Norway prepared a visit to Oslo where the Project Promoter and the rest of the partnership shared different approaches to this field. During 2015 the Norwegian organisation visited the local experience in the Basque Country and shared experiences on the field.
- No Hate Speech Network led by the FELGTB is the creation of a No Hate Network and is formed by prosecutors, security forces of the state, media, enterprises, administration and ONG, where two organizations involved come from donor countries: SAMTOKIN'78 from Iceland and LLH (Landsforenigen for lesbik og homofil frijoring), from Norway. The participation of NGOs in Norway and Iceland has enabled sharing experiences on hate crimes between countries and promote the exchange of tools. In March-April 2015 the technical team of the project visited Norway and Iceland

### **Complementary actions**

Regarding these funds, the Programme Operator had planned different activities aimed at promoting participation in horizontal initiatives under the EEA grants targeting cross-cutting issues and concerns;

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<sup>12</sup> Further information regarding the seminar can be found here:  
<http://www.plataformaong.org/ciudadaniaactiva/alianzasestrategicas/index.php>

participation in thematic workshops and conferences; Exchanges of experience activities between the Programme Operator and NGO Programme Operators from other Beneficiary States as well as relevant institutions from the Donor States; Cooperation with the Council of Europe and participation in thematic workshops and other events organized by the Council of Europe and cooperation with the European Union Agency for Fundamental Rights and other international organizations agreed with the Donors.

1. During 2015 the Programme Operator attended the following events:

- Presentation of the Survey on the NGO Sector in Portugal, 25 February 2015
- Annual Meeting in Brussels on 19-20 March

2. The activity planned for 2015 managed directly by the Programme Operator was the seminar “Intercultural Coexistence in Europe: diversity management models”, held on 18 June in Madrid. This seminar promoted the exchange of practices of NGOs in three thematic areas relevant to the diversity management in Europe: Roma population, migrant women and the management of the new inner borders that arise in cities as a consequence of an incorrect management of the cultural diversity. During the day, were shared experiences from Spain, Latvia and Portugal<sup>13</sup>.

3. Other activity that it was not planned under this activities, but it was specifically approved by the FMO in order to give greater visibility of the Predefined Project, is the Study “Third Social Action Sector in Spain” The presentation was hold on 27 November with more than 150 attendees, including programme operators and project promoters from Lithuania, Cyprus and Romania.

#### ES 04: Gender Equality and Work Life Balance

Programme Approved on 31st May 2013.

- a) Overall progress as regards implementation of the Programme (2 Open calls including Small Grants Scheme, and 5 PdP).

ES04 CALL R .G. GENDER VIOLENCE	ES04 OPEN CALL FOR PROPOSALS
Open 19/02/2014. Closed 21/04/2014. Budget: 1,021,201 €	Open 15/05/2014. Closed 27/05/2014 Budget : 5,422,454 €
Projects presented: 8 Projects awarded: 6 Projects with partner: 0 Remnant budget : 0	Projects presented: 232 Projects awarded: 61 Projects with partner:16 Remnant budget : 125,555.19 €

#### ES04 Call to improve institutional coordination and implementation of an individualised plan of care for victims of domestic violence.

<sup>13</sup> You can visit the webpage of the seminar for more information: <http://www.plataformaong.org/ciudadaniaactiva/seminario-convivencia.php>

It aims at improving public services assistance to women suffering from gender based violence, through the rationalization of services and the improvement of coordination activities between the competent public authorities at all levels. It also aims at progressing in the field of individualized care adapted to personal circumstances of victims and their children.

Programme Outcome: Successful national policies and best practices on gender based violence exchanged. The six projects selected under this call have finalized in August 2015. Below there is a brief summary of the outputs from each of the six beneficiary projects carried out by 6 Autonomous Communities.

The project's implementation started in October 2014, and the final date for the implementation was 31/08/2015.

<b>ES04 CALL TO IMPROVE INSTITUTIONAL COORDINATION AND IMPLEMENTATION OF AN INDIVIDUALISED PLAN OF CARE FOR VICTIMS OF DOMESTIC VIOLENCE</b>	PLAN FOR THE SAFETY AND PROTECTION OF VICTIMS OF GENDER-BASED VIOLENCE IN <b>ANDALUCÍA (PIASP/VG)</b> .	<ul style="list-style-type: none"> <li>PIAPS/VG goal is the improvement of coordination systems among institutions involved in the prevention, assistance and protection of victims of gender-based violence through a coordinated action system. It has an inclusive character, taking victims' children into consideration.</li> <li>The Personalized Plan improves the safety of the victims and the improvement of intervention in a framework that benefits professionals' work.</li> <li>Apart from the attainment of project objectives, additional products were developed and ensure a long-term impact such as the Framework Protocol.</li> </ul>
	ACTION FOR FULL RECOVERY OF VICTIMS OF DOMESTIC VIOLENCE AND IMPROVING INSTITUTIONAL COORDINATION – <b>ARIADNA. ISLAS BALEARES</b>	<ul style="list-style-type: none"> <li>To design a computer based information system that unifies the knowledge of all agents that can intervene in the processes of GBV in the Balears Islands, for a better coordination of professional care services to victims, through personalized care plans and monitoring.</li> <li>All of this is a result of combining the computer application, the identification of the "person of reference", the training provided, and the awareness and information dissemination.</li> </ul>
	NEW MODEL OF INTEGRATED NETWORK OF RESOURCES FOR THE ASSISTANCE TO WOMEN VICTIMS OF GENDER-BASED VIOLENCE IN <b>CASTILLA-LA MANCHA</b>	<ul style="list-style-type: none"> <li>To provide the institutions and stakeholders with a real view of the regional resources network through a SWOT analysis of it, whose overhaul was necessary since it was defined in 2001.</li> <li>It has been developed a new software application, DULCINEA, which allows access to the file of users, registers the services provided and makes the statistical exploitation of the information.</li> </ul>
	PAWLA. INTEGRAL SOCIAL CARE PLAN FOR VICTIMS OF GENDER VIOLENCE IN <b>CASTILLA Y LEÓN</b> .	<ul style="list-style-type: none"> <li>Development of a database management software system which interconnects each participating agency's database system to provide professionals with comprehensive information about the victim to make a comprehensive case plan.</li> </ul>
	ATCVIOGEN RECORDS INTEGRATED MANAGEMENT OF DOMESTIC VIOLENCE – <b>EXTREMADURA</b>	<ul style="list-style-type: none"> <li>The interconnection between the agents involved in the care of victims of domestic violence and their children in Extremadura through an online tool and comprehensive case management that allows interconnection between the resources throughout the territory, 24 hours a day.</li> </ul>
	CORE. COORDINATING AN INDIVIDUALIZED RESPONSE FOR VICTIMS OF GENDER-BASED VIOLENCE - <b>MURCIA</b>	<ul style="list-style-type: none"> <li>The project has a direct impact on professionals from GBV- service by improving their competences, providing them with electronic tools to improve care and coordination, and updating protocols and procedures to make provided care and management more efficient.</li> </ul>



## ES04 Open Call and Small Grants Scheme

Project execution period starts on 1st January 2014 and end on 15th October 2015. The second justification period ended on 31st October 2015, with a fifteen days non-extendable period in case the PP fails to submit the proof of expenditure, giving the opportunity to the PO to close the Programme on time.

Below there is a table summarizing the number of applicants and implemented projects per line:

TYPE	TOTAL APPLICANTS	TOTAL BENEFICIARIES	PROJECTS IMPLEMENTED
1.1. Gender Pay gap in companies	16	3	3
1.2. Gender Pay gap Unions	5	3	3
1.3. Gender Pay gap Business organisations	20	3	3
2.1. Entrepreneurship NGOs	48	20	18
2.2. Entrepreneurship Local Entities	35	7	7
3. Integration NGOs	108	25	25
<b>TOTAL</b>	<b>232</b>	<b>61</b>	<b>59</b>

Within the objective of promotion of equality between women and men in working life contemplated in the Programme, the realization of projects aimed at:

- Activities for promoting women's entrepreneurial attitude,
- Reducing gender pay gap within companies,
- Activities addressing women in vulnerable groups
- 

The projects have tried to cover the largest possible number of groups of vulnerable women. In particular there have been projects addressing immigrant women, single mothers, rural women, women victims of gender based violence, Roma women and women's with disabilities. Three specific projects have addressed multiple discrimination suffered by women with disabilities, and helped them to increase their employability and/or to link them with companies. Another specific project had as its main objective to attract Roma women into the labour market, making work a real option for them, promoting her employability, social inclusion as well as gender equality, improving conditions and fostering especially the socio-labour inclusion of Roma women at risk of exclusion.

As a summary, below there is a table showing the number of projects addressing the different type of women belonging to vulnerable groups:

Immigrant women	4
Single mothers	3
Rural women	7
Women victims of gender-based violence	1
Women with disabilities	1
Roma women	1
Others (Women at risk of poverty and social exclusion)	8

It should be noted that 14 of the subsidized projects under this call were executed by entities considered rural NGO's or, directly addressing issues related to the promotion of equality between women and men, and promoting women entrepreneurship in the rural areas.

### ES04 Predefined Projects

<b>ES04 PRE – DEFINED PROJECTS</b>	<p><b>EQUALITY PLANS IN SCHOOLS.</b>                  PROMOTER: Women’s Institute                   SPANISH PARTNER: Ministry of Education</p>	<ul style="list-style-type: none"> <li>Phase 3, Monitoring and evaluation, and Phase 4, dissemination of preliminary results, implemented during 2015. The project finished in October 2015.</li> <li>A final methodological proposal was produced in collaboration with all the schools participating. This guide is envisaged to be used by other schools in Spain and Norway to implement gender equality plans in their classroom.</li> <li>Two different seminars were held in Madrid during 2015, in which teachers exchanged their experiences and learned from each other about the more effective activities to perform with pupils. The final seminar for the presentation of the project results took place on 23-24<sup>th</sup> October 2015: there were presented the diagnostic study, the set of best practices, the intervention model and the final report.</li> </ul>
	<p><b>EQUILIBRIO/BALANCE FOLLOW UP</b>                   PROMOTER: Women's Institute,                  SPANISH PARTNER: FEMP.                  NORWEGIAN PARTNER: KS</p>	<ul style="list-style-type: none"> <li>The 15 Spanish municipalities and the two Norwegian selected have implemented during 2015 the conciliation plans.</li> <li>25 flexible working arrangements were introduced as a consequence.</li> <li>During 2015 the project promoter, the Norwegian partner and the Spanish partner visited different municipalities that participate in the Project.</li> <li>The final seminar of the project took place on 1<sup>st</sup>-2<sup>nd</sup> September 2015, although the implementation activities ended by November 2015.</li> <li>It is worth highlighting that despite the initial difficulties between the project promoter and the donor partner, the project has been developed properly, the relations strengthened and the objectives achieved.</li> <li>Project’s website has evolved with the project.  <a href="http://equilibriobalance.com/">http://equilibriobalance.com/</a></li> </ul>
	<p><b>WOMEN ENTREPRENEURSHIP IN EMERGING SECTORS AND NEW BUSINESS OPPORTUNITIES</b>                   PROMOTER: Chamber of</p>	<ul style="list-style-type: none"> <li>In the First edition (between July 2013 and January 2014) 215 women participated in the training programs for business creation. The second edition started in October-November 2014 in 11 cities and finished in March 2015. The participating women have</li> </ul>

	<p>Commerce institute/INCYDE<sup>14</sup>.</p>	<p>been 275.</p> <ul style="list-style-type: none"> <li>• The third edition developed during 2015: 11 preliminary regional workshops with 202 participants, 7 training programmes for business creation were completed with 189 women. 106 projects presented and 72 business plans developed (until August).</li> <li>• The final seminar took place on 2<sup>nd</sup> December 2015.</li> <li>• Besides, an International seminar on women entrepreneurship in emerging sector was held on March 2015.</li> <li>• The collaboration with the Norwegian Odal Naeringsshage and the Spanish-Norwegian Chamber of Commerce worth special mention.</li> </ul>
	<p><b>PROMOTION OF WOMEN TO DECISION MAKING POSITIONS</b>                  PROMOTER: The Spanish federation of business organisations, CEOE.                   “Project PROMOCIONA”</p>	<ul style="list-style-type: none"> <li>• First edition of the training started in November 2013 and finished in May 2014 with the participation of 40 women selected. Second edition started on November 2014 with 70 participants and the closing event was held on January 2016.</li> <li>• Third edition started on September 2015 with 76 participants. During 2015, two Promociona Breakfasts were held, three CEO forums developed and the Mentors Diner Third Edition.</li> <li>• Due to the huge demand, the second and third edition has increased the number of participants above 40. Those extra places have been fully paid by the companies involved.</li> <li>• The project has been extremely successful: 25% of the participants have been promoted to top leadership positions (until December 2015) and it has had a large impact in the media.</li> <li>• As a result, it has been decided the continuity of the project with funds from the Spanish Women’s Institute.</li> </ul>
	<p><b>EXCHANGE OF BEST PRACTICES GBV</b>                   PROMOTER: Government delegation on Gender Based Violence.                   ASPACIA (Association Awarded)</p>	<ul style="list-style-type: none"> <li>• In June 2015 a final report was produced with the results of the study on the legislation related to gender based violence in the EU, and the good practices discovered.</li> <li>• The analysis of good practices in Norway, Iceland and Spain has been structured in six major areas: education and prevention, health sector, social</li> </ul>

<sup>14</sup> INCYDE Foundation is an institute created by initiative of the Chambers of Commerce in Spain, devoted, among other things, to the fostering and development of entrepreneurship attitude.

		<p>welfare, justice, security and employment.</p> <ul style="list-style-type: none"> <li>• This is a project in which the Donor Programme partner (Norwegian LDO) has been actively involved.</li> <li>• A public presentation of the results of the study is envisaged for 2016, also in Norway and Iceland.</li> </ul>
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b) Progress towards expected outcomes and outputs.

Regarding the expected outcomes, in relation to the Open Call and the Call for victims of domestic violence, is necessary to consider that the projects were selected at the end of 2014 and they finalised in August 2015 (Autonomous Communities) and in November 2015. Therefore the implementation period has been very short.

Finalised the eligibility period for all projects, all of the indicators have been fulfilled at the end of 2015. That means 10 indicators out of the 16 defined in the Programme Agreement have achieved a level higher (or equal) than 100%. Please find below a brief of the degree of fulfilment in every outcome and output for ES04 Programme.

The management of this Programme has been a great challenge for the PO, due mainly to the programme complexity. However, only 4 out of 60 projects from the Open Call and Small Grants Scheme have not met the expected outcomes and well performed the programmed activities. Therefore, the results can be considered a great success. Fifty six projects have been properly implemented and the goals have been achieved, also allowing the stakeholders involved to establish networks for further collaborations in Spain, Norway, Island and other EU Member States; as well as to exchange best practices between the partners, thus enriching not only individual projects but the entire Programme.

It is important to say that fifteen of the projects have signed an agreement with Norwegian or Icelandic partners. There has been a good understanding between them, learning from each other and from the, sometimes challenging, cultural barriers, differences in procedures and legal requirements.

Besides, the bilateral relations have given the PO the opportunity to collaborate closely with the DDP-LDO, towards a better understanding not only on equal treatment and equal opportunities and non-discrimination policies and practices, but also on different ways of working and proceeding, thus, contributing to open minds, breaking stereotypes, acquiring new competences and skills and broadening mutual knowledge and understanding.

OUTCOME 1. GENDER ISSUES ACROSS POLICIES AND PRACTICES MAINSTREAMED	OBJECTIVE	MEASUREMENT	% OF FULFILLMENT	DESCRIPTION
OUTPUT 1.0. More actors involved in policy making incorporate gender equality perspective in their work/policies. INDICATOR: Number of policy makers sensitized to gender equality	5	13	<b>260%</b>	13 Autonomous Communities and the Ministry of Education involved in the Programmes : <i>“Equality Plans in Schools”</i> and <i>“Equilibrio-Balance continuation project”</i>

OUTPUT 1.2 Schools in the primary educative level practice better gender equality. INDICATOR: Number of schools with equality models designed, implemented and evaluated.	6	9	150%	9 schools implicated in "Equality Plans in Schools" 9 Schools are involved in the project and have the equality plans designed, implemented, and evaluated
OUTPUT 1.3. Conditions for female entrepreneurship improved				
INDICATOR: Number of training modules to promote female entrepreneurship developed and implemented	25	31	124%	9 in 2013, 11 in 2014 and 11 in 2015. 257 workshops and training activities <b>Projects from the open call (Type 2 projects)</b> Pre-defined project "Female entrepreneurship in emerging sectors"
INDICATOR: Number of municipalities with improved conditions for female entrepreneurship	5	7	140%	Municipalities that resulted beneficiaries in the <b>Open call</b>
OUTPUT 1.4. Female entrepreneurial activity increased INDICATOR: Number of initiatives for identifying, selecting and assessing business opportunities addressed to increase women entrepreneurship	30	31	103%	31 (9 in 2013, 11 in 2014, and 11 in 2015) Pre-defined project "Female entrepreneurship in emerging sectors"
INDICATOR: Entrepreneurial activity rate	6	5.2	87%	<b>Global Entrepreneurship Monitor</b> <a href="http://www.gemconsortium.org/">http://www.gemconsortium.org/</a>
OUTPUT 1.5 Labour market accessibility for women in vulnerable groups (mainly Roma and immigrant women) improved				
INDICATOR: Number of training modules to promote labour market accessibility for women in vulnerable groups developed and implemented	15	25	166%	25 beneficiary entities related to this issue in the <b>Open call</b>
INDICATOR: Number of women from vulnerable groups participating in activities to improve their labour market accessibility	150	3,760	2,507%	In 25 projects from the <b>open call</b> including direct beneficiaries of training itineraries and participants in workshops and seminars.

OUTCOME 2. GENDER BALANCE ON COMPANY BOARDS IMPROVED	OBJECTIVE	MEASUREMENT	% OF FULFILLMENT	DESCRIPTION
OUTPUT 2.1 Initiatives to improve gender balance in managerial positions and company boards developed and implemented INDICATOR: Number of training modules to improve women's managerial skills developed and implemented	3	5	167%	PdP: "Promotion of women to decision making positions" 5 ( 1 in 2013, 2 in 2014 and 2 in 2015) 1 module in 2014 and 1 module in 2015 have been financed by the participating companies)
OUTPUT 2.2 Company boards with gender balance improved INDICATOR: Number of company boards with improved gender balance	50	73	150%	In 2015, 17 companies were incorporated to "More Women, Better Companies" through the signature of voluntary agreements, adding to the previous 70. And 21 agreements were signed to increase the number of women in managerial positions. PdP: "Promotion of women to decision making positions"

OUTCOME 3. BALANCE BETWEEN WORK, LIFE AND FAMILY LIFE IMPROVED	OBJECTIVE	MEASUREMENT	% OF FULFILLMENT	DESCRIPTION
<b>OUTPUT 3.1</b> Work life balance at local level improved INDICATOR: Number of municipalities implementing work life balance plans. Baseline 10	20	16	<b>80%</b>	PdP: <i>“Equilibrio Balance continuation project”</i> 16 (2 from the previous period and 14 new municipalities involved in the new one and developing their plans; 12 from Spain and 2 from Norway)
<b>OUTPUT 3.2</b> Flexible working arrangements for women and men improved INDICATOR: Number of flexible working arrangements introduced	20	25	<b>125%</b>	PdP: <i>“Equilibrio Balance continuation project”</i>

OUTCOME 4. SUCCESSFUL NATIONAL POLICIES AND BEST PRACTICES ON GENDER EQUALITY EXCHANGED	OBJECTIVE	MEASUREMENT	% OF FULFILLMENT	DESCRIPTION
<b>OUTPUT 4.1</b> Good practices and knowledge on policies related to gender-based violence exchanged between Spain and Norway INDICATOR: Number of good practices transferred	2	5	<b>250%</b>	PdP: <i>“Exchange of good practices on Gender Based Violence”</i>  <i>Bilateral relations on GBV</i>
<b>OUTPUT 4.2</b> Good practices and knowledge on policies related to gender-based violence implemented INDICATOR: Number of self-governing regions implementing good practices and knowledge on policies related to gender-based violence	3	10	<b>333%</b>	PdP: <i>“Exchange of good practices on Gender Based Violence”</i>  <i>Bilateral relations on GBV</i>  Projects from the <i>Open Call of the Autonomous Regions</i>

OUTCOME 5. GENDER PAY GAP REDUCED	OBJECTIVE	MEASUREMENT	% OF FULFILLMENT	DESCRIPTION
<b>OUTPUT 5.1</b> Raised awareness on the need of reducing pay gap within the companies and promoting equal pay INDICATOR: Number of awareness raising initiatives on the gender pay gap implemented	8	38	<b>475%</b>	<i>Open Call Project documentation Annual reports</i>
<b>OUTPUT 5.2</b> Best practices, measures and initiatives on reducing the gender pay gap, exchanged between Norway and Spain  INDICATOR: Number of best practices transferred	3	5	<b>167%</b>	<i>Open Call Project documentation Annual reports</i>
INDICATOR: Number of peer reviews organised	3	5	<b>167%</b>	<i>Open Call Project documentation Annual reports</i>

c) Potential risks that may threaten the achievement of the objectives set out in the Programme.

Risks associated with this programme are both, described in the PO Annual Report 2015 and assessed at national level in Attachment 7 of this document.

Nevertheless regarding this programme in light of the progress done during 2015, with the launching of the Open Call and all the projects under way, it is confirmed that the risks considered in 2014 have been successfully mitigated, particularly the operational risk related with the specific financing procedures in the Spanish Public Administration, where no money can be spent before being approved in the State budget and where 100% of the funds cannot be transferred to a project promoter before the expenditure justification is done.

d) Major deviations from plan.

There haven't been major deviations from plan.

e) Need for adjustments of plan, including actions for risk mitigation.

- Following the addendum to the Description of Management and Control Systems for the Programme subscribed by the General Director on November 2014 as a result of the Law 15/2014, of 16 September, on the rationalization of the public sector and other measures of administrative reforms, and same changes in the organization structure of the Programme Operator it was deemed necessary to modify the Description of Management and control Systems for the Programme.

These modifications affected mainly to the Deputy Directorate General for Women Entrepreneurship and Professional Promotion and in the tasks allocated to its staff.

All modifications were gathered and described in version 2.0 of the Management and Control Systems, dated 6 June 2015.

- As it was mentioned in the Strategic Report 2014, and given the impossibility to allocate the whole available amount for grants under the Open Call on a competitive basis, the PO worked with the DPP (LDO) in order to find out a way to reallocate that money. This led to a modification of the Programme Agreement finally approved in March 2015. The total amount to reallocate at that time was €191,793.07, and it was distributed between bilateral relations and complementary actions.
- As the projects finalized towards the end of 2015, the PO observed that part of the granted amount to the beneficiary entities under the two Open Calls was not going to be finally paid. This was due to lack of justification of expenditures in most of the cases, and resulted in a leftover amount of €578,174.41 that the PO, prior agreement with the Donor Programme Partner (LDO), proposed for reallocation in December 2015. The proposal included the reinforcement of the Bilateral Relations, with new activities to be developed both in Spain and the donor countries. The proposal has been approved by the FMO on the 11th January 2016.

f) The use of funds for bilateral relations.

The cooperation between the PO and the Donor Programme Partner (LDO) during 2015 has been very close and highly productive; mutual learning and experience-sharing between Norway and Spain has been increased not only between both institutions but also between many other stakeholders involved, such as Ministry Departments, municipalities, companies, NGO's and individuals from Norway and Spain.

The following activities under the **bilateral relations at Programme level** have taken place during 2015 regarding the following topics:

- **Tackling gender based violence (GBV):** Some meetings were held in Spain and Norway between representatives from the Institute of Women and for Equal Opportunities, the LDO, Fundacion Integra, Sør-Odal commune, and Norwegian and Spanish companies in order to learn about different ways to combat gender based violence involving companies.
  - **“Adding Talent - Labour inclusion of victims of gender-based violence - Exchange of good practices Spain-Norway”** took place on the 1st June 2015, in Madrid. Over 90 participants attended the conference to hear from a variety of Spanish and Norwegian committed speakers.
  - The **“Oslo Conference”** took place in **Oslo & Sør-Odal (Norway)** on the 17-18 September 2015. This conference was focused on presenting the Norwegian system for social protection of victims of GBV and on the specific work developed aimed at victims 'access to employment and labour. An additional company's workshop took place in Sør-Odal with the view to implement and developed a Pilot project in Norway similar to the referred Spanish Programme.
  - Also, and as part of the commitment from the DPP, representatives from the LDO and Sor-Odal, visited two of the projects on Gender based violence under the Open Call for the Autonomous Regions
- **Social and labour inclusion of gypsy / Roma / Romani women:** Two expert groups were established in Norway and Spain to discuss the situation of Roma, Romani and Gypsy women, including different policies and practices.
  - A first **meeting of both experts groups** took place in Madrid, on the 21st April 2015, in order to discuss on work and progress achieved at national level in Norway, and mainly in Spain, and to present different needs and find areas of common interest, possible joint work and cooperation exchange.
  - On the 22nd April 2015, also took place a study visit to **“Secretariado Gitano Foundation”** main headquarters by the Norwegian working group. Afterwards, some meetings were held in Norway with the Roma and Romani women's, in order to help them find mutual interest in working together.
  - On the 6 October 2016 a Conference on **“Social & labour inclusion of Roma, Romani & Gypsy women - Exchange of good practices Spain-Norway”** took place in Oslo, with the participation of approx. 90 delegates, including some high level Norwegian authorities, such as Ms. Karin Olli, State Secretary, responsible for the Council of Europe's Framework Convention for the Protection of National Minorities



- On the 7th October 2015, an additional meeting with the programme partners and both experts groups took place to roll-up and produce the conclusions, as well as to talk about future challenges and exploration of possible further collaborations that will continue in 2016.
- **Presentation of the Programme and of highlighted Programme Results and best practices at the Annual meeting of the United Nations Commission on the Status of Women - CSW 59 - Beijing + 20:** The close relationship between the PO and the donor partner (LDO) was pictured in mutual collaboration and participation in different side events. Thus, it is worth to highlight that:
  - On the 11th March 2015, a side event **“From Beijing to Post 2015”** took place on the Conference Building, UN Headquarters, in New York, in order to analyse the challenges which must be tackled to advance in the achievement of the strategic objectives of the Beijing Action Platform.
  - Participation of the PO at the **“NGO CSW Forum parallel event on gender mainstreaming and gender based violence”** at the CSW organized by the LDO and the Secretariat for the Shelter Movement in Norway that took place on the 12th March 2015.
  - On the 18th March 2015, a side event named **“More than a job – work breaks the cycle of violence against Women - Twenty years after the Beijing Platform for Action”** took place at the UN Church Center, NY. The side event presented GBV as a huge societal challenge in both Spain and Norway, and how both countries were cooperating to promote victims’ engagement in the labour market, the involvement of companies, and for a better awareness raising. It was also presented how thanks to this collaboration both countries were working to replicate the Spanish Programme "Companies for a Society free from Violence against Women" in Norway.

Regarding to activities taking place under the **bilateral relations at National level** during 2015 we can mention:

- **Mainstreaming project:** The purpose of this project is the study of the gender mainstreaming dimension in all programs approved under the Financial Mechanism of the European Economic Area 2009-2014 in Spain. The activities initially planned for 2015 were postponed to February-March 2016, given that at the end of 2015 some of the programs had not yet been completed and it was not expected to obtain adequate indicators to measure the degree of implementation of the recommendations of the first phase before February 2016. (Postponement accepted by NFP in October 2015).
- **Equality bodies exchanges: intersectionality and multiple discrimination.** Bilateral exchange programme between the Norwegian and the Spanish equality Body under the antidiscrimination EU directives.
  - 8th-9th June 2015 took place the second study visit to LDO-Oslo. It allowed to discuss topics of interest, such as the changes foreseen in the structure and functions of the LDO and in Norwegian antidiscrimination legislation, the strategies of the LDO to tackle underreporting of discrimination incidents and to fight against hate crime as well as to

exchange on the functioning, strengths and weaknesses of the NGO-based Assistance Service to Victims of Racial Discrimination of the Spanish Council.

- 22th September 2015. Final conference in Madrid. A European roundtable was organized in the framework of a bilateral exchange project between the LDO and the Spanish Council for the Elimination of Racial or Ethnic Discrimination, co-financed under the Programme on Equality and Conciliation of Personal and Family Life of the Financial Mechanism of the European Economic Area (EEA-Grants).

Under the chapter of **Complementary action the “Programme for entrepreneurship and the promotion of leadership of women in decision-making bodies of companies in the agri-food sector”** has developed the activities described below in 2015.

Agrifood Cooperatives of Spain, under the multi-year collaboration agreement 2014-2015 with the Ministry of Health, Social Policy and Equality, has conducted a series of action programs, through its Territorial Federations, to implement, in the rural and agricultural environment, bases to contribute to the promotion and the participation of women on the Governing Councils and Assemblies of the Unions.

The Programmes implemented in the different territories have been the following:

<p><b>1) Awareness raising programme C.R.</b>                      Federations: Balears, Extremadura, Aragon, Valencia, Galicia and Andalusia</p>	<p>Awareness sessions aimed at the Governing Councils, to raise awareness on the leadership development by women.</p>
<p><b>2) Training programme</b>                      Federations: Catalonia, Aragon, Valencia, Galicia and Andalusia.</p>	<p>Cooperative women training on basic concepts and ideas provide them with elementary knowledge about the structure of the agricultural cooperative as a company.</p>
<p><b>3) Follow up actions for previous business plans</b>                      Federation of Asturias.</p>	<p>Actions / efforts to track business plans / revitalization launched the previous year, as well as advisory work and improvements of renovation and recycling.</p>
<p><b>4) Business plans programmes</b>                      Federations of Catalonia and Castile-Leon.</p>	<p>Custom project whose main objective is the search for new employment sites, and implementation of services that contribute to territorial social improvement.</p>
<p><b>5) Knowledge and experience transfer programme</b></p>	<p>Knowledge and good practices transfer amongst Federations.</p>
<p><b>6) Knowledge and experience transfer programme in different countries</b></p>	<p>Program that allows knowledge and experience transfer within and beyond our borders, enriching element that makes visible and shows the work of equal opportunities in other countries of the European Union.</p>

The Women's Association of Agrifood Cooperatives of Spain, in collaboration with Federation of Norwegian Agricultural Cooperatives, developed a study visit to Norway from 1 to 6 September 2015.

Another study visit took place in Madrid from 15th to 17th December, in which a Norwegian delegation participated in the Technical Seminar "Cooperative woman talent management".

Those experiences has been a complete success and represented a very positive contribution, as Spain and Norway has been able to witness the social reality of each countries and the role played by women in Agrifood companies/cooperatives in different countries and contexts.

### **ES 05: Conservation and Revitalisation of Cultural and Natural Heritage**

Programme Approved on 23rd September 2013

- a) Overall progress as regards implementation of the Programme (Pre-defined Project Garcia Lorca Centre- CFGL).

PRE –DEFINED PROJECT.	EQUIPMENT	<p><b>In 2014 the Consortium of the CFGL approved all contracting proceedings necessary to equip the Centre. During 2015 the Governing Council, the Executive Commission and the Contracting Board of the Consortium (PP) have executed all contracts planned for the fitting out of the CFGL in Granada.</b></p> <p>The CFGL’s official opening was foreseen for 5th June 2015 but postponed due to difficulties stemmed from the reception of the building. The CFGL finally opened on 29th July 2015.</p>
	ACTIVITIES	<p>At the end of 2014, activities were actually planned but unscheduled. The activity plan was approved by the Governing Council on January 26th, 2015.</p> <p>Following the CFGL opening on 29th July 2015, the activity plan is running since September 2015.</p> <p>The Activity Plan was reschedule because of the opening’s delay. Main activities developed<sup>15</sup>:</p> <ul style="list-style-type: none"> <li>• Exhibition “The Public” (18 September – 18 October 2015): <a href="http://goo.gl/6yYgls">http://goo.gl/6yYgls</a></li> <li>• Performance “The Public” (26 September 2015): <a href="http://goo.gl/sjHgya">http://goo.gl/sjHgya</a></li> <li>• “Rolling Method” (29 September – 2 October 2015): <a href="http://goo.gl/gpVvUK">http://goo.gl/gpVvUK</a></li> <li>• Exhibition “Theory and Play of the Duende” (30 October 2015 – 10 January 2016): <a href="http://goo.gl/KMPC4t">http://goo.gl/KMPC4t</a></li> <li>• <a href="http://goo.gl/86YBJ9">http://goo.gl/86YBJ9</a>; <a href="http://goo.gl/y0IR8y">http://goo.gl/y0IR8y</a></li> <li>• Children’s Workshops “Chavea” (28 November – 27 December 2015): <a href="http://goo.gl/Zd0S7Q">http://goo.gl/Zd0S7Q</a></li> <li>• “Women and cinema: two presences in Lorca” (6 – 7 November 2015): <a href="http://goo.gl/C314jl">http://goo.gl/C314jl</a></li> <li>• Tour for specialists of Spanish media and press (12 – 13 November 2015) The PO organized a tour for specialists of Spanish media and press for the touristic-cultural promotion of the CFGL.<sup>16</sup></li> <li>• The “International City of Granada Federico García Lorca Poetry Prize”</li> <li>• “A poet in New York” by the dancer Rafael Amargo</li> </ul>

Regarding this pre-define project three main issues during 2015 are highlighted:

- Since September 2015 a new Programme Operator working team has given the ES05 Programme a boost in terms of relations and information flow between the different agents involved, particularly regarding NFP and FMO. Since then, remarkable efforts have been made in order to finalise the Pre-defined Project and carry out the Activities in the most successful way by holding technical meetings with all parties involved, gathering information on-the-spot, reminding EEA Grants obligations, increasing the information flow, assessing risks and defining mitigation measures.

<sup>15</sup> That includes activities developed by the CFGL and co-funded by the EEA Grants, and activities financed complying with the national contribution to the pre-defined project by the Ministry of Education Culture and Sports and by the Garcia Lorca Consortium as Project Promoter.

<sup>16</sup> Press and Media attending the tour were Le Monde (France), L’Express (France), La Tribune de Genève (Switzerland), Notimex (Mexico), La Repubblica (Italy), RNE (Spain), Cadena Ser (Spain), and El País (Spain).

- The ultimate purpose of the Pre-defined Project is the construction of a cultural facility (CFGL) in the city of Granada, which would serve to house the legacy of the FGL Foundation, which is currently located in the Residencia de Estudiantes in Madrid. For years, the FGL Foundation has acted in all aspects of the management of the CFGL as it had been attributed a specific mandate (2007 Agreement) to do so by the Garcia Lorca Consortium. Nevertheless, apparently the FGL Foundation has not carried out the attributed work in the most appropriate way what means in brief:
  - ✓ President of the FGL Foundation has brought criminal charges against the Secretary of the FGL Foundation alleging falsehood in documents and misappropriation in managing the interest of the Garcia Lorca Consortium regarding the construction of the Centre.
  - ✓ FGL Foundation has a number of debts outstanding with the public Administrations and companies in the private sector that is hindering the fulfilment of obligations undertaken in the agreement with the Consortium. In accordance with the preliminary reports of the Office of the State Solicitor, the result of any future legal action against the FGL Foundation would be clearly favourable to the interests of the CFGL Consortium.

As a result of these difficulties at 31<sup>st</sup> December 2015, deadline of project eligibility, Federico García Lorca's legacy and personal archive was still not placed in the CFGL of Granada. The process is blocked due to the problems, misunderstandings and untrust generated between the Garcia Lorca Consortium and Garcia Lorca Foundation due to the entitlement of liabilities. Notice that these financial problems are unrelated to EEA Grants Spain.

- The cultural programme to be co-financed by the EEA Grants should have been developed throughout 2015 since the opening of the Centre was foreseen for June 2014. The CFGL finally opened on 29th July 2015 so the cultural activities planned were developed in only four months (September- December 2015) with the resulting managing and programming difficulties. This reduction on the activity plan has affected the level of achievement of the outputs linked to the cultural and pedagogical programme.

#### b) Progress towards expected outcomes and outputs.

All the indicators of the Programme defined by the PO in the Programme Agreement (PA) are focused on the audience and the effects of the Programme in this audience. As far as although CFGL is already fully equipped and the official opening took place in July 2015, pre-defined project requirements have not been totally fulfilled. Under this circumstances, as mentioned in the previous point, by the end of 2015 all contracts have been executed, the Activity Plan modified and reduced and the legacy and personal archive is still not placed in the CFGL of Granada.

OUTCOME : CULTURAL HERITAGE MADE ACCESSIBLE TO THE PUBLIC	OBJECTIVE	MEASUREMENT	% OF FULFILLMENT
<b>OUTPUT 1. New museums and cultural centers created</b> INDICATOR: Number of new cultural centers developed providing access to Spanish cultural heritage	1	1	<b>100%</b>
<b>OUTPUT 2. Objects of cultural heritage value made accessible to the public</b> INDICATOR: Number of objects of cultural heritage value made accessible provided by the Programme Operator to the public	2,000	0	<b>0%</b>
<b>OUTPUT 3. Increased access to cultural heritage . Number of annual visits to the Federico Garcia Lorca Centre provided by the Programme</b> INDICATOR a) Female INDICATOR b) Male	300,000	6,640	<b>2.21%</b>
	150,000	3,340	
	150,000	3,299	
<b>OUTPUT 4. Number of annual students visiting the Federico Garcia Lorca Centre provided by the Programme.</b> INDICATOR: a) Female INDICATOR: b) Male	6.000	n/a	<b>n/a</b>
	4.000	n/a	<b>n/a</b>
<b>OUTPUT 5. Number of annual players of cultural Activities to make cultural heritage</b> INDICATOR: a) Female INDICATOR: b) Male	60%	45,45%	<b>45,45%</b>
	40%	54,55%	<b>54,55%</b>
<b>OUTPUT 6. Annual number of press mentions related to Centro Federico Garcia Lorca.</b>	80	16	<b>20%</b>
<b>OUTPUT 7. Annual number of mentions on the web related to Centro Federico Garcia Lorca.</b>	2,000	n/a	<b>n/a</b>

Please, notice that indicators showed in this report are not the same that in 2014. Programme Agreement has been modified in this respect according to the proposal of the programme Operator done in January 2015.

c) Potential risks that may threaten the achievement of the objectives set out in the Programme.

Risks associated with this programme are both, described in the PO Annual Report 2015 and assessed at national level in Attachment 7 of this document. In brief the risk :

The reduction of the activity plan approved on 26th January 2015. Although activities have been rescheduling, that risk description means to include also activities related to the project financed by Bilateral Fund at programme Level. It is yet not decided if this heading is going to be spent, even though the “Conference on Artistic Freedom of expression” is being taken into consideration

Lorca’s legacy was not in the CFGL by 31st December 2015. This fact may put at risk the existence of the entire Programme because of the failure of the main outcome “CULTURAL HERITAGE MADE ACCESSIBLE TO THE PUBLIC”.

Nevertheless at this stage, the continuity of the Programme depends on the decision on its degree of failure and whether the bilateral plan modified is considered feasible and adequate.

#### d) Major deviations from plan.

The PO has made use of the possibility to modify the Programme during the reporting period. Although it isn’t yet approved, there is a formal proposal to modify the Bilateral Relations Plan. Please, see point f) in this report.

The PO informed the NFP of the updated of the ES05 Description of the Management and Control System on 1st December 2015. Main modifications are due to:

- Changes in PO and BDO Auditores –external auditor– working teams.
- Publication in the Official State Gazette of the new Statutes of the CFGL Consortium.
- Correction and harmonization of terms and names.

We have to mention too, the fact that the lack of accomplishment of the main outcome of the programme may lead to changes in the Programme Agreement, if it proves appropriate.

#### e) Need for adjustments of plan, including actions for risk mitigation.

Review of indicators: In December 2014, the PO has taken the opportunity given by the FMO to review the Programme Indicators. The PO has proposed first to classify previous indicators by gender and on the other hand, to include new indicators to measure the impact in the press and on the internet.

#### f) The use of funds for bilateral relations.

Use of fund of bilateral relations of this report, the “Bilateral Relations Plan” approved by the FMO in 2014 has suffered changes and therefore must be modified. During a technical meeting between the FMO, the PO, the PP and the Norwegian Embassy on 21st April 2015 in Granada, the FMO proposed the substitution of this activity. The proposal given by the FMO was to organize a European Conference on Artistic Freedom of Expression in the CFGL.

Changes foreseen are:

BILATERAL ACTIVITIES.	ROMANI EXHIBITION 38,295€	<b>Problems finding Partner overcome.</b> Activity delayed until August 2015 . Partner: Oslo City Hall.	<b>CONFERENCE ON ARTISTIC FREEDOM OF EXPRESSION (82,382 euros)</b>  The FMO informed in August of the allocation of the remaining budget for bilateral activities in the Conference budget.
	HENRY IBSEN/GARCIA LORCA 44,087€	Activity initially foreseen in 2015. Partner: Dramatikkens hus. (Previously it was the Centre for Ibsen Studies).	Since April 2014, the FMO, the PO and the Embassy of Norway have been working together in the draft paper for the Conference.  The Project is conceived as a four-panel conference including one moderator and up to three panel members for each topic.  The Conference to be held in the CFGL aims at increasing awareness and dialogue on the role of art in society and is addressed to artists, cultural players, European students, cultural operators, policy-makers and media.
	CULTURAL INDUSTRIES FORUM	Finished. First Forum in Barcelona June 25 <sup>th</sup> -27 <sup>th</sup> 2014 and Second in Oslo on 16 <sup>th</sup> -17 <sup>th</sup> October 2014. <b>Risk of lacking of funds overcome.</b>	

The Ministry of Education, Culture and Sport as PO and the Royal Embassy of Norway in Spain as potential Project Promoter are working on an Agreement on the implementation of the “Conference on Artistic Freedom of Expression” during 2016 in Granada.

Changes are due to the problems finding donor partnership for the activities foreseen, taken into account that this ES05 Programme was approved very late in the year 2013.

Further decisions have not been taken because of the current situation on the implementation of the ES05 Programme.



## ES 06: Cultural Diversity and Cultural Exchange

This was the first programme approved in April 2013 and as the implementation phase for the 29 selected projects was running from September 2013 until September 2014, there are no new outputs or programme outcomes to report on in current reporting period.

However, after the finalisation of the Cultural Diversity and Cultural Exchange projects, there were € 24,000 in remaining funds. The Embassy sent an application on the reallocation of Project Funds to Bilateral Funds on Programme Level to the FMO that was approved on 6 July 2015. Two bilateral activities were selected for funding in October 2015 and are currently under implementation. The implementation period for the projects were from September 2013 to September 2014.

### a) Overall progress as regards implementation of the Programme (Open call).

ES06 OVERVIEW OF THE CALL Closed in 2013	ES06 CATEGORY ONE: SUPPORT TO INSTITUTIONS FOR CULTURAL COOPERATION PROJECTS	ES06 CATEGORY TWO: SUPPORT TO INDIVIDUALS FOR CULTURAL MOBILITY
<p>Projects selected 29. Applications received: 141 Applications with bilateral partnership received: 98</p> <p>Grant applied for: € 5,185,509 Total budget € 422,500 (approx. 8% of grant amount applied for).</p> <p>Projects signed with partner: 8 (5 Norway – 2 Iceland – 1 Liechtenstein) 21 persons received funds for cultural mobility (9 travelled to Norway – 7 travelled to Iceland- 1 to Liechtenstein and 4 travelled from Norway to Spain).</p>	<p>Projects selected 8. Applications received: 105 Applications with bilateral partnership received: 62</p> <p>Grant applied for: € 4,971,183 Total budget: € 342,500 (approx. 7 % of grant amount applied for).</p> <p>Only Spanish entities could apply for funds in this category. 60 % of all applications received had a partner form one of the Donor States.</p>	<p>Projects selected 21. Applications received: 36</p> <p>Grant amount applied for: € 214,326 Total budget: € 80,000 (approx. 37 % of grant amount applied for). Legal residents in Spain and the Donor States could apply for funds in this category. The Embassy received 29 applications from Spanish artists and 7 applications from Norwegian artists. Remnant budget : 5,500€<sup>17</sup></p>

The selected projects had one year to implement their activities, from September 2013 until September 2014. From September 2014 until February 2015, the Embassy completed the process of verification of the project outcomes and the expenditures declared by the Project Promoters. After the finalisation of the projects, there were € 24,000 in remaining funds that was reallocated to bilateral funds. The programme has fulfilled the overall objectives of the EEA Grants by contributing to the reduction of economic and social disparities in the European Economic Area by granting € 422,500 to contemporary art and culture projects. Promoting cultural diversity is essential in order to strengthen mutual understanding in Europe and to contribute to greater social inclusion, cohesion and economic development (growth and jobs) as set out in the Europe 2020 Strategy. Additionally, the programme has strengthened bilateral relations between Spain and the donor states by focusing on collaborative projects between cultural operators in these countries.

<sup>17</sup> The funds from one of the terminated projects (ES06-0024) were reallocated to projects promoters in the same funding category (category 2).

On 31 July 2015, the Embassy announced that after the finalisation of the Cultural Diversity and Cultural Exchange projects, there were €24,000 in remaining funds within the programme aimed for bilateral activities. Only Project Promoters from already implemented projects within category one were eligible to apply for these funds. Furthermore, the Embassy sent an e-mail to all project promoters in category one with a link to the article on the web page. Five requests for funds for bilateral activities were submitted. All applications were assessed according to their operational capacity, the quality of the activity, the relevance of the activity to the sustainability of the already implemented project as well as the relevance of the activity to the objective of strengthening bilateral relations between the Donor States and the Beneficiary States. The following additional activities were selected for funding:

TITLE	PROJECT PROMOTER	DONOR STATE PARTNER	BUDGET	ACTIVITY PROPOSED
<i>We exist. Self-portraits in prison</i>	Cristina Núñez	Oslo Fotokunstskele Ila Prison Breitvedt Prison Ullersmo Prison	12,000 €	Workshops in 3 Norwegian prisons and training of students
<i>Contemporary Theatre Speaking</i>	Meine Seele	Dramatikkens Hus	12,000 €	Creation of a text written by Norwegian and Spanish playwrights focusing on the theme South/North/Movements

#### b) Progress towards expected outcomes.

There are no new programme outcomes to report on in the 2015 reporting period. Expected outcome and indicator as defined in the programme proposal and the achievement in 2014:

OUTCOME : CONTEMPORARY ART AND CULTURE PRESENTED AND REACHING A BROADER AUDIENCE	OBJECTIVE	MEASUREMENT	% OF FULFILLMENT	DESCRIPTION
INDICATOR: Number of cultural performances held	10	70	700%	Cultural performances include music, dance, drama, etc. They may be free or paid, and taking place in a concert hall, open

#### c) Outputs achieved

Outputs and output indicators are the same than in 2014.

Nevertheless it remains important to remark that the strong bilateral dimension in all projects incorporate training and exchange between cultural entities, associations and workers mobility. This has contributed to reaching the second output: strengthening mutual understanding and the transfer of knowledge between Spanish and EU/EEA entities and individuals. The termination of two of the mobility projects illustrates the crucial importance that the bilateral dimension had in these; they could not be implemented without their partners' involvement.

#### d) Potential risks that may threaten the achievement of the objectives set out in the Programme.

No risks to mention. See Attachment 7 of this report (all of them mitigated).

e) Major deviations from plan.

There were € 24,000 in remaining funds after the finalisation of the Cultural Diversity and Cultural Exchange projects that were reallocated to two bilateral activities.

f) Need for adjustments of plan, including actions for risk mitigation.

The programme has not been modified. However, it should be noted that the final date for the closure of the programme was changed in 2014 from 31 March to 15 July 2015. Again the closure of the programme has been modified and changed from 31 March 2015 to 31 December 2016.

g) The use of funds for bilateral relations.

As mention in point a) there has been € 24,000 in remaining funds after the finalisation of the Cultural Diversity and Cultural Exchange projects that was reallocated to two bilateral activities. One activity is **“We exist. Self-portraits in prison”** that consists of workshops in Ila, Breitvedt and Ullersmo prisons and training of Norwegian photo students from Oslo Fotokunstskele in the Self-portraits method. The intention is that workshops and bilateral cooperation can continue after the finalization of the activity funded by EEA Grants. The other activity is **“South/North/Movements”** consisting in a creation of a polyphonic text written by Norwegian and Spanish playwrights focusing on the theme migration. Both activities are still under implementation.

Regarding Funds for bilateral relations at national level the Embassy has applied for funds for bilateral relations at national level to organize one event in 2015 and finally one event in 2016.

- **Launching of the report on the challenges of European Welfare States**  
The Embassy commissioned a comparative analysis of the Norwegian and Spanish welfare state models, particularly looking at policies on dependent persons, gender and family policies, and labour market policies and unemployment protection. Spanish and Norwegian researchers under the umbrella of the Spanish National Research Council – CSIC, carried out the project that was presented in March 2015 in Madrid. Costs covered by the bilateral fund at national level: € 10,000
- **EEA Grants Spain: Final Report 1994 – 2014**  
During the twenty years of the EEA funds in Spain many programmes have come to life and been transformed into project stories. With the aim of sharing some of these stories, the Embassy has commissioned a final report. The report will focus on a selection of projects that illustrate the impact of the large number of projects that have been implemented, the innovative forms of cooperation and the creation of networks that continue to be useful for the bilateral relationship. This report will be presented during the “EEA Grants Spain Closing Ceremony” tentatively in June 2016. Costs covered by the bilateral fund at national level: € 30,000

## ES 07: NILS Science and Sustainability

Programme Approved 4th June 2013.

In hardly one year and a half the PO has launched 5 calls regarding mobility (2 in 2013 and 3 in 2014) awarding a total of 106 projects (including the awarded call in January 2015). One call regarding preparatory visits and second regarding Universities with Erasmus+ agreements were launched in 2014 and 2013 respectively. Those data give an idea of the effort carried out by the PO in this period.

### a) Overall progress as regards implementation of the Programme (Open calls).

ES07 ABEL IM-CM 2013	ES07 ABEL IM-CM 2014	ES07 ABEL IM-2 <sup>nd</sup> 2014
Closed 2013.	Open 01/01/2014	Open 04/07/2014
Selection Committee : 16 <sup>th</sup> January 2014	Closed 28/02/2014.	Closed 20/09/2014.
	Selection Committee : 12 <sup>th</sup> June 2014	Selection Committee: 14 <sup>th</sup> January 2015
Projects awarded IM : 24	Projects awarded IM : 26	
Projects awarded CM:18	Projects awarded CM: 11	Projects awarded IM: 27
Projects with partner: All	Projects with partner: All	
		Projects with partner: All
Budget IM:€ 330,305	Budget IM: €420,720	
Budget CM: € 938,223	Budget CM:€473,444	
		Remnant budget : on going

The programme has been implemented successfully, in all its measures and tasks as explained below.

All calls planned within the programme have been launched and closed. Within outcome 2, 2,363,297 euro have been awarded to 108 projects; 105 project agreements have been signed, 4 of them having resigned after such signature. In total, 101 projects related to outcome “Increased and strengthened institutional cooperation” have been developed. Such projects involve 7 institutions from Iceland and 24 from Norway. 73 researchers at different stages of their careers have performed stays abroad within the individual mobility scheme, and a number still to be confirmed of researchers have carried out exchanges within coordinated mobility scheme (expected to be no less than 75). Funds related to Outcome 1 were allocated to 11 projects, all of them having been developed. Within these projects, 196 bachelor and master students from Spanish universities have performed stays at institutions in Norway, Iceland and Liechtenstein, in the frame of Erasmus + programme. All these data are to be verified with the final reports submitted by project promoters during December 2015 and January 2016.

## b) Progress towards expected outcomes.

Concerning the first outcome defined in the PA, **Outcome 1: Increased higher education student and staff mobility between Beneficiary and EEA EFTA States**. The expected number of students who received ECTS credits has been almost doubled. 196 students have performed mobilities and obtained ECTS credits, face to the expected 100 ones (data to be confirmed with the final reports submitted by promoters).

Erasmus programme in Spain during 2012-2013 academic year involved 639 outgoing higher education students, both for study and for placement stays in Norway, Iceland and Liechtenstein. 614 out of them performed study stays, and 25 out of them placements in companies and similar<sup>18</sup>. These figures would represent that about 32% of university students outgoing from Spanish higher education institutions to donor states institutions for study or placement stays are supported by NILS.

When submitting their applications to NILS Programme in 2013, awarded institutions declared they had agreements with 95 institutions from donor states for 439 Erasmus positions. These figures have certainly changed as most of granted institutions have reviewed them when signing new agreements for the new Erasmus + programme. In any case, 198 students granted scholarships represents near 50% of their former available positions.

Bearing in mind the strong crisis situation in our country, 196 grantees performing stays in donor countries must be considered an excellent result as it allows maintaining the mobility figures from Spain to such countries, despite their higher cost of living. The programme has achieved to involve the Spanish institutions which are responsible for a great part of the Erasmus mobility in our country: five of the first 20 European higher education institutions in the “Top 100 higher education institutions sending students on mobility in 2011-2012” are involved in NILS programme, and eight of them are in this top 100 list. On the other side, 35 institutions from donor countries are involved in these mobilities: 28 in Norway, 6 in Iceland and one in Liechtenstein (these figures are to be confirmed with the final project reports).

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<sup>18</sup> Source: Eurostat, Organismo Autónomo de Programas Educativos Europeos

**Outcome 2: Increased and strengthened institutional cooperation at all levels of the education sector.**

OUTCOME 2 : INCREASED AND STRENGTHENED INSTITUTIONAL COOPERATION AT ALL LEVELS OF THE EDUCATION SECTOR	EXPECTED RESULTS	MEASUREMENT	% OF FULFILLMENT
INDICATOR: Total number of joint products and services	70	150	<b>214%</b>
INDICATOR: Number of joint papers/articles/publications/reports in preparation/submitted, including those for peer reviewed academic journals	40	110	<b>275%</b>
INDICATOR : Number of seminars/conferences/workshops organized	60	150	<b>375%</b>
INDICATOR: Evidence of forecasted/further cooperation	15	n/a	<b>n/a</b>

About 60% of technical reports having been checked, more than 150 seminars (or similar activities) have been reported, more than 110 articles/papers are in preparation or have been submitted to peer reviewed international journals, and about 23% of verified projects inform that they forecast further joint research activities, including continuation of joint papers in preparation, further visits, and projects submitted or to be submitted to H2020 programme and other funding sources. These figures are much higher than the expected ones and are a clear indicator of the excellence of the bilateral partnerships that have been developed within the programme.

Concerning cooperation for research, NILS has achieved to get 127 applications from 29 different Spanish promoters, involving as first partners 35 institutions from donor states (7 in Iceland and 28 in Norway). 105 projects were approved, 4 of them having resigned due to different causes. Finally 101 projects have been developed, 86 of them with Norwegian institutions and 15 with Icelandic institutions, 24 Norwegian institutions and 7 Icelandic organizations have been involved as first partners, and some else as second or third partners. A wide range of topics, related to the strategic focus of the programme, are being faced by granted institutions and researchers: biomedicine, ecology, energy, renewables and sustainability, general sciences, economics and social issues, alimentary technology, and climate change.

c) Outputs achieved

OUTCOME 1. INCREASED HIGHER EDUCATION STUDENT AND STAFF MOBILITY BETWEEN BENEFICIARY AND EEA EFTA STATES	OBJECTIVE	MEASUREMENT	% OF FULFILLMENT
OUTPUT 1.1. HE mobility programme promoted effectively among institutions and beneficiaries selected on a competitive basis.			
INDICATOR: Increased awareness among HE institutions	40	35	<b>87%</b>
INDICATOR: Number of mobility project applications received by PO	10	11	<b>110%</b>
INDICATOR: Number of promotional events where EEA/NRW Grants scholarship programme was presented.	3	3	<b>100%</b>
OUTPUT 1.2 Agreements for HE student and staff mobility formalized / existing agreements enhanced	100	219	<b>219%</b>

OUTCOME 2 INCREASED AND STRENGTHENED INSTITUTIONAL COOPERATION AT ALL LEVELS OF THE EDUCATION SECTOR (HIGHER EDUCATION) BETWEEN BENEFICIARY AND EEA EFTA STATES	OBJECTIVE	MEASUREMENT	% OF FULFILLMENT
OUTPUT 2.1 Joint projects identified and implemented by partner institutions			
INDICATOR: Number of bilateral partnership agreements	40	127	<b>317%</b>
INDICATOR: Number of projects	40	78 <sup>19</sup>	<b>195%</b>
OUTPUT 2.2 Mobility programme for institutional cooperation effectively implemented			
INDICATOR: Number of institutional cooperation project applications received by PO	50	33	<b>66%</b>
INDICATOR: Number of promotional events where EEA/NRW Grants scholarship programme was presented.	3	3	<b>100%</b>
INDICATOR: Number of education faculty/teaching staff.	90	150	<b>166%</b>
INDICATOR: Number of collaborative research groups.	10	29 <sup>20</sup>	<b>290%</b>

d) Potential risks that may threaten the achievement of the objectives set out in the Programme.

Once the projects completed with a great success, the main risk concerns the sustainability of the bilateral cooperation activities developed within the programme: other existing funding sources are not as flexible as NILS programme and may not have the same impact as the programme had.

<sup>19</sup> In January 2015, 27 new individual mobility projects have been approved

<sup>20</sup> 29 projects awarded involving at least one or two collaborative groups.

e) Major deviations from plan.

During 2015, there have been no major deviations from the plan.

f) Need for adjustments of plan, including actions for risk mitigation.

No major new adjustments of plans have been necessary. As planned, funds allocated to projects within outcome 2 that were unused because promoters had resigned (4 projects), were transferred to bilateral relations fund and made available through an open call for bilateral relations activities.

g) The use of funds for bilateral relations.

In general terms, NILS programme is fully implemented in partnership with institutions from Norway, Iceland and Liechtenstein. At the programme level, the PO works closely with SIU, RANNIS and AIBA as donor programme partners, SIU being donor programme partner leader. This cooperation, formalized by the Cooperation Committee, affects most phases and aspects of the programme implementation. Calls texts were written in cooperation with DPPs, the three of them participated in the selection processes as observers, SIU as leading DPP participated directly in the evaluation and selection of bilateral relations applications, they cooperated with the communication policy and facilitated contacts among interested institutions and scientists from both sides.

Every activity funded within NILS programme is a bilateral activity. Projects involving students mobility need bilateral agreements to be signed in advance (within Erasmus+ programme), although once approved there is no need for partnership agreements, but only project agreement. Research and advanced training activities are carried out within inter-institutional cooperation modality. Every application related to scientific activities is supported by institutions in Spain and in Norway, Iceland or Liechtenstein. Every funded project needs an agreement signed by partners from every participating country: 105 project agreements (and their related partnership agreements) were signed for researchers mobility purposes; 101 having been developed.

Although there is a good collaboration level, it would have been desirable to get more geographically balanced applications, meaning more mobilities requested by scientists from Norway, Iceland and Liechtenstein to come to Spanish institutions.

Concerning the **funds for bilateral relations** at the programme level: three preparatory visits were funded in previous years. On the other hand, two bilateral relations calls were launched, the second one using funds transferred from outcomes 1 and 2 funds, from projects having resigned. Within both calls, 33 applications were submitted, and 23 were awarded. All of them are organized or include participants from Spanish and Norwegian partners, and most of them consist of activities that complement project activities granted within measures 6 and 10. Awarded applicants from all calls were encouraged to apply for such funds in order to organize complementary activities as well as meetings to explore further cooperation and funding opportunities (such as H2020).

The main concern, as explained in the previous annual report, regards the sustainability of the cooperation activities started or fostered thanks to NILS programme. This concern was treated during the Cooperation Committee meeting held in Madrid in October 2014. In that meeting, it was agreed that



the PO would contact the involved ministries as well as the Norwegian Embassy in Madrid, in order to explore further cooperation opportunities, and that the DPPs would support such initiatives. A new cooperation committee meeting is expected to be held in the first semester of 2016, prior to the closure of the programme.

Regarding **complementary actions**, a Summer School entitled “Women in Science: reflections and perspective from the Northern and Southern Europe and United States” was held from 29 June to 3 July, at El Escorial. Spanish State Secretary of Research, internationally well-known experts such as prof. Catherine Didion (USA), Amelia Valcárcel (Spain) or Eulalia Pérez Sedeño (Spain) participated, together with representatives from different programmes promoting women’s participation in scientific fields, entrepreneurship and others.

Funds remaining for complementary actions are expected to be used for a closure workshop during the first semester of 2016. A proposal to organize it in April has been sent to DPPs, who seem to agree with this suggestion.

## 4 MANAGEMENT AND IMPLEMENTATION

### 4.1 Management and control systems

#### a) National Focal Point Management and Control System

The description of the management and control system for the implementation and audit of the EEA Financial Mechanism 2009-2014 in Spain had the clearance of the FMO on 10 October 2013.

This document contemplated a proposed organization chart<sup>21</sup> capacity and resources to implement EEA Grants that lacked a reasonable coherence, concentration and dedication. Therefore a new design of staff organisation was proposed in December 2013 and was included in the Strategy Report 2013 hoping it will provide the NFP with the necessary human resources to be able to carry out its work in a more effective and competitive way. However, due to budget constrictions and national policies, this structure has been implemented very slowly.

At the end of 2015 a new organization of the Sub-directorate of Territorial Cooperation and Urban Development was put in place. This organization has implied a drastic cut of the human resources devoted to this fund. This situation can seriously jeopardize the closing of the EEA Grants in the following months (2016).

The evolution of the staff devoted to EEA Grants in the last two years has been as follows:

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<sup>21</sup> See the organigram in page 15 of the ES01 Management and Control Systems – October 2013, approved by the AA on 2<sup>nd</sup> 2 April 2013 and by FMO on 10<sup>th</sup> October 2013.

December 2013 to Mars 2014	April 2014 to May 2014	June 2014 until January 2016	From February 2016
One single person working on NFP 100%	Three people working on NFP 100%. Activities on communication start.	Four people working on NFP 100%. No more staff is foreseen.	Three people working on NFP. Two people 100 %. One person 80%. There are not Executive Director
Executive Director	Executive Director.  Administrative Assistant Communication Officer	Executive Director. Technical Counselor Administrative Assistant Communication Officer	Technical Counselor 100% <sup>22</sup> Administrative Assistant 80% Communication Officer 100%

Thus, despite the good performance of EEA Grants the human resources of NFP have been noticeable reduced. The new Administrative Assistant is new in the general directorate which means at least three months are estimated to be needed to be familiar with procedures in the General Directorate plus all the complex specificities required to deal with EEA Grants.

A Quality Audit Firm as External Monitoring Agent (Audit Expert) to carry out the task of verification, monitoring and quality control has contracted for this service in September 2015 by the NFP. Work was scheduled to be completed on November 2015.

<sup>22</sup> Even though the post is occupied by the same person, this person has been degraded from a directive post to a pre-directive post with the correspondent reduction of salary.

## b) Programmes Management and Control Systems

As live documents, some changes and amendments in management and control systems documents related to programmes during 2015 has been:

PROGRAMME OPERATOR	CHANGES NOTIFIED	OBSERVATIONS
EEA Grants - Programme ES02 (May 2015)	<p>- Section 3b "Procedure for verification of projects expenditure". Clarifications in respect of the deadlines for expenditure verification and for projects payment: the deadlines contained in the Programme Agreement are included.</p> <p>- Annex VII "Procedure for transfer between EEA Grants account and CDTI general account": the procedure has been included for the cases of Reimbursement due to renunciation or infringement.</p> <p>Likewise, the references to these paragraphs appearing throughout the text have been updated.</p>	
EEA Grants - Programme ES04 (June 2015)	<p>Due to the entry into force of Law 15/2014, of September 16<sup>th</sup>, on Public Sector rationalisation and other measures of administrative reform [<i>Ley 15/2014, de 16 de septiembre, de racionalización del Sector Público y otras medidas de reforma administrativa</i>], which withdraws the Directorate General for Equal Opportunities [<i>Dirección General para la Igualdad de Oportunidades</i>], so its jurisdiction, rights and liabilities are assumed by The Institute for Women's Affairs and Equal Opportunities by statutory subrogation, the Director of this Body subscribed, on 7 November 2014, an addendum to the Description of the Management and Control Systems of the Programme Gender Equality and Reconciliation, Version 1.0 dated 09/05/2014. This modification contains the changes to the organisational structure.</p>	
EEA Grants - Programme ES05 (February 2015)	<p>On page 37 heading "Final Report", paragraph 3 where it says: "and not before 30 April 2017" it should say: "and not after 30 April 2017".</p> <p>On page 41, paragraph 2 where it says: "Once the programme is approved, the independent audits inform about the unjustified or disproportionate expenditure or any problem for the correct achievement of the programme" it should say: "After launching the programme, the independent audits inform about the unjustified or disproportionate expenditure or any problem for the correct achievement of the programme".</p> <p>On page 41, paragraph 4 where it says: "These reports contain the irregularities incurred, their investigations and any measure taken accordingly" it should say: "These reports contain the real or possible irregularities incurred, their investigations and any measure taken accordingly"</p>	

In order to assess the efficiency and the effectiveness of the management and control systems established in Spain, two different processes were carried out: at national level and at programme level.

At national level, the AA carried out the system audit of the MCS and activities carried out by:

- Certification Authority
- Technical Assistance and Bilateral relations/NFP
- ES02: Climate Change/CDTI
- ES04: Gender Equality/Secretary of State of equality- Women Institute
- ES05: Cultural Inheritance/ Ministry of Culture
- ES07: Scholarship/Complutense University of Madrid

At programme level, the NFP contracted the services of the company LRQA -Lloyds Register Quality Assurance- to assess the efficiency and the effectiveness of the procedures and activities implemented by the POs from 31 January 2014 to 30 March 2015. The results of the assessments demonstrated that the development and implementation of the different MCSs during 2014 made possible to detect and correct some of the irregularities made during 2014 until the beginning of 2015. Making a comparative study, most of the findings arisen during the NFP audit and the POs evaluations were already solved with the procedures included in the MCSs. Some of them were also considered for amending the MCSs in order to walk in the way of continuous improvement.

## **4.2 Compliance with EU legislation, national legislation and the MoU**

### **a) Compliance with EU legislation, national legislation and the MoU**

Although the TA Agreement at country level has not been modified until now, an official proposal for reallocations between budget headings was started in November 2015. These changes were better welled in the beginning of 2015, always under the provisions of Article 2.8 paragraph 2 of the TA Agreement, without the Donor's prior approval needed. But at the end of the year, due to the fact that the NFP considers the definitive distribution of the budget had to have an official version, which the FMO agreed, it was decided to propose an official modification of the TA Agreement. This process is developed in the Attachment 8 of this Strategic Report.

The compliance with Community Policy and national regulations on environmental issues was assessed during the POs evaluation process carried out by the company contracted by the NFP. Public procurements are monitored ex-ante by the control bodies of the administration and ex-post by the Audit Authority in their audits on expenditure carried out for all programmes (except ES06) for the period 2014.

A conflict arisen between the Regulation and the national legislation was related to Article 7 of the Regulation and the different interpretations done to incurred cost by the NFP and the FMO. These different interpretations affect the amount registered as expenditures in the IFRs. The issue that affects mainly three programs derives from the public systems for expenditures and can be described as follows:

In relation to Article 8.1.5 of the Regulation, in particular as regards national co-financing, according to the Certification Authority, after meeting with the FMO on 29 October 2015, and the interpretation that could be considered as a deviation from the Regulation regarding the mentioned issue with Programme Operators ES01, ES04 and ES05 in terms of budget management ;

These three Programme Operators are dependent public Bodies of the Spanish State Administration. The budget of the General Administration particularity is to be provided with an annual budget approved the previous year. The budget is approved only with spending for each Body, as the revenue budget is unique and common to the entire state administration. In the budget negotiations, all public bodies must provide forecast revenues for the following year; however, these revenues will revert to the State Revenue Budget. Therefore, all transfers from the EEA funds flow into the Spanish Administration General Budget Revenues, and not directly to co-financed projects or co-financed expenditure. National budget allocations cover 100% of planned spending, either in staff costs, running costs or expenses for subsidies.

Regarding open calls and grant schemes our National Grants Law establishes as a necessary precondition for launching the constitution of a budget commitment on national funds. That means that an amount of national funds equivalent to the 100% of the budget of the open call or grants scheme is set aside for paying the projects. In this manner, on a first stage, all incurred expenditure by the projects is paid with those national funds previously committed.

Later on, EEA funds are transferred to the national account (technically named “State revenue budget”). This transference covers the 85% of the total incurred expenditure previously paid with national budget (in case 85% co-finance rate, as example).

This is the way national co-finance is guarantee in public Bodies of the Spanish State Administration, through the advance of 100% of the funds by national budget and subsequent refund with EEA Grants at the co-finance rate (85%).

Having identified that this procedure affecting ES01, ES04 and ES05 does not exactly comply with the provisions of art. 8.1.5 of the EEA Grants Regulation we request the recognition of this system taking into account that guarantees the co-financing and is compulsory given the Spanish Legislation.

This issue was clarified with the FMO in 2015, both parties understanding the issue in the same way.

## b) Irregularities

In 2014 it was started the reporting activities of the responsible national public entity, the National Focal Point. A total of 12 irregularities were detected during 2014 (no irregularities detected in 2013).

In 2015 we have to mention a first consideration; there has been a misunderstanding in the reporting level for irregularities concerning the ES02 at the project level. *The Article 11 paragraph 2 of the Regulation stipulates that paragraph 1 does not apply to irregularities that must be reported*

*immediately according to Article 11.4. In the case referred to Article 11.4 (c) applies: “[cases which] which pose an immediate threat to the successful completion of the project, due to the amounts in proportion to the total project cost, their gravity or any other reason”.* The NFP and the PO considers that innovation technological projects that only develop a small part of the project due to technical issues, and according to the contract don't achieve in the time done the foreseen objectives and CDTI therefore decided to terminate the project contract entry into the category of Irregularities to inform under request. FMO considers that understanding that these projects have not been successfully completed Article 11.4 applies and the irregularity case should be reported to the FMO. The issue is still under discussion.

In 2015 a total of 13 irregularities were detected:

- Reporting: 4 irregularities under regular reporting (Art. 11.5 of the Regulation), 9 irregularities to be reported upon request (Art. 11.7)
- Level: 1 irregularity at Beneficiary State level, 3 irregularities at Programme level, 9 irregularities at Project level. All irregularities non reported are at Project level.
- Status: 6 irregularities are open and 6 have been closed. Those reported to the FMO, although corrective and/or preventive measures have been taken, only are considered as closed when the FMO confirms so.

Most of the irregularities implied financial corrections, assumed as recovering funds in the Interim Financial Report following the detection and study of each irregularity. Highest amounts in financial corrections were those related to ES02 irregularities -due to the highest grant management within this programme-, reaching a maximum of 49k Euro for irregularity ir-13. Particulars on each irregularity and their financial effects can be checked in attachments 4 and 5 to this Strategic Report.

Looking for trends of irregularities for the different Programmes and at BS level, we can assess some common causes of irregularities:

- Eligible costs: Most frequent irregularities at Programme level were detected dealing with the criterion to consider a cost as eligible or the way of declaring it in IFRs. The detection was made by the AA or the PO.
- Project Promoters: Irregularities detected in ES02 were caused both by bankruptcy or resignation of the PP or by the extremely short time of project's implementation taking into account that the subject is technological innovation. These data are already taken into account as a risk for the implementation of this Programme, and corrective measures are being studied between PO, DPP, NFP and FMO to find the best solution to implement the extra funds available.

Irregularity NFP #	Irregularity FMO #	Status	Reporting (no-rR-IR)	Period	Progr. ID	Project	Provisions infringed	Irregularity description	Financial effect (€)	EEA Grants / National co-financing (€)	Period/date committed	Date of detection	Who detected	Measures Taken	Monitoring	Comments
ir-13	IR-0156	Open PO. Close FMO 31/8/15	rR	2015 Q1	ES04	PdP1: Equality plans in schools project, a practical tool for education based on equality	Article 7.2.2(a) of the Regulation	Clause 6 of Project Contract provides that expenses must be between June 20, 2013 and December 31, 2015, however in the IFR 2 it has been declared expenses before June 20, 2013	49,232.33 euros have been declared outside the eligibility period		February 2014, IFR2 reporting. Expenses before June 20 2013.	February 2015	FMO Audit (Moore Stephens)	Although PO has not received the final audit report, expenditure wrongfully declared was reduced in the IFR#5		
ir-14	IR-0157	Open PO. Close FMO 31/8/15	rR	2015 Q1	ES04	TA	Typing mistake	In the IFR#1, an invoice amounting 21,129 euros was declared as eligible (PO management costs) when the right amount should have been 21,122 euros. This was due to a typing mistake	7 euros have been wrongfully declared as eligible.		October 2013, IFR#1 reporting.	February 2015	FMO Audit (Moore Stephens)	Although PO has not received the final audit report, expenditure wrongfully declared was reduced in the IFR#5		
ir-15		Open PO	no	2015 Q1	ES02	IDI-20140019. CONSULTORIA TECNOLÓGICA PARA EL COMERCIO	Article 11.7 (a) of the Regulation	The project promoter will not implement the project because of bankruptcy and non-payment of loans from other projects signed with CDTI.	BUDGET FOR PROJECTS: - 98,532.60 (EEA Grant budget) Amount already paid: 139,587.85 (24,633.15 is the EEA Grant corresponding budget)	24,633.15€/139,587.85€	14/01/2015 (date in which the CDTI Legal Department took over the company's project because of non-payments of other projects signed with CDTI)	January 2015	PO (CDTI)	CDTI has sent, on 11/02/2015 a letter of termination of the contract. The company has been required to pay back the advance payment within 30 days. The amount of 24,633.15 was certified in IFR3 and reduced in IFR5.	The Legal Department sends the letter of termination of the contract. Afterwards, it is the Reimbursements Department which monitors that the payment is done. If it is not done, it sends the project again to the Legal Department, which takes legal action.	
ir-16		Open PO. Close NFP 25/02/2015	no	2015 Q1	ES02	IDI-20140052 ABACCUS SOLUCIONES E INNOVACION	Article 11.7 (a) of the Regulation	The project promoter will not implement the project because of bankruptcy	BUDGET FOR PROJECTS: - 60,869.70 (EEA Grants budget) Amount already paid: 0	0/0	21/01/2015 (date in which CDTI received the bankruptcy information about ABACCUS)	January 2015	PO (CDTI)	CDTI has sent, on 29/01/15 a letter of termination of the contract.		

Implementation of the EEA Financial Mechanism 2009-14  
 Spain – Strategic Report 2015 (Covering 1<sup>st</sup> January 2015- 31<sup>st</sup> December 2015)

ir-17		Open PO	no	2015 Q2	ES03	CA-145. Agra Civis. Ecos do Sur	Not irregularity but low level of implementation.	It is not an irregularity but they still had a low level of implementation since the second quarter.	Since it is a project with a low level of implementation and not an irregularity it is not possible to quantify the effect. At the moment, two suspension of payment has been made for a total of: 12,202.89€		11/05/15 (report delivery date). After the official RQ and complementary information request, the report is approved informally on 02/07/15	11/05/15 (report delivery date). After the official RQ and complementary information request, the report is approved informally on 02/07/15	PO	In the overall of the project, the justification is only 50% of the foreseen. So, despite they ask for an advance payment lower than expected, it is decided to continue with the suspension of payments, being in this case suspended the request for August-September 2015 period (Aid: 2,770.33€). As complementary measure, this project was selected to be audited by PwC.	
ir-18		Open PO	no	2015 Q2	ES03	Ciudadanía a partes iguales. Salud y familia.		The project promoter requested on 5 <sup>th</sup> May a substantial modification following the withdrawal of one of the entities partners. Additional information was requested and a Selection Committee was held on 23th June 2015. The Committee rejected the request and the project was hereby terminated early for not being able to fulfill the set objectives when approved.	Pending of the revision and approval of the early closing of the project.			After the substantial modification requested by the project promoter.	PO		
From 14 October 2015, FMO requests specification of the recovery of funds in terms of EEA Grants and National co-financing amounts															



ir-19				2015 Q3	ES05	Ministry of Education, Culture and Sport (Spain)	Irregularity 1: 11.4.a. Irregularity 2: 11.4. c Irregularity 3: 11.4.c Irregularity 4: 11.4.c	<p><u>Irregularity 1:</u> Juan Tomás Martín, the Secretary of FGL Foundation has been formally accused of misappropriation and falsehood in documents. The FGL has several debts with public Administration and private companies.</p> <p><u>Irregularity 2:</u> Final amount of funds transferred from the EEA Grants rises to 3,482,007 €, so the Consortium will not submit a proposal for the transfer of the total EEA Grants contribution of 3,863,280 € set for the pre-defined Project. <u>Irregularity 3:</u> Total amount of the pre-defined project, 6,075,000 €, there has not been a mismanagement of the EEA Grants, but a bad planning. With regard to the 1,530,000 € to be provided and spent by the Consortium, and 681,750 € to be provided by the MECD through PGE. <u>Irregularity 4:</u> Reduction of the cultural activities in relation to the first programme approved. The Centre was finally opened on 29 July, 2015, the cultural activities were developed in only four months with the resulting managing and programming difficulties. On 9 October, 2015, the Programme Operator complying with the requirements of the NFP and the FMO. The entities members of the Consortium will complete the cultural programme, these will be allocated in the Consortium Budget.</p>	?					The Programme Operator estimates that the new contribution would be the following one:
ir-20	IR-0304	CA		2015 Q4	ES01	Technical assistance to the Beneficiary State & Fund for bilateral relations at national level	Regulation, article 8.1.5, Common rules for payments.	The incurred expenses were considered as payments made by the PO, following the meeting in Brussels on 29.10.2015 between the FMO and the CA, the criteria for incurred expenses was specified to be the transfers from the Spanish Treasury to the Operator's account (NFP, CA, AA, BRNL)	40,907€ This amount does not represent any monetary transfer, but an accountable balance to adapt the "Previously incurred expenditure" to the present situation with the present criteria for incurred expenditures	November 2012 - April 2015.	Final version of January 2016.	CA		The measures to remedy the irregularity were taken in IFR#6 decertifying 40,907€. The irregularity is not expected to be recurrent since the present criteria for incurred expenditures follows the Regulation and the FMO interpretation.

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ir-21	IR-0305	Open AA		2015 Q4	ES07	NILS Sciencia and sustainability	Art. 7.2.3 and/or Art. 8.3 of the Regulation	Concerning the programme, the audit authority has declared a minor irregularity concerning the certification of a cost incurred by the PO, in an erroneous IFR (the cost, which is eligible, had been incurred but still not paid at the time of declaring it in a previous IFR). The amount of the incurred cost is 602.24 euros, that shall be des-certified in the next IFR and again certified according to the actual payment date.	No financial consequences		April to august 2014	December 29 2015	AA (Audit Authority)	The cost shall be des-certified in the next IFR to be issued by the PO, and again certified according to the actual payment date of the incurred cost, which is eligible.		
ir-22	IR-	Open AA	si	2015 Q4	ES04	-	Regulation: 7.1.(a), miscalculation	Task certification collect a percentage of dedication of the Deputy Director of 85%, while in the management guidelines the percentage is 75%	2,488.00	TA: EEA Grants -2,114.8 (85%) / National 15% (373.20)	15/02/2014	15/12/2015	Audit Authority	Program Operator will reduce this amount in the next IFR. Double check of other similar expenditures.		Pending of sending to FMO by 31/12/2015.
ir-23		Open PO	no	2015Q3	ES02	IDI-20140122 VIDRIERIA Y CRISTALERIA DE LAMIACO, S.A.	Article 11.7 (b) of the Regulation	The project promoter has communicated that they will only develop a small part of the project. The objectives of the project change, therefore CDTI has decided to terminate the contract.	BUDGET FOR PROJECTS: -100,363.95 (EEA Grant budget) Amount already paid: 142,182.26 (25,090.99 is the EEA Grants corresponding budget)	24/09/2015 (date in which CDTI has decided to terminate the contract)	June 2015	Project Promoter communicated it	CDTI has decided, on the Executive Board celebrated on 24/09/15 to terminate de contract and has communicated it to the project promoter.	The Legal Department sends the letter of termination of the contract. Afterwards, it is the Reimbursements Department which monitorizes that the payment is done. If it is not done, it sends the project again to the Legal Department, which takes legal action.		
ir-24		open PO	no	2015Q4	ES02	IDI-20140926 ABENGOA SOLAR NEW TECHNOLOGIES, S.A.	Article 11.7 (b) of the Regulation	The project promoted has renounced to the aid because it needs more time to develop the project due to technical difficulties and this extension is not possible within EEA Grants Programme.	BUDGET FOR PROJECTS: -147,960.45 (EEA Grants budget) Amount already paid: 209,610.64 (36,990.11 is the EEA Grants corresponding budget)	30/11/2015 (date in which the promoter communicated the renouncement to the aid)	November 2015	Project Promoter communicated it	CDTI has sent, on 18/12/15 a letter of termination of the contract. The company has been required to pay back the advance payment. The amount of 36,990.11 € was certified in IFR5 and will be reduced in IFR8.	The Legal Department sends the letter of termination of the contract. Afterwards, it is the Reimbursements Department which monitorizes that the payment is done. If it is not done, it sends the project again to the Legal Department, which takes legal action.		
ir-25		open PO	no	2015Q4	ES02	IDI-20140940 POWERTRACK INTERNACIONAL DE AUTOMOCIÓN, S.L.	Article 11.7 (b) of the Regulation	The project promoter has renounced to the aid due to financial issues.	BUDGET FOR PROJECTS: -54,130.50 (EEA Grants budget) Amount already paid: 0	24/11/15 (date in which the promoter communicated the renouncement to the aid)	November 2015	Project Promoter communicated it	CDTI has sent, on 26/11/15 a letter of termination of the contract.			

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ir-26		open PO	no	2015Q4	ES02	IDI-20140866 ILUMINACION INTELIGENTE LUIX, S.L.	Article 11.7 (a) of the Regulation	The company is in the process of dissolution for bankruptcy.	BUDGET FOR PROJECTS: -27,792.19 (EEA Grants budget) Amount already paid: 0	22/10/15 (date in which the promoter communicated the renounce to the aid)	October 2015	PO (CDTI)	CDTI has cancelled the project		
ir-27		open PO	no	2015Q4	ES02	IDI-20140889 GESTAMPO HYBRID TOWERS	Article 11.7 (b) of the Regulation	The project promoted has renounced to the aid due to external technical delays which makes impossible to finish the project before 31st December 2015.	BUDGET FOR PROJECTS: -28,438.78 (EEA Grants budget) Amount already paid: 35,548.47 (7,109.69 is the EEA Grants corresponding budget).	01/10/2015 (date in which the promoter communicated the renouncement to the aid)	October 2015	Project Promoter communicated it	CDTI has sent, on 22/10/15 a letter of terminatio n of the contract.	The Legal Department sends the letter of termination of the contract. Afterwards, it is the Reimbursements Department which monitorizes that the payment is done. This payment has been done by the company on 14/11/15.	
ir-28		open PO	no	2015Q3	ES02	IDI-20140077 BOREAS NUEVAS TECNOLOGÍAS, S.L.	Article 11.7 (b) of the Regulation	The project promoter has renounced to the aid due to financial issues.	BUDGET FOR PROJECTS: -45,571.35 (EEA Grants budget) Amount already paid: 0	07/09/15 (date in which CDTI communicated the company the termination of the contract	September 2015	Project Promoter communicated it	CDTI has sent, on 07/09/15 a letter of terminatio n of the contract.		

#### 4.3 Audit, monitoring, review and evaluation.

The **Audit** Authority performed the activities planned in their “Audit Strategy of the European Economic Area (EEA) Financial Mechanism 2009-2014” (see Attachment 6). According to their procedures, the audits are referred to the period January 2014 to December 2014. They covered:

- System Audits (on the implementation of the Management and Control Systems): ES01 Certifying Authority, ES03 NGO Platform, ES04 Women’s Institute.
- Audits of expenditure declared: ES01 TA, ES02 Climate Change, ES03 NGO’s Funds, ES04 Gender Equality, ES05 Cultural Heritage, ES07 Exchange Scholarships.

The general result of the audits was favourable (favourable with initial reservations for ES03 due to misinterpretation of the concept of independent evaluators for projects in a call, already clarified), with the remarks already considered for corrective and preventive measures by the POs, and reported as irregularities when appropriate. Looking deeper:

- **ES01, System Audit Certifying Authority: Sub-directorate General for Certification and Payments.** Having regard to the results obtained in the audits carried out in present audit year, the overall opinion drawn up on the system is "It works but some improvements are needed" (category 2)
- **ES01, Financial Audit:** Sub-population: Certifying Authority: Sub-directorate General for Certification and Payments
  - a) As heading 4 and Annex 4 indicate, having regard to the results obtained in the systems audits carried out in present audit year, the overall opinion drawn up on the system is "It works but some improvements are needed".
  - b) Considering all the above mentioned, the final conclusion on the system must be favourable.

Sub-population: Technical Assistance and Bilateral Relations / National Focal Point

  - a) Having regard to the results obtained in the systems audits carried out in previous years, the overall opinion drawn up on the system is "It works but some improvements are needed".
  - b) For the purpose of issuing an opinion, the results of the controls mentioned in Annex 1 have been considered complying with the requirements of sample selection contained in section 5.2 of the report.
  - c) Having regard to the results of the audits on expenditure declared, the sample error rate is 0 %. The projected error amounts to EUR 0.00 (0 %).
  - d) Considering all the above mentioned, the final conclusion on the system must be favourable.
- **ES02, Financial Audit:** Sub-population ES02: Climate Change / CDTI
  - a) For the purpose of issuing an opinion, the results of the controls mentioned in Annex 1 have been considered complying with the requirements of sample selection contained in section 5.2 of the report.
  - b) Having regard to the results of the audits on expenditure declared, the sample error rate is 0 %. The projected error amounts to EUR 0.00 (0 %).

- c) Considering all the above mentioned, the final conclusion on the system must be favourable. **ES03, System Audit:** Having regard to the results obtained in the audits carried out in present audit year, the overall opinion drawn up on the system is "It works partially, substantial improvements needed. In an amendment of the opinion, in February 2016 the system was calcified as "It works but some improvements are needed"
- **ES04, System Audit:** Having regard to the results obtained in the audits carried out in present audit year, the overall opinion drawn up on the system is "It works but some improvements are needed" (category 2).
  - **ES04, Financial Audit:** Sub-population ES04: Gender Equality / State Secretariat for Equality. Ministry of Education, Culture and Sport
    - a) As heading 4 and Annex 4 indicate, having regard to the results obtained in the systems audits carried out in present audit year, the overall opinion drawn up on the system is "It works but some improvements are needed".
    - b) For the purpose of issuing an opinion, the results of the controls mentioned in Annex 1 have been considered complying with the requirements of sample selection contained in section 5.2 of the hereby report.
    - c) Having regard to the results of the audits on expenditure declared, the sample error rate is 0.19%. The projected error amounts to EUR 3,983.51 (0.19%).
    - d) Considering all the above mentioned, the final conclusion on the system must be favourable.
  - **ES05, Financial Audit:** Sub-population ES05: Cultural Promotions and Artistic Heritage / Ministry of Education, Culture and Sports.
    - a) For the purpose of issuing an opinion, the results of the controls mentioned in Annex 1 have been considered complying with the requirements of sample selection contained in section 5.2 of the hereby report.
    - b) Having regard to the results of the audits on expenditure declared, the sample error rate is 4.79%. The projected error amounts to EUR 2,951.65 (4.79 %).
    - c) According to the information provided by the Certifying Authority, the amount withdrawn is EUR 2,428.57, corresponding to the expenditure declared in reference year.
    - d) The residual error amounts to EUR 523.08 (0.85 %).
    - e) Considering all the above mentioned, the final conclusion on the system must be favourable.
  - **ES07, Financial Audit:** Sub-population Programme ES07: Exchange Scholarships / Complutense University of Madrid
    - a) For the purpose of issuing an opinion, the results of the controls mentioned in Annex 1 have been considered complying with the requirements of sample selection contained in section 5.2 of the hereby report.
    - b) Having regard to the results of the audits on expenditure declared, the sample error rate is 0.12%. The projected error amounts to EUR 2,282.04 (0.12 %)
    - c) Considering all the above mentioned, the final conclusion on the system must be favourable.

Resulting from continuous **monitoring** activities from the NFP, some trends were identified in different Programmes, mainly:

- Short implementing time: having in mind that most projects have started along 2014, the implementation time is between 1 and 2 years, which introduces extra pressure to their developments and let no room for the error.
- Calls: most of the calls were launched during 2014. That demanded an intensive work by the NFP to assess them and to take part as observer in the selection committees. Common concern to all of them was the mechanisms to better ensure the full application of available funds, facing the uncertainty of projects that could withdraw combined with the need of a certain amount granted in compliance with national granting law.
- High attractiveness of EEA Grants schemes: both potential future applicants and POs missed continuity in the Financial Mechanism after 2015, although new post-EEA Grants cooperation measures are being explored at project, programme and national-Donors level.
- Procurement processes: nor the AA nor the evaluation process by NFP has detected irregularities on this issue. Public procurement procedures are held at national level institutions and the control measures in place were successful up to now (see Attachment 8, section 3).

Monitoring activities are also implemented on-the-spot by visiting Projects and attending Bilateral Relations at National Level. During 2014, 38 visits were done.

**Review and evaluation** activities under the responsibility of the NFP were outsourced by the contracting of an audit and consulting company, LRQA -Lloyds Register Quality Assurance (see Attachment 8 for procurement process). This evaluation was held between January 2014 and 30 April 2015. The work plan was scheduled in three steps:

- 1 Initial period for definition of the work plan, the scope and the procedures, in close cooperation between NFP and the company. September 2015. As a result, a check list reflecting the objectives of the Financial Mechanism was agreed.
- 2 Evaluation period for on-the-spot evaluations of the Programme Operators: October to November 2015
- 3 Reporting period, including an allegations period for the POs and the final reports issued. November to December 2015

The final reports can be found as Annex 4 to this Strategic Report.

A clear pattern on this evaluation process was the short implementation period to be assessed, since the POs started their operations in 2013 and that was the year covered by the evaluation. In the absence of a specific MCS (nor approved, nor developed) some operational irregularities were detected, but they were solved and have no recurrence afterwards in 2014, with the MCS in place.

The evaluation and recommendations were made based on the principle of proportionality: some findings considered as fair, implemented to an acceptable stage, have no any recommendation for

improvement if it is assessed that the available resources at PO level and the remaining implementing period make such recommendations inefficient.

#### 4.4 Information and publicity

The Publicity and Communication Strategy of the Spanish National Focal Point, approved in 2013, describes a plan of measures to be taken with the general objective of enhancing knowledge of the EEA Grants (programmes, projects and results) reaching its potential stakeholders. With this goal in mind, during 2015, the National Focal Point has implemented the following information and publicity activities with very good results:

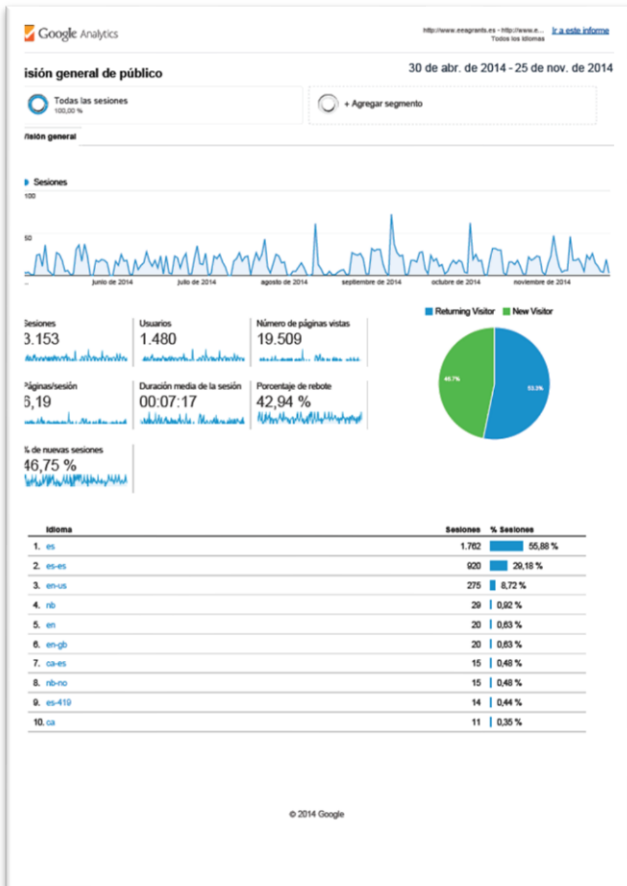
- **Website:** [www.eeagrants.es](http://www.eeagrants.es)

Launched in May 2014, the website contains all the information related to the EEA Grants in Spain but also stories about the projects, gathered on regular visits of the Communication Officer to projects, events and seminars and interviews with people beneficiary of the grants all over Spain.

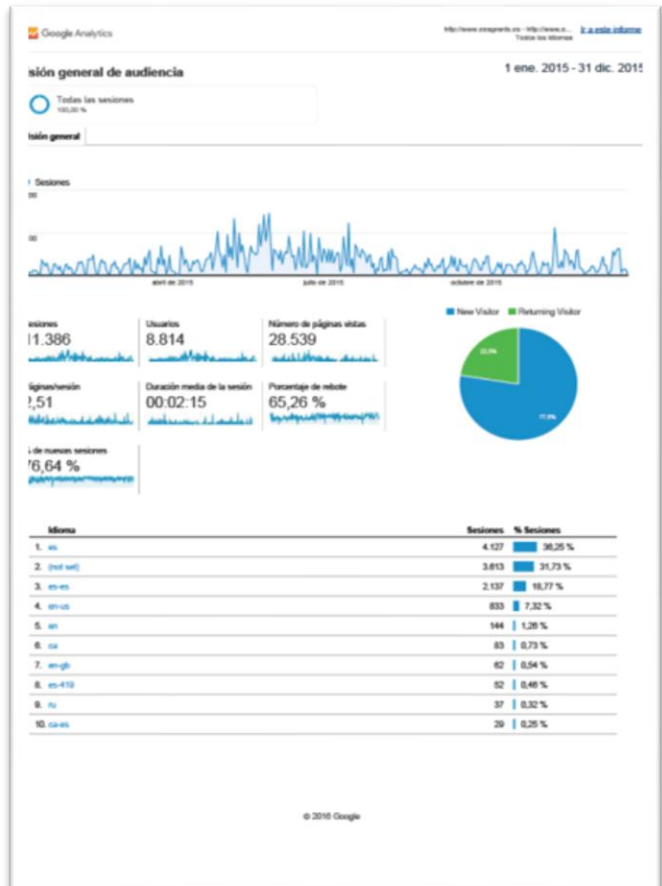
During 2015, the number of visits to the website exceeded 11,000 and the number of page views, more than 28,000, according to the data obtained from Google Analytics.

As can be seen in the documents below, the number of visits has been steadily increasing since 2014, and the special activity that can be observed in the chart between May and July 2015 correspond to the communication event organized by the NFP that attracted a good deal of attention.

2014



2015



- **Newsletter.**

Since September 2014 and during 2015, the NFP has sent a monthly Newsletter to online subscribers to disseminate all the information related to the EEA Grants in Spain (open calls, stories, events...). The subscribers cover all the target audiences and stakeholders.

- **Communication Workshop.**

The Spanish NFP took part in the Communication Workshop organized by the FMO on 14-15 April in Prague and took the floor to share how we are disseminating results in Spain through telling the story of the beneficiaries of the grants.



- **NFP Communication Event**

As stated in the Communication Strategy, the NFP organized on 3<sup>rd</sup> June 2015 a great event to disseminate the Programmes progress, first results and bilateral relations called **“Small grants for big ideas. Promoting sustainable development. The EEA Grants in Spain”**, where the Operators presented the advances on their programmes and some notable projects were introduced.

**Small Grants for big ideas  
Promoting sustainable development  
EEA Grants in Spain**

National Focal Point  
Madrid, 3<sup>rd</sup> June 2015

9.00. Registration

9.15. Opening Session.

- Mr. José María Piñero Campos, General Director of Community Funds.
- Mr. Johan Christopher Vilbe, Ambassador of Norway to Spain.

9.45. EEA Grants in Spain: building links, sharing success.

- Ms. Stine Andresen, Director, Financial Mechanism Office (FMO).
- Ms. Pilar Soler Oroz, Executive Director, National Focal Point (NFP).

10.00. An innovative concept of funds

- Ms. Pilar Soler Oroz, Executive Director, National Focal Point (NFP).

10.15. Fostering research in Spain.

- Mr. Luis Enrique San José, Head of the Analysis and Investments Department in CDTI, Environmental and Climate Change-related Research and Technology Programme Operator.  
Mr. Rodrigo Ballesteros, Trade and Tourism Co-Advisor, Norwegian Trade and Tourist Office – Innovation Norway, Donor Programme Partner.  
✓ Presentation of the project "Formaldehyde free eco-finish for textiles"  
Mr. Oriol Cusi Serrano, Managing Director, Adra S.A
- Ms. Marta Arregui, Director of the NLS Science and Sustainability Programme, Universidad Complutense de Madrid.  
✓ Presentation of the research project Susox: "Sustainable oxide materials and nanostructures for energy related applications"  
Ms. Ana Cremades, Universidad Complutense Madrid.  
Mr. Smagul Karazhanov, Institute for Energy Technology, Norway  
✓ Presentation of a success story in Bilateral Relations.  
Universidad de Valencia-Oslo University  
Mr. José Ramón Insa, School of Education at Universidad de Valencia.

- Audience feedback

11.05. Coffee Break.

11.45. Building a better society.

- Ms. Marisa Gómez, Director of the NGO Platform of Social Action, Active Citizenship Programme Operator  
✓ Presentation of the project "Get active. If they stop you, don't stop"  
Nova Centre per a la innovació social.  
Adela Margalef and Guillermo Almansa
- Ms. Begoña Suárez, Deputy General Secretary for Female Entrepreneurship and Promotion, Women's Institute and for Equal Opportunities, Secretary of State for Social Services and Equality, Gender Equality and Work-Life Balance Programme Operator.  
Ms. Rachel Espen Paul, Senior Adviser, Office of the Equality and Anti-Discrimination Ombud, Norway, Donor Programme Partner  
✓ Presentation of the Promociona project  
Ms. Nuria Torrijos, Business Development Manager, CEDE  
Ms. Isabel Álvarez, ATOS, Participant in Promociona project

- Audience feedback

12.45. Linking Europe through culture.

- Mr. Faustino Díaz Fortuny, Deputy Director General of Cultural Industries and Sponsorship Promotion, Ministry of Education, Culture and Sport, Cultural Heritage Programme Operator  
✓ Presentation of the project Cultural Industries Forum, Gamelab-Konsill  
Mr. Iván Lobo, Gamelab Founder
- Ms. Eva A. Sverisen Pål, EEA Grants and Communication Adviser, Royal Norwegian Embassy, Cultural Diversity and Cultural Exchange Programme Operator  
✓ Presentation of the project "Encounter between North and South through Music", Mr. Juan Jiménez, Off de la Luzna.

- Audience feedback

13.30 Closing session





The event was publicized in our website and photos and a recap of the event are also available:  
[http://www.eeagrants.es/sitios/eeagrants/en-GB/Paginas/ps\\_ga.aspx](http://www.eeagrants.es/sitios/eeagrants/en-GB/Paginas/ps_ga.aspx)

The objectives of the event were met, with more than 150 attendees from the Programme Operators, project promoters and representatives from different Spanish Ministries, and it received media coverage at national level:

<http://www.europapress.es/sociedad/noticia-exitosos-resultados-fondos-espacio-economico-europeo-espana-20150603164115.html>

<http://www.que.es/madrid/201506031616-proyectos-espana-benefician-millones-euros.html>

[http://www.telecinco.es/informativos/sociedad/Espana-benefician-invertidos-EEA-Grants\\_0\\_1997625390.html](http://www.telecinco.es/informativos/sociedad/Espana-benefician-invertidos-EEA-Grants_0_1997625390.html)

<http://ecodiario.eleconomista.es/sociedad/noticias/6764162/06/15/Mas-de-400-proyectos-en-Espana-se-benefician-de-los-45-millones-de-euros-invertidos-a-traves-de-los-fondos-EEA-Grants.html>

[http://noticias.lainformacion.com/interes-humano/sociedad/mas-de-400-proyectos-en-espana-se-benefician-de-los-45-millones-de-euros-invertidos-a-traves-de-los-fondos-eea-grants\\_CBQc5nYKgSfoSSRFy7qf91/](http://noticias.lainformacion.com/interes-humano/sociedad/mas-de-400-proyectos-en-espana-se-benefician-de-los-45-millones-de-euros-invertidos-a-traves-de-los-fondos-eea-grants_CBQc5nYKgSfoSSRFy7qf91/)

- **Media appearances**

The Spanish projects funded by the EEA Grants 2009-2014 closed in December 2015, and most of them organized closing events and/or dissemination of results to the press. So, the result of the Programme Operators and NFP' communication work is that the EEA Grants in Spain continued receiving wide media coverage, not only taking into consideration the number of appearances but also the quality and circulation of the media. To follow the appearances of the EEA Grants in Spanish media:

<http://www.eeagrants.es/sitios/eeagrants/en-GB/Paginas/eeagrantsprensa.aspx>

- **Publication “20 years of EEA Grants in Spain: 1994-2014”**

The NFP has been working during 2015 closely with the Norwegian Embassy in Spain to develop a publication about the results of 20 years of EEA Grants in Spain that will be presented in June 2016 in the NFP mayor closing event (for more information see chapter 2.2 of this report).

- **Programme Operators’ Communication Assessment**

Regarding the Programme Operators, all of them have continued developing their Communication Strategies during 2015. Please find below the assessment of the information and publicity activities implemented by them:

### **ES02: Environmental and Climate change-related Research and Technology**

This programme benefits greatly from the wide experience in Communication that the Programme Operator, CDTI, has. Their events related to the EEA Grants are very well organized attracting a large number of visitors and media coverage.

During 2015, one big event was organized by the Programme Operator: “European financing mechanisms for R&D within the energy and environment sector”, with around 100 participants from Spanish and Norwegian companies.

CDTI corporate magazine “Perspectiva CDTI” published in 2015 one article about the Expert Seminar on Policy Making and R&D in Energy Efficiency, held on 22<sup>nd</sup> October 2014, as well as the list of projects funded from July to December 2014 that includes the projects funded through the second call.

The information related to the EEA Grants is included within their own website (in English and Spanish), taking advantage of the huge number of visits it usually received.  
<https://www.cdti.es/index.asp?MP=7&MS=704&MN=3>

For 2016, a big Investment forum in Green Technologies is foreseen and the major closing event to disseminate the final results.

### **ES03: Active Citizenship**

The project’s closing events and the Research “Third Social Action Sector in Spain” stirred the interest of a large number of stakeholders contributing to disseminate the results of the programme.

The official website of the Programme <http://www.plataformaong.org/ciudadaniaactiva/en/index.php> had a total of 10,615 visits during 2015. Regarding the Social Media: Facebook has a total of 254 followers and Twitter, 683. Furthermore, 16 newsletters were sent to 4,321 subscribers with all the information related to the development of the programme.

Three events were organized by the NGO Platform of Social Action, Programme Operator:

-[Intercultural coexistence in Europe: diversity management models](#)

-[Strategic alliances to improve NGO results](#)

-[Presentation of the Research “Third Social Action Sector in Spain”](#)

In addition to this, the project promoters have developed specific websites of the projects: <http://www.plataformaong.org/ciudadaniaactiva/en/proyectos-aprobados.php>. Some of the projects have acquired high visibility, such as Network against Hate (promoted by the Spanish Federation of Gays, Lesbian, Bisexual and Transgender devoted to fight against Hate Speech and Crime) whose video “Con la voz bien alta” had more than 900,000 views on YouTube and received wide media coverage.

#### **ES04: Gender Equality and Work-Life Balance**

ES04 continues to be one of the programmes that is making more impact in terms of visibility, not only because of the enormous amount of interest in the gender issues, but also because of the activities developed by the 70 projects financed under this programme.

In 2015, all the projects finished their activities and disseminated their results through closing events and press releases. For example, the 9 projects financed under the Gender Pay Gap chapter within the Open Call organized 27 dissemination events, published 9 best practices guide, edited 51,291 brochures and 235 press releases and had 9 social network profiles.

The Programme Operator made sure the entities complied with the communication regulation, especially in relation with the use of logos.

It is worth mention that the programme (results and best practices) was presented during the Annual Meeting of the United Nations Commission on the Status of Women –CSW 59. It provided a wider dissemination to a broader international audience. Additionally, the conference and activities organized in Oslo as part of the bilateral relations projects on social and labour inclusion of Roma women were covered by the main Norwegian newspapers.

#### **ES05: Cultural Heritage**

The opening of the Federico García Lorca Centre on 29<sup>th</sup> July 2015 and all the cultural activities developed since then have had a great repercussion in media, at local, regional and national level.

All materials produced for the different activities have explicitly and visually acknowledged the support of the EEA Grants by means of logo inclusion. As well as the new website of the Centre: <http://centrofedericogarcialorca.es/>

Besides, some interesting actions have been developed such as a guided visit for journalists. The aggregate of the published articles, the new website and the promotion of the activities on different social networks (Twitter, Facebook, YouTube, Vimeo, Instagram and Pinterest) has contributed to reach the communication objectives.

Unfortunately, the problems with the poet’s legacy transfer to Granada have also reached the media. However, the EEA Grants have never been linked to negative connotations.

#### **ES06: Cultural diversity and cultural exchange**

Considering that ES06 programme closed in 2014, there have been neither project activities during 2015 nor communication activities. Nevertheless, the Norwegian Embassy has used, where appropriate, the programme to seek synergies with relevant communication activities already carried out by the Embassy.

Besides, the Embassy uses the website (30,000 visits per month) and social media to provide general information on the different programmes of the EEA Grants, to a Norwegian audience through Facebook (with 3,300 followers) and to a Spanish audience through Twitter (1,400 followers).

### **ES07: NILS Science and Sustainability**

The communication strategy followed by the Programme Operator is focused on the website, which although is not visually attractive, is very operational including all relevant information and descriptions of all the projects approved: <http://www.nilsmobilityproject.es/>

A Summer Course on Gender and Science was organized in the frame of the El Escorial Summer School of Complutense University, an important forum with a wide communication policy carried out by organizers.

Awarded applicants have also carried out communication activities (website, seminars...) where NILS and EEA Grants logo were visible.

But without a doubt, the best communication is the informal one developed by the 200 students recipient of NILS grants that have spent part of the academic year in Norway, Iceland and Liechtenstein and who describes their experience as “life-changing”.

## **4.5 Work Plan**

After the end of eligibility period at the end of 2015, 2016 will be the year of the final assessment of the results.

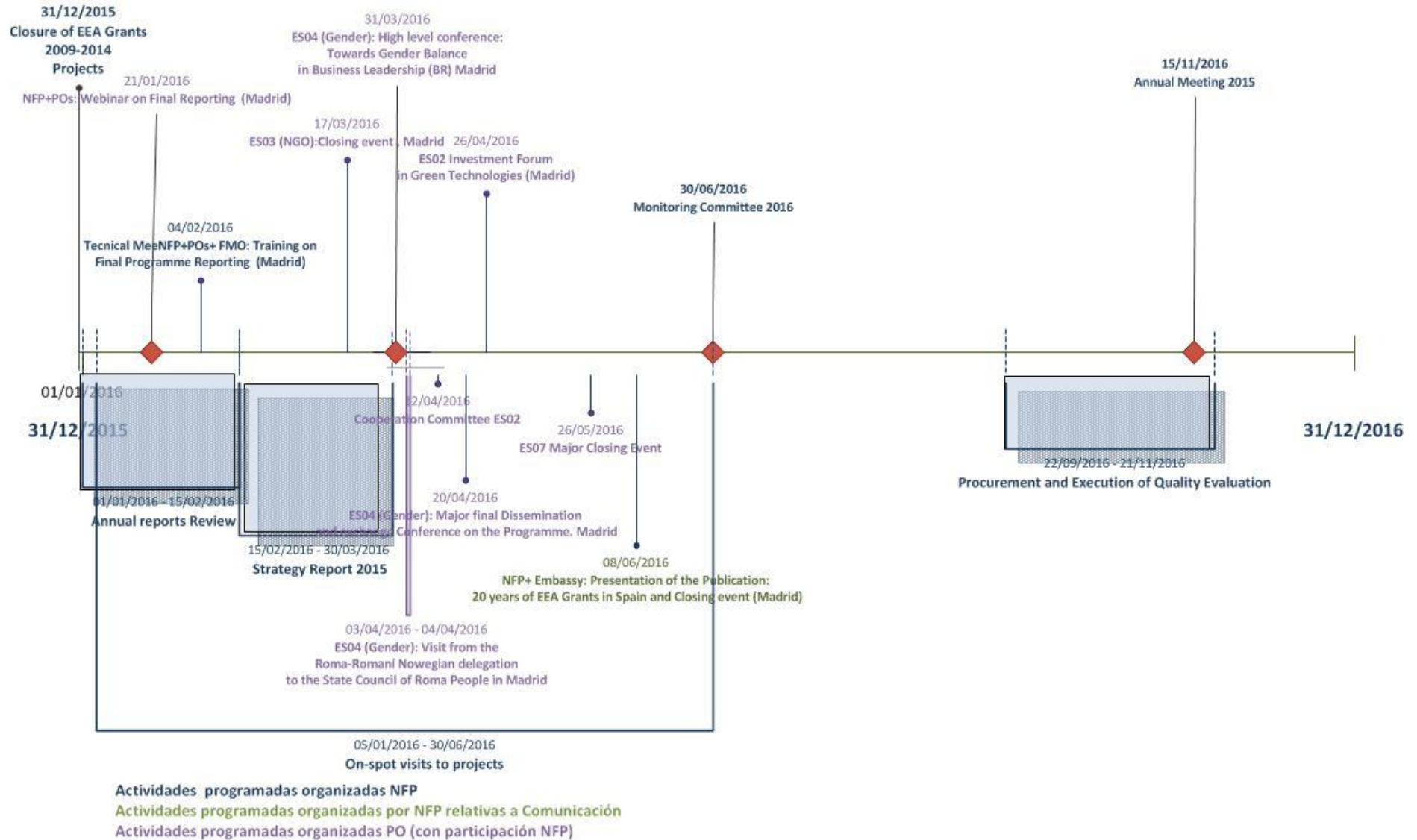
- **Results.** If 2015 was a very active year in terms of projects development, as well as events, workshops and bilateral relations activities, 2016 would be the moment to present the achievement of outcomes/outputs by the Programme Operators.
- **Bilateral activities.** Many bilateral relations activities (at national and programme level) are going to be developed in 2016, in order to reinforce the already created links between Spain, Norway, Iceland and Liechtenstein and to foster future cooperation beyond the EEA Grants.

The Bilateral Relations fund at National level work plan is described in chapter 2.2 and annex 5 of this Strategic Report.

2016 is expected to represent a big challenge for a diminishing NFP in order to monitor the closing activities and to solve the problems related to remaining funds after the projects final assessment.

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ES01- NFP- WORK PLAN 2016



## 5 SUMMARY LIST OF ISSUES AND RECOMMENDATION

The implementation of the EEA Grants programmes in 2015 has proved satisfactory, despite the constraints derived from the lack of time, as stated in the Strategic Report 2014.

As it has been reflected in this Strategic Report, the objectives of the programmes, reflected in the outcomes and outputs, have been met and even exceeded in most cases. That has been made possible thanks to the extraordinary efforts of the NFP, the POs, the DPPS and the project promoters, under a lot of pressure for the short implementation period. Furthermore, it should be stressed the good results of the monitoring system put in place as well as the permanent support received from the FMO.

Having had more time for the implementation would have helped to:

- ✓ Create more opportunities for increasing capacity and sustainability of the projects in the long term.
- ✓ Consolidating relationships with donor partners which would ensure a higher degree of long-term cooperation beyond the EEA Grants.
- ✓ Developing a larger number of bilateral activities and finding the right partners in the donor countries.

From the point of view of the NFP, several good practices have been carried out within the Spanish programmes 2009-2014:

- **A high level of synergy between the Programmes.** As we advanced in the Strategic Report 2014, that implies a continuous cooperation and an intense exchange of experiences, knowledge and resources between the different POs. As an example, in 2015, ES04 Programme Operator (Secretary of State for Social Services and Equality) has collaborated in the organization of the Conference Intercultural Coexistence in Europe: diversity management models, within the Active Citizenship Programme (operated by the NGO Platform of Social Action). Also, ES 05 PO (Ministry of Education, Culture and Sport) actively participated in the seminar “High value sectors and new opportunities” organized by ES04 PO as a bilateral activity.
- **The close and fruitful relationship between POs and DPPs** that in most of the cases will lead to further collaboration beyond the EEA Grants. It is noteworthy the case of CDTI and Innovation Norway which have made several study visits to share best practices in funds management and which have organized several activities to encourage Spanish and Norwegian companies to apply to European calls such as Horizon 2020. And the case of Spanish Secretary of State for Social Services and Equality and Norwegian LDO that has even result in the transfer of some Spanish projects related to gender equality to Norway.

Lastly, regarding recommendations and main issues, it should be stressed, again, the problems some programmes have had related to reallocating unused funds from Open Calls or failed projects. It would have been interesting that this eventuality could have been envisaged in the **Programmes Agreement**, in order to avoid the problems stemmed from the long procedures needed to change the PAs, aggravated by the short period of implementation in Spain.

## 6 ATTACHMENTS TO THE STRATEGIC REPORT

1. For each Programme, a table showing the breakdown in respect of applications received and projects selected / contracted, as well as the types of intervention supported.
2. For each Programme, a table providing information in respect of donor partnership projects (names of Donor State entities, number and proportion of partnership projects).
3. A summary table on Donor partnership projects on the Beneficiary State level.
4. A list of irregularities detected at the Beneficiary State level and at Programme level during the reporting period and financial corrections made. Provide an update on previously reported irregularities.
5. For each Programme, a list of irregularities detected at project level during the reporting period and financial corrections made. Provide an update on previously reported irregularities.
6. A plan setting out the monitoring and audit activities in the Beneficiary State for the coming reporting period. (This is a non-public attachment)
7. A risk assessment at the national and programme levels (This is a non-public attachment).
8. Annual reporting under the Technical Assistance Agreement.

## 7 ANNEXES TO THE STRATEGIC REPORT

Annex 1 – Audit Authority’s Annual Report and Opinion 2015.

Annex 2 – Programmes Evaluation reports covering 2014 and first QE 2015 outsourced by NFP in 2015.

Annex 3 – Bilateral Relations fund at National level – Spain. Work Plan 2016.

## **Attachment 1 - Strategic report 2015**

### **Open Calls- Applications/ Contracted- Types of intervention supported** *(Source- Doris)*



## Attachment 1 - Strategic report 2015

### Open Calls- Applications/ Contracted- Types of intervention supported *(Source- Doris)*

- **ES02 Environmental and Climate Change-related Research and Technology - Calls for Proposals** Two Open Calls- Applications/ Contracted- Types of intervention supported

Calls for proposals	2013			2014			Total					
	Received	Partnership	Projects Contracted	Received	Partnership	Projects Contracted	Received	Partnership	Projects Contracted	Received	Partnership	Projects Contracted
Open call 1	185	55	0			78	0	0	0	185	55	78
Additional call under Open call 1				154	25	91	0	0	0	154	25	91
<b>TOTAL</b>	<b>185</b>	<b>55</b>	<b>0</b>	<b>339</b>	<b>80</b>	<b>169</b>				<b>339</b>	<b>80</b>	<b>169</b>

Open call related outcomes:

- Increased development and application of technology that benefits the environment

- **ES03 NGO Fund “Active Citizenship Programme”**  
**One Open Call- Applications/ Contracted- Types of intervention supported**

Calls for proposals	2013			2014			2015			Total		
	Received	Partnership	Projects Contracted	Received	Partnership	Projects Contracted	Received	Partnership	Projects Contracted	Received	Partnership	Projects Contracted
Predefined in Programme Proposal			0			2	0	0	0			2
Grants for NGO's projects EEA NGO Fund	236	9	0	0	0	38	0	0	0	236	9	38
<b>TOTAL</b>	<b>236</b>	<b>9</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>40</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>236</b>	<b>9</b>	<b>40</b>

Open call related outcomes:

- Active citizenship fostered
- Increased involvement of NGOs in policy and decision-making processes with local, regional and national governments
- Cross-sectoral partnerships developed, particularly with government organisations at local, regional and / or national level
- Developed networks and coalitions of NGOs working in partnership

Predefined project measures:

- Information and awareness rising.

- **ES04 Gender equality and work-life balance**  
**Open Calls- Applications/ Contracted- Types of intervention supported**

Calls for proposals	2013			2014			2015			Total		
	Received	Partnership	Projects Contracted	Received	Partnership	Projects Contracted	Received	Partnership	Projects Contracted	Received	Partnership	Projects Contracted
Predefined in Programme Proposal			5		1						1	5
Activities addressing women in vulnerable groups and women from rural areas	0	0	0	108	7	25	0	0	0	108	7	25
Activities for promoting women's entrepreneurial attitude	0	0	0	83	8	26	0	0	0	83	8	26
Implementation of good practices to improve coordination of services for victims of gender based violence	0	0	0	8	0	6	0	0	0	8	0	6
Reducing pay gaps within companies	0	0	0	41	1	9	0	0	0	41	1	9
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>5</b>	<b>240</b>	<b>17</b>	<b>71</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>240</b>	<b>17</b>	<b>71</b>

- Open call related outcomes:
  - Gender issues across policies and practices mainstreamed
  - Successful national policies and best practices on gender equality exchanged
  - Gender pay gap reduced
- Predefined project measures:
  - Advocacy
  - Capacity-building
  - Education and training
  - Information and awareness raising
  - Provision of services
  - Research

- **ES05 Conservation and Revitalisation of Cultural and Natural Heritage  
 Contracted- Types of intervention supported**

Calls for proposals	2013			2014			2015			Total		
	Received	Partnership	Projects Contracted	Received	Partnership	Projects Contracted	Received	Partnership	Projects Contracted	Received	Partnership	Projects Contracted
Predefined in Programme Proposal	0	0	0	1	0	1	0	0	0	1	0	1
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>1</b>

- Predefined project measures:
  - Education and training
  - Infrastructure development and provision of equipment
  - Provision of services

- **ES06 Cultural diversity and Cultural exchange**  
**Open Calls- Applications- Types of intervention supported**

Calls for proposals	2013			2014			2015			Total		
	Received	Partnership	Projects Contracted	Received	Partnership	Projects Contracted	Received	Partnership	Projects Contracted	Received	Partnership	Projects Contracted
Open call: Cultural diversity and cultural exchange	141	98	29	0	0	0	0	0	0	141	98	29
<b>TOTAL</b>	<b>141</b>	<b>98</b>	<b>29</b>	<b>0</b>	<b>0</b>	<b>0</b>				<b>141</b>	<b>98</b>	<b>29</b>

- Open call related outcomes:
  - Contemporary art and culture presented and reaching a broader audience

- **ES07 EEA Scholarship Programme**  
**Open Calls- Applications- Types of intervention supported**

Calls for proposals	2013			2014			2015			Total		
	Received	Partnership	Projects Contracted	Received	Partnership	Projects Contracted	Received	Partnership	Projects Contracted	Received	Partnership	Projects Contracted
Abel - CM- 2013	21	21	0	0	0	18	0	0	0	21	21	18
Abel - CM- 2014	0	0	0	12	12	11	0	0	0	12	12	11
Abel - IM- 2013	26	26	0	0	0	23	0	0	0	26	26	23
Abel - IM- 2014A	0	0	0	29	29	26	0	0	0	29	29	26
Abel - IM-2014 B	0	0	0	43	43	0	0	0	0	43	43	0
Additional Funding ABEL- IM -CM	0	0	0	0	0	0	17	17	9	17	17	9
EEA Grants for Spanish students in Norway, Iceland and Liechtenstein	11	11	10	0	0	1				11	11	11
<b>TOTAL</b>	<b>58</b>	<b>58</b>	<b>10</b>	<b>84</b>	<b>84</b>	<b>79</b>	<b>17</b>	<b>17</b>	<b>9</b>	<b>159</b>	<b>159</b>	<b>98</b>

- Open call related outcomes:
  - Increased higher education student and staff mobility between Beneficiary and EEA EFTA States
  - Increased and strengthened institutional cooperation at all levels of the education sector (school education, higher education, vocational training/education and adult education) between Beneficiary and EEA EFTA States

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Bilateral Calls for proposals	2013			2014			2015			Total		
	Received	Partnership	Projects Contracted	Received	Partnership	Projects Contracted	Received	Partnership	Projects Contracted	Received	Partnership	Projects Contracted
Preparatory visits	1	0	0	3	3	3	0	0	0	4	3	3
Call for applications. Bilateral relations I	0	0	0	7	7	2	23	23	13	30	30	15
Call for applications. Bilateral relations II	0	0	0	0	0	0	10	10	10	10	10	10
<b>TOTAL</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>10</b>	<b>10</b>	<b>5</b>	<b>33</b>	<b>33</b>	<b>23</b>	<b>44</b>	<b>43</b>	<b>28</b>

**Attachment 2 - Strategic report 2015**  
**Donor Partnership Projects at Programme level.** *(Source- Doris)*



## Projects with donor project partners in Spain

- ES02 Environmental and Climate Change-related Research and Technology – All projects from calls for Proposals**

The entities from donor countries that participate in, at least, one of the projects under implementation (some of them participating in some of them, as SINTEF) are the following:

P-ID	Project Name	PDP	Donor state	Donor project partner	Type of organisation
ES02-0001	IMPROVE OF ANAEROBIC DIGESTIÓN PROCESS THROUGH THERMAL HYDROLYSIS TECHNOLOGY PERFORMANCE	No	Norway	CAMBI AS	Large enterprise
ES02-0002	RESEARCH AND DEVELOPMENT OF AN NEW ECOLOGICAL PROCESS BASED ON XET ENZYME TECHNOLOGY FOR FUNCTIONALITATION OF RECYCLED COTTON (Project that has cancelled the collaboration with the entity from the donor country 2015)	No	Iceland	INNOVATION CENTER ICELAND	National agency
ES02-0005	DEVELOPMENT OF A PROTOTYPE OF CO2 SUPERCRITICAL FOR TANNING	No	Iceland	ATLANTIC LEATHER LODSKINN SAUDSKINN	Small or medium sized enterprise (SME)
ES02-0006	ENERGY SYSTEM TO ACHIEVE OPTIMIZATION FROM RENEWABLE ENERGY SELF-CONSUMPTION	No	Norway	Scandinavian Electric AS	Large enterprise
ES02-0007	NEW CONCEPT OF MARINE FLOATING PLATFORM FOR WIND TURBINES	No	Norway	DET NORSKE VERITAS ESPAÑA, S.L.	Large enterprise
ES02-0015	ARPA PORTS (Project Resigned 2014)	No	Norway	PELAGIC POWER AS	Small or medium sized enterprise (SME)
ES02-0016	ARPA PORTS (Project Resigned 2014)	No	Norway	PELAGIC POWER AS	Small or medium sized enterprise (SME)
ES02-0018	DEVELOPMENT OF HIGH RESOLUTION SONAR TECHNOLOGIES FOR THE FISHING DISCRIMINATION AND SUSTAINABLE EXPLOITATION OF MARINE WORLD	No	Norway	SIMRAD TECHNOLOGY FOR SUSTAINABLE FISHERIES	Large enterprise
ES02-0019	GRID INTEGRATION OF LARGE PHOTOVOLTAIC PLANTS SUPPORTED WITH ENERGY STORAGE UNITS	No	Norway	SINTEF Energy Research	University, college or other teaching institution, research institute or think-tank

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P-ID	Project Name	PDP	Donor state	Donor project partner	Type of organisation
ES02-0020	RESEARCH AND TECHNOLOGICAL DEVELOPMENT OF A INTELLIGENT CO2 CAPTURE SYSTEM FOR SMALL INDUSTRIES AND RESIDENTIAL AREAS	No	Norway	NORSK INSTITUT FOR VANNFORSKNING (NIVA)	Other
ES02-0024	DEVELOPMENT OF INNOVATIVE GEOTHERMAL SYSTEM TO REMOVE THE BRINE DISCHARGED ON THE ROADS IN ICY SEASONS	No	Norway	SINTEF Energy Research	University, college or other teaching institution, research institute or think-tank
ES02-0037	HIGH EFFICIENT POWER CONVERTERS FOR MIDDLE-VOLTAGE MULTI-MEGAWATT OFFSHORE WIND ENERGY GENERATION WITH 4,5MW MODULES	No	Norway	Norwegian University of Science and Technology (NTNU)	University, college or other teaching institution, research institute or think-tank
ES02-0038	ADVANCED ZINC-AIR FLOW BATTERIES FOR LARGE-SCALE RENEWABLE ENERGY STORAGE	No	Norway	SINTEF Energy Research	University, college or other teaching institution, research institute or think-tank
ES02-0039	HIGH EFFICIENT ELECTRIC DISTRIBUTION SYSTEM FOR MARINE APPLICATIONS	No	Norway	ULSTEIN POWER & CONTROL, A.S.	Large enterprise
ES02-0040	NEW TECHNOLOGIES 'FULL-CONVERSION' FOR THE INCREASE OF THE ENERGY DENSITY AND OF THE RATIO POWER- COST IN WIND GENERATION OFFSHORE	No	Norway	Norwegian University of Science and Technology (NTNU)	University, college or other teaching institution, research institute or think-tank
ES02-0049	BIOSURFACTANT SYNTHESIS BASED ON LINEAR ALKYL BENZENE FROM BIO SOURCES BY MEANS OF MORE ENERGY-EFFICIENT PROCESSES	No	Norway	University of Bergen	University, college or other teaching institution, research institute or think-tank
ES02-0049			Norway	UNIVERSITY OF OSLO	University, college or other teaching institution, research institute or think-tank
ES02-0050	APPLIED RESEARCH ON NEW HIGH-DURABLE AND LOW-COST OFFSHORE FOUNDATIONS	No	Norway	SINTEF Energy Research	University, college or other teaching institution, research institute or think-tank
ES02-0051	APPLIED RESEARCH ON NEW HIGH-DURABLE AND LOW-COST OFFSHORE FOUNDATIONS	No	Norway	SINTEF Energy Research	University, college or other teaching institution, research institute or think-tank
ES02-0056	DEFORESTATION ENVIRONMENTAL IMPACT ESTIMATION IN TROPICAL COUNTRIES THROUGH SYSTEMATIC SATELLITE MONITORING	No	Norway	Kongsberg Satellite (KSAT)	Small or medium sized enterprise (SME)

P-ID	Project Name	PDP	Donor state	Donor project partner	Type of organisation
ES02-0058	EXPERT SYSTEM FOR THE EFFICIENT OPERATION AND MAINTENANCE OF HVAC WITH PHOTOVOLTAIC ENERGY	No	Norway	ARENA SMART GRID SERVICES	Other
ES02-0059	EXPERT SYSTEM FOR THE EFFICIENT OPERATION AND MAINTENANCE OF HVAC WITH PHOTOVOLTAIC ENERGY	No	Norway	ARENA SMART GRID SERVICES	Other
ES02-0062	CHARACTERIZATION AND SYNTHESIS OF PIEZOELECTRIC MATERIALS FOR ENERGY HARVESTING APPLICATIONS (Project cancelled 2015)	No	Norway	SINTEF Energy Research	University, college or other teaching institution, research institute or think-tank
ES02-0065	DEVELOPMENT OF A NEW AND INNOVATIVE ENVIRONMENTAL TECHNOLOGY OF DENITRIFICATION BASED ON THE PROCESS OF AUTOTROPHIC ANAEROBIC OXIDATION	No	Norway	VESTFORSK	Other
ES02-0066	DEVELOPMENT OF A INNOVATIVE DESALINATION PROCESS FOR THE REDUCTION OF ENERGY CONSUMPTION WITH FORWARD OSMOSIS	No	Norway	VESTFORSK	Other
ES02-0069	ENERGY EFFICIENCY IN TUNNELS	No	Norway	Norwegian Public Roads Administration	National agency
ES02-0070	INTEGRAL MANAGEMENT OF THE ENERGETIC RESOURCES AND ENVIRONMENTAL POLLUTION OF THE CITY	No	Norway	Norwegian Institute for Air Research	University, college or other teaching institution, research institute or think-tank
ES02-0076	DEVELOPMENT AND ASSESMENT SYSTEMS OF REPOWERING SOLUTIONS FOR WIND FARMS	No	Norway	MAMMOET NORGE AS	Large enterprise
ES02-0077	DEVELOPMENT OF A NEW WIND TOWER SOLUTION FOR GREATER HEIGHTS WITH NOVEL FOUNDATION FIXED FOR EVERY WIND TOWER TYPE	No	Norway	MAMMOET NORGE AS	Large enterprise
ES02-0081	MEMBRANE EFFICIENCY MONITORING FOR IMPROVEMENT OF ENERGY EFFICIENCY AND REDUCTION OF ENVIROMENTAL IMPACTS OF THE REVERSE OSMOSIS PROCESS IN DESALINATION PLANTS	No	Norway	Telemark University College	University, college or other teaching institution, research institute or think-tank
ES02-0083	OFFSHORE INTELLIGENT BEARING: SENSORIZATION, MONITORING AND DIAGNOSIS	No	Norway	NORMEC	Large enterprise
ES02-0084	SDK WAVES TURBINE. SYSTEMS VALIDATION: 1:5 PROTOTYPE & AUTONOMOUS BUOYS	No	Norway	FUGRO OCEANOR AS	Large enterprise

P-ID	Project Name	PDP	Donor state	Donor project partner	Type of organisation
ES02-0086	INTEGRATED ONLINE MAPPING SYSTEMS AND FOREST INVENTORY ON LARGE SURFACES BASED ON LIDAR INFORMATION	No	Norway	Norwegian Forest and Landscape Institute	Other
ES02-0087	MAGNETIC ADVANCED SMALL POWER WIND TURBINE (Project cancelled 2015)	No	Norway	POWER BOOST AS	Small or medium sized enterprise (SME)
ES02-0096	WINE-MAKING ADAPTATION TO CLIMATE CHANGE BY AN EFFICIENT AND SUSTAINABLE WAY	No	Norway	WORLD WINES AS	Large enterprise
ES02-0109	HTF PIPE TEMPERATURE DISTRIBUTED MONITORING SYSTEM IN SOLAR THERMAL POWER PLANTS	No	Norway	SINTEF Energy Research	University, college or other teaching institution, research institute or think-tank
ES02-0117	NEW SUSTAINABLE PACKAGING SOLUTIONS FOR FISH PROCESSING INDUSTRY	No	Norway	NOFIMA	Other
ES02-0118	NEW SUSTAINABLE PACKAGING SOLUTIONS FOR FISH PROCESSING INDUSTRY	No	Norway	NOFIMA	Other
ES02-0122	RECOVERY AND USE ENERGY USE FROM RAILWAYS VIBRATIONS	No	Norway	Stiftelsen SINTEF	Large enterprise
ES02-0125	DESING AND DEVELOPMENT OF A NEW ENERGETIC TECHNOLOGY BASED ON DEEP GEOTHERMICAL EXCHANGERS WITH ADVANCED MATERIALS AND MORTARS	No	Norway	NORWEGIAN GRAPHITE, AS	Small or medium sized enterprise (SME)
ES02-0126	SMART WIND ESS-SMART ENERGY STORAGE SYSTEMS FOR WIND POWER INTEGRATION AND QUALITY IMPROVEMENT	No	Norway	SINTEF ENERGI AS	Other
ES02-0127	SMART WIND ENERGY STORAGE SYSTEMS - SMART ENERGY STORAGE SYSTEMS FOR WIND POWER INTEGRATION AND QUALITY IMPROVEMENT	No	Norway	SINTEF ENERGI AS	Other
ES02-0133	FIREPROOFING JACQUARD FABRICS TECHNOLOGY RESEARCH FOR DEVELOPING AN ENVIRONMENTALLY SUSTAINABLE SYSTEM FOR THE TEXTILE INDUSTRY	No	Iceland	INNOVATION CENTER ICELAND	National agency
ES02-0148	INCORPORATION OF A NEW DECONTAMINATING TECHNOLOGY IN CONCRETE PREFABRICATED TO IMPROVE ENVIRONMENT AND COMBATE CLIMATE CHANGE	No	Norway	SINTEF Energy Research	University, college or other teaching institution, research institute or think-tank
ES02-0153	INTEGRATED SYSTEM OF HOT GREYWATER ENERGETIC RECYCLING	No	Norway	CERPOTECH AS	Small or medium sized enterprise (SME)

P-ID	Project Name	PDP	Donor state	Donor project partner	Type of organisation
ES02-0168	INDUSTRIAL RESEARCH AND DEVELOPMENT ORIENTED TO THE MANUFACTURING OF INNOVATIVE PRODUCTS FOR THE ENERGY SECTOR	No	Norway	DRESSER RAND	Large enterprise
ES02-0169	DESIGN AND CONSTRUCTION OF A ROTARY PENDULUM WAVE ENERGY CONVERTER FOR INTEGRATION IN METOCEAN BUOYS	No	Norway	FUGRO OCEANOR AS	Large enterprise
ES02-0173	ENERLOUD: A SMART GRID INTEROPERABILITY SYSTEM FOR THE ENERGY CONSUMPTION OPTIMIZATION	No	Norway	MOVATION AS	Micro-enterprise
ES02-0173	ENERLOUD: A SMART GRID INTEROPERABILITY SYSTEM FOR THE ENERGY CONSUMPTION OPTIMIZATION	No	Norway	eSmart Systems AS	Small or medium sized enterprise (SME)
ES02-0178	VULNERABILITY MANAGEMENT OF CRITICAL HYDRAULIC INFRASTRUCTURES	No	Norway	NORSK INSTITUT FOR VANNFORSKNING (NIVA)	Other
ES02-0189	DEVELOPMENT OF A CATALYZED EXHAUST SYSTEM ADAPTED TO COMBUSTION CONTROL FOR REDUCING EMISSIONS IN MOTORCYCLE FOUR-STROKE ENGINES	No	Norway	SPEED OPTIONS AS	Small or medium sized enterprise (SME)

Planned grant amount for projects with donor project partners € 4,929,080.  
 Projects with donor project partners 48 out of 189 projects signed. (25.40%)

Initially the number of contracts signed that had agreements with entities from donor countries was 50 (34 from the first call and 16 from the second) of which 46 are Norwegian and 4 Icelandic. In 2014 two companies of the first call had an agreement with a Norwegian company didn't develop finally the project and other company from the second call communicated that they will not sign the contract with the Norwegian company. So, in 2014, the number of projects being developed in collaboration with entities from donor countries was 47 (43 Norwegian and 4 Icelandic).

Project ES02-81 has integrated collaboration with a Norwegian entity after the evaluation of the project made by CDTI. Thus, this project with donor country partner was included in Doris by the PO after having submitted the Annual Report in February 2015.

In 2015 two projects with donor partner were cancelled and other one cancelled their collaboration with the entity from the donor country.

- **ES03 NGO Fund “Active Citizenship Programme”**

P-ID	Project Name	PDP	Donor state	Donor project partner	Type of organisation
ES03-0016	NO HATE SPEECH NETWORK	No	Norway	Landsforeningen for Lesbisk og Homofil FRIGJØRING (LLH)	Other type of NGO
			Iceland	SAMTÖKIN '78 - The National Queer Organization of iceland	Other type of NGO
ES03-0033	e-CITIZEN	No	Norway	The Ideas Bank Foundation	Foundation

Planned grant amount for projects with donor project partners € 249,906.

Projects with donor project partners 2 out of 40 (5.0%)

- **ES04 Gender equality and work-life balance**

P-ID	Project Name	PDP	Donor state	Donor project partner	Type of organisation
ES04-0002	Equilibrio Balance	Y	Norway	Norwegian Association of Local and regional authorities	Other
ES04-0006	Project of exchange of best practices and legal instruments in the fight against gender based violence	Y	Norway	The Norwegian Equality and Anti-discrimination Ombud	National Agency
ES04-0018	ACTION EQUAL PAY	N	Norway	LO Norway	Trade Union
ES04-0025	Be a female entrepreneur: promotion of the consolidation and access to funding for entrepreneurial projects led by women.	N	Norway	Odal Naeringsshage Utvikling AS	Service provision organization (NGO)
ES04-0026	Threading for the promotion of women	N	Norway	Odal Naeringsshage Utvikling AS	Service provision organization (NGO)
ES04-0030	MESS, women entrepreneur for sustainable companies	N	Norway	Kvinder I Business	Employer 's Organisation
ES04-0035	Programme for the promotion of women entrepreneurship	N	Norway	Odal Naeringsshage Utvikling AS	Service provision organization (NGO)
ES04-0037	FEMALE BUSINESS MODELS	N	Norway	Odal Naeringsshage Utvikling AS	Service provision organization (NGO)
ES04-0039	Comprehensive attention for immigrant women: training itineraries for the social and labour integration "AIMISOLA"	N	Norway	Bergen University	University, college or other teaching institution, research institute or think-tan
ES04-0039	Comprehensive attention for immigrant women: training itineraries for the social and labour integration "AIMISOLA"	N	Norway	Bergen University	University, college or other teaching institution, research institute or think-tan
ES04-0043	LOCAL MECHANISM TO PROVIDE SUPPORT FOR FEMALE ENTREPRENEURS. DAME PROJECT. DAME Project	N	Norway	EUROPEAN CENTRE FOR WOMEN AND TECHNOLOGY- ECWT	Umbrella organization / Network of NGOs
ES04-0046	Cádiz: Women entrepreneur from equality and conciliation	N	Norway	Odal Naeringsshage Utvikling AS	Service provision organization (NGO)
ES04-0049	Undertaking Together	N	Norway	Odal Naeringsshage Utvikling AS	Service provision organization (NGO)
ES04-0053	Emple@ Rural-Europ@	N	Norway	Oslo Krisesenter	Advocacy organization (NGO)

P-ID	Project Name	PDP	Donor state	Donor project partner	Type of organisation
ES04-0055	Empowered women	N	Norway	Odal Naeringsshage Utvikling AS	Service provision organization (NGO)
ES04-0060	Empleat. Undertaking I establish my identity	N	Norway	Odal Naeringsshage Utvikling AS	Service provision organization (NGO)
ES04-0066	Spanish network of rural entrepreneur women	N	Iceland	Bifröst University (Islandia)	University, college or other teaching institution, research institute or think-tan
ES04-0067	RURALNET	N	Norway	Odal Naeringsshage Utvikling AS	Service provision organization (NGO)
ES04-0069	REACTIVAS - For the employment promotion for women entering the labour market	N	Norway	Odal Naeringsshage Utvikling AS	Service provision organization (NGO)

Planned grant amount for projects with donor project partners € 1,823,242

Projects with donor project partners 17 out of 70 (24.3%)



- **ES05 Conservation and Revitalisation of Cultural and Natural Heritage**

This Programme consists on one Predefined project with no participation of Donor partners.

- **ES06 Cultural diversity and Cultural exchange**

P-ID	Project Name	PDP	Donor state	Donor project partner	Type of organisation
ES06-0001	THE PRINCESS KRISTINA AND "THE GOBLIN"	No	Iceland	Kristinn R. Olafsson	Other
ES06-0002	INSIDE	No	Iceland	Solheimar	Other
ES06-0003	CINEMA AND LGBT PEOPLE TO PROMOTE SOCIAL EQUALITY IN EEA	No	Norway	Oslo Gay and Lesbian Film Festival	Other
ES06-0004	CONTEMPORARY THEATRE SPEAKING	No	Norway	House of Drama	Other
ES06-0005	EL REY DE ICOD	No	Norway	The Arnold Haukeland Collection	Other
ES06-0006	HER/STORY. TWO WOMEN BEHIND THE CAMERA	No	Norway	Lotte Konow Lund	Other
ES06-0007	ENCOUNTER BETWEEN NORTH AND SOUTH THROUGH MUSIC	No	Norway	Music Norway	National agency
ES06-0008	BLACK BOX / WHITE CUBE	No	Liechtenstein	Liechtenstein Museum of Art	Other
ES06-0010	LUCKY MALICE SPAIN TOUR 2014	No	Norway	Anna Karine Brække	None
ES06-0011	LUCKY MALICE SPAIN TOUR 2014	No	Norway	Hanna Fauske	None
ES06-0012	LUCKY MALICE SPAIN TOUR 2014	No	Norway	Linda Elise Haug	None
ES06-0023	ART EXHIBITION WITH IVAN IZQUIERDO	No	Norway	Anders Grønlien	None

Planned grant amount for projects with donor project partners € 359,500

Projects with donor project partners 12 out of 29 (41.4%)

• **ES07 EEA Scholarship Programme**

P-ID	Project Name	PDP	Donor state	Donor project partner	Type of organisation
ES07-0012	ROBOTICS FOR SUSTAINABLE FARMING OF HIGH-VALUE CROPS IN NORWAY: A CASE STUDY ON SUGAR PEA HARVESTING	No	Norway	Norwegian Institute for Agricultural and Environmental Research	Other
ES07-0013	RETINAL DISEASE SCREENING THROUGH LOCAL BINARY PATTERNS	No	Norway	University of Stavanger	University, college or other teaching institution, research institute or think-tank
ES07-0014	FORMAL METHODS FOR THE DEVELOPMENT AND EVALUATION OF SUSTAINABLE SYSTEMS	No	Iceland	Reykjavik University	University, college or other teaching institution, research institute or think-tank
ES07-0015	MODELLING OF OXIDATIVE DEGRADATION OF ORGANIC COMPOUNDS BY SUPEROXIDE ANION.	No	Norway	University of Oslo	University, college or other teaching institution, research institute or think-tank
ES07-0016	NUMERICAL SIMULATION IN DEFORMABLE POROUS MEDIA. APPLICATION TO CARBON DIOXIDE STORAGE.	No	Norway	University of Bergen	University, college or other teaching institution, research institute or think-tank
ES07-0017	DEVELOPMENT OF NOVEL COATING STRATEGIES OF MEDICAL DEVICES FOR IMPROVED OSSEO INTEGRATION (OSSEONET)	No	Norway	University of Oslo	University, college or other teaching institution, research institute or think-tank
ES07-0018	SUSTAINABLE OXIDE MATERIALS AND NANO-STRUCTURES FOR ENERGY RELATED APPLICATIONS (SUSOX)	No	Norway	Institute for Energy Technology	University, college or other teaching institution, research institute or think-tank
ES07-0019	QUANTUM TRANSPORT IN TERAHERTZ DETECTORS	No	Iceland	University of Iceland	University, college or other teaching institution, research institute or think-tank
ES07-0020	AUTOMATED SEGMENTATION AND DISEASE PROGRESSION ANALYSIS OF FOCAL BRAIN PATHOLOGY USING NOVEL KNOWLEDGE BASED ALGORITHMS	No	Norway	Oslo University Hospital	University, college or other teaching institution, research institute or think-tank
ES07-0021	THE EFFECT OF REDUCING THE EXPRESSION LEVEL OF PENICILLIN-BINDING PROTEINS ON THE PNEUMOCOCCAL SURFACE PROTEOME	No	Norway	Norwegian University of Life Sciences	University, college or other teaching institution, research institute or think-tank
ES07-0022	ACTIVE CONTROL OF VIBRATIONS IN STRUCTURES SUBJECT TO MULTIDIRECTIONAL DYNAMIC EXCITATIONS: APPLICATION TO FLOATING WIND TURBINES	No	Norway	The University of Agder	University, college or other teaching institution, research institute or think-tank
ES07-0023	LAMINATIONS BY COMPLEX MANIFOLDS WITH SINGULARITIES	No	Norway	University of Oslo	University, college or other teaching institution, research institute or think-tank
ES07-0024	TEACHERS' PROFESSIONAL KNOWLEDGE: ASPECTS OF AFFECT AND MATHEMATICAL MODELLING PROCESSES	No	Norway	Universitetet i Agder	University, college or other teaching institution, research institute or think-tank

P-ID	Project Name	PDP	Donor state	Donor project partner	Type of organisation
ES07-0025	USING FIELD EXPERIMENTS TO DESIGN EFFECTIVE CLIMATE AND FOREST POLICIES IN DEVELOPING COUNTRIES	No	Norway	Norwegian University of Life Sciences	University, college or other teaching institution, research institute or think-tank
ES07-0026	MODELLING PRECIPITATION IN A MOUNTAIN ENVIRONMENT USING AN OROGRAPHIC PRECIPITATION MODEL. TOWARDS A BETTER UNDERSTANDING, ASSESSMENT AND PREDICTION OF WATER RESOURCES IN SIERRA DE GUADARRAMA NATIONAL PARK.	No	Norway	Uni Research	Large enterprise
ES07-0027	BIODIESEL PRODUCTION FOR AVIATION (BIOPROAV)	No	Norway	Norwegian University of Life Sciences	University, college or other teaching institution, research institute or think-tank
ES07-0028	MICROBIAL COMMUNITIES OF INTERTIDAL GEOTHERMAL EXTREME HABITATS: NEW RESERVOIRS OF NATURAL RESOURCES	No	Iceland	Mafís Biotech	National agency
ES07-0029	GENOMIC SELECTION APPLICATIONS UNDER SIMULATION	No	Norway	Norwegian University of Life Sciences	University, college or other teaching institution, research institute or think-tank
ES07-0030	DEBUGGING RELATIONAL DATABASE QUERIES WITH MULTISSET CONSTRAINTS	No	Norway	University of Oslo	University, college or other teaching institution, research institute or think-tank
ES07-0031	IMPLEMENTATION OF ANALOG SEARCHING METHODOLOGY TO GENERATE NEW MEMBERS IN AN ENSEMBLE PREDICTION SYSTEM. APPLICATION TO WIND EXTREMES IN THE RENEWABLE ENERGY FRAMEWORK.	No	Norway	University of Bergen	University, college or other teaching institution, research institute or think-tank
ES07-0032	RETINAL DISEASE SCREENING THROUGH LEARNING DICTIONARIES	No	Norway	University of Stavanger	University, college or other teaching institution, research institute or think-tank
ES07-0033	ARCHETYPE-BASED DATA QUERYING FOR ELECTRONIC HEALTH RECORD DATA RETRIEVAL	No	Norway	Norwegian Centre for Integrated Care and Telemedicine	Other
ES07-0034	APPLICATION OF GENERALIZED MIXED MODEL FOR SELECTION OF INDICATOR EFFECTS OF AQUACULTURE ON WILD FISH	No	Norway	Norwegian Institute for Nature Research (NINA)	Other
ES07-0035	DATA MINING FOR MODELLING AQUACULTURE FISHERIES SYNERGIES OVER WILD FISH ASSEMBLAGES	No	Norway	Norwegian Institute for Nature Research (NINA)	Other
ES07-0036	COMPARISON OF HEAT LOSSES MODEL OF A NUMBER STATE-OF-THE-ART CHEMICAL VAPOUR DEPOSITION (CVD) REACTORS FOR SOLAR GRADE SILICON (SOGSI) PRODUCTION FOR THE PHOTOVOLTAICS' INDUSTRY.	No	Norway	Institute for Energy Technology	University, college or other teaching institution, research institute or think-tank
ES07-0037	EVOLUTIONARY GENOMICS OF ATLANTIC COD	No	Norway	University of Oslo	University, college or other teaching institution, research institute or think-tank
ES07-0038	SOLVING DYNAMIC AND STOCHASTIC ROUTING AND SCHEDULING PROBLEMS IN MARITIME TRANSPORTATION	No	Norway	Norwegian University of Science and Technology- Department of Production and Quality Engineering (IPK), Organisation Number:974767880	University, college or other teaching institution, research institute or think-tank
ES07-0039	UNDERSTANDING MULTIDECADAL MODULATIONS OF ATLANTIC AND PACIFIC	No	Norway	University of Bergen	University, college or other teaching

P-ID	Project Name	PDP	Donor state	Donor project partner	Type of organisation
	INTER ANNUAL IMPACTS				institution, research institute or think-tank
ES07-0040	THINNIA: NANO-SIZED PROTON CONDUCTORS FOR THE NEXT GENERATION OF ENVIRONMENTALLY FRIENDLY FUEL CELLS	No	Norway	University of Oslo	University, college or other teaching institution, research institute or think-tank
ES07-0041	HEALTH RISKS OF CYANOBACTERIA AND CYANOTOXINS IN NORWAY AND SPAIN	No	Norway	Telemark University College	University, college or other teaching institution, research institute or think-tank
ES07-0042	STOCHASTIC BIO ECONOMIC AND POPULATION DYNAMICS MODELLING OF COLLAPSED FISHERIES.	No	Norway	NHH Norwegian School of Economics	University, college or other teaching institution, research institute or think-tank
ES07-0043	MULTISCALE DESCRIPTION OF BIOFILMS IN FLOWS	No	Iceland	University of Iceland	University, college or other teaching institution, research institute or think-tank
ES07-0044	SIMULATION OF THE THREE PHOSPHORYLATION STEPS OF SEVERAL NUCLEOSIDE REVERSE TRANSCRIPTASE INHIBITORS OF HIV VIRUS BY MP2 AB INITIO METHOD AND M06-L AND M06-2X DFT QUANTUM CHEMICAL METHODS. EXPERIMENTAL INTERPRETATION OF THESE STEPS BY INFRARED AND LASER RAMAN VIBRATIONAL SPECTROSCOPY.	No	Norway	Norwegian Institute of Food, Fisheries and Aquaculture Research	Government ministry
ES07-0045	THINKING EMOTIONS MINDFULLY: A DIALOGIC AND MINDFULNESS-BASED EMOTIONAL PROGRAM FOR PRIMARY SCHOOL CHILDREN	No	Norway	University of Oslo	University, college or other teaching institution, research institute or think-tank
ES07-0046	CHECKING THE ACTUAL SUSTAINABILITY OF RENEWABLES AND DEVELOPING OF NEW TOOLS (SURETOOL)	No	Norway	Institute for Energy Technology	University, college or other teaching institution, research institute or think-tank
ES07-0047	SUSTAINABILITY OF CARDIOLOGY SERVICES: ECONOMIC EVALUATION AND COMMUNICATION IN REMOTE MONITORING OF PEOPLE WITH PACEMAKERS	No	Norway	University of Tromsø	University, college or other teaching institution, research institute or think-tank
ES07-0048	DISCRETE MECHANICS, GEOMETRIC INTEGRATION, AND LIE-BUTCHER SERIES (DMGILBS)	No	Norway	University of Bergen	University, college or other teaching institution, research institute or think-tank
ES07-0049	INTEGRATIVE ANALYSIS OF EXTREMOPHILES IN SEARCH FOR NEW BIOTECHNOLOGICAL SOLUTIONS	No	Norway	University of Bergen	University, college or other teaching institution, research institute or think-tank
ES07-0050	ASSESSMENT OF THE TOXICITY OF SEDIMENTS FROM THE MEDITERRANEAN BASIN: AN -OMIC APPROACH	No	Norway	University of Bergen	University, college or other teaching institution, research institute or think-tank
ES07-0051	SEA-ICE CHANGES AND IMPLICATIONS FOR ARCTIC ATMOSPHERIC CHEMISTRY AND RADIATIVE FORCING	No	Norway	Norwegian Institute for Air Research (NILU)	Other
ES07-0052	MOLECULAR INTERACTIONS MODULATING GUT MICROBIOTA THAT INFLUENCE THE HOST'S HEALTH	No	Norway	Norwegian University of Life Sciences	University, college or other teaching institution,

P-ID	Project Name	PDP	Donor state	Donor project partner	Type of organisation
					research institute or think-tank
ES07-0053	EFFICIENT MANAGEMENT OF ENERGY RESOURCES	No	Norway	Norwegian University of Science and Technology (NTNU)	University, college or other teaching institution, research institute or think-tank
ES07-0054	COGNITIVE RADIO WITH MEDIUM RESERVATION IN HOSPITAL ENVIRONMENTS	No	Norway	Oslo University Hospital	University, college or other teaching institution, research institute or think-tank
ES07-0055	WORK-LIFE BALANCE STRATEGIES IN A CONTEXT OF CRISIS	No	Norway	University of Bergen, Faculty of Social Sciences	University, college or other teaching institution, research institute or think-tank
ES07-0056	THE SPECIFICITY OF THE PROTEIN PHOSPHATASE 2A HETEROTRIMER IN PLANT SIGNALLING	No	Norway	University of Stavanger	University, college or other teaching institution, research institute or think-tank
ES07-0057	NEW PERSPECTIVES FOR RETHINKING CLIMATE CHANGE FROM GRASSROOTS SOCIAL INNOVATION. A THEORETICAL AND METHODOLOGICAL APPROACH FROM THE IDEAS OF HUMAN DEVELOPMENT, ETHICS AND LEARNING TO ANALYSE INNOVATIVE EXPERIENCES WITH A TECHNOLOGICAL DIMENSION	No	Norway	Centre for International Climate and Environmental Research	University, college or other teaching institution, research institute or think-tank
ES07-0058	STOCHASTIC DYNAMICS IN ECOLOGY	No	Norway	Norwegian university of Science and Technology	University, college or other teaching institution, research institute or think-tank
ES07-0058	STOCHASTIC DYNAMICS IN ECOLOGY		Norway	University of Bergen	University, college or other teaching institution, research institute or think-tank
ES07-0059	EVOLVABLE HARDWARE-BASED DIGITAL FILTER TO HANDLE PATIENT AND SENSOR VARIABILITY IN CONTINUOUS GLUCOSE SENSOR MEASUREMENTS OF ARTIFICIAL PANCREAS	No	Norway	University of Oslo	University, college or other teaching institution, research institute or think-tank
ES07-0060	FUZZY MATHEMATICS FOR EVALUATING ENVIRONMENTAL IMPACTS IN WEARING APPAREL COMPANIES	No	Norway	University of Oslo	University, college or other teaching institution, research institute or think-tank
ES07-0061	INTERACTIONS BETWEEN NATURAL STRESSORS AND POLLUTANT EXPOSURE IN NESTLING BIRDS OF PREY	No	Norway	Norwegian University of Science and Technology (NTNU)	University, college or other teaching institution, research institute or think-tank
ES07-0062	FLAWS AND BLOWS OF THE ICELANDIC PAST: APPLICATION OF ROCK MAGNETISM TO UNRAVEL TRANSPORT DYNAMICS OF NEOGENE VOLCANIC ERUPTIONS IN EASTERN ICELAND	No	Iceland	University of Iceland	University, college or other teaching institution, research institute or think-tank
ES07-0063	B- CLL-OMICS: DECIPHERING THE RELEVANCE OF INTRACELLULAR SIGNALLING PATHWAYS IN THE PATHOGENESIS OF CHRONIC LYMPHOCYTIC LEUKAEMIA	No	Norway	Oslo University Hospital	University, college or other teaching institution, research institute or think-tank
ES07-0064	DISCOVERY OF NOVEL BLOOD ANTICOAGULANTS USING HYBRID ARTIFICIAL INTELLIGENCE TECHNIQUES	No	Iceland	University of Iceland/ Nordic High Performance Centre	University, college or other teaching institution,

P-ID	Project Name	PDP	Donor state	Donor project partner	Type of organisation
					research institute or think-tank
ES07-0065	SUSTAINABLE DEVELOPMENT AS AN INNOVATION OPPORTUNITY IN THE MANAGEMENT MODEL OF PUBLIC ORGANIZATIONS	No	Norway	UiT-The Arctic University of Norway	University, college or other teaching institution, research institute or think-tank
ES07-0066	MODELLING THE IMPACT OF CLIMATE CHANGE ON THE CRYOSPHERE IN TWO CONTRASTED MOUNTAINS TROLLASKAGI (ICELAND) AND THE PYRENEES (SPAIN): EXPLORE THE PAST	No	Iceland	The Icelandic Institute of Natural History	Government ministry
ES07-0067	MODELLING THE IMPACT OF CLIMATE CHANGE ON THE CRYOSPHERE IN TWO CONTRASTED MOUNTAINS TROLLASKAGI (ICELAND) AND CENTRAL RANGE (SPAIN): PREVENT THE FUTURE	No	Iceland	The Icelandic Institute of Natural History	Government ministry
ES07-0068	THE USE OF TREATED AGGREGATES IN PAVEMENTS TO REDUCE THE CHALLENGES OF SNOW AND ICE IN WINTER TIME	No	Norway	Norwegian University of Science and Technology (NTNU)	University, college or other teaching institution, research institute or think-tank
ES07-0069	LAMINATIONS BY COMPLEX MANIFOLDS WITH SINGULARITIES	No	Norway	University of Oslo	University, college or other teaching institution, research institute or think-tank
ES07-0070	DYNAMIC ROUTING AND SCHEDULING IN TRAMP SHIPPING WITH STOCHASTIC CUSTOMERS AND TRAVEL TIMES	No	Norway	Norwegian University of Science and Technology (NTNU)	University, college or other teaching institution, research institute or think-tank
ES07-0071	THE EXPLOITATION OF HYDROCARBONS IN NORWAY: LESSONS ABOUT CHALLENGES AND ACHIEVEMENTS OF SPECIALIZING IN NON-RENEWABLE RESOURCES	No	Norway	UNIVERSITY OF OSLO	University, college or other teaching institution, research institute or think-tank
ES07-0072	IMPACT OF PACIFIC SEA SURFACE TEMPERATURE ANOMALIES ON THE TROPICAL ATLANTIC AND ROLE OF THE BACKGROUND MEAN STATE	No	Norway	University of Bergen	University, college or other teaching institution, research institute or think-tank
ES07-0073	A NEW HYPOTHESIS TESTING APPROACH BASED ON MATHEMATICAL PARAMETERS TO DETECT FAMILY RELATIONSHIPS	No	Norway	Norwegian University of Life Sciences	University, college or other teaching institution, research institute or think-tank
ES07-0074	ENVIRONMENT, GAMES, AND ENDOWMENT EXCHANGE	No	Norway	University of Bergen	University, college or other teaching institution, research institute or think-tank
ES07-0075	MAPPING CULTURAL ECOSYSTEM SERVICES AT COMMUNITY LEVEL IN OSLO MUNICIPALITY	No	Norway	Norwegian Institute for Nature Research (NINA)	Other
ES07-0076	THE RELEVANCE OF OSLO'S GREEN-BLUE INFRASTRUCTURE FOR LOCAL PERCEPTIONS OF LOW CARBON DEVELOPMENT AND 'GREEN CITY' BRANDING	No	Norway	Norwegian Institute for Nature Research (NINA)	Other
ES07-0077	DEVELOPMENT OF BIOACTIVE GELS BASED ON PROTEIN BY-PRODUCTS FROM CRAYFISH-PROCESSING INDUSTRY	No	Norway	Norwegian University of Science and Technology (NTNU)	University, college or other teaching institution, research institute or think-tank
ES07-0078	SUB LETHAL EFFECTS OF MARINE DIESEL ON ARCTIC SCALLOP FITNESS: AN INNOVATIVE INVESTIGATION ON ENDOCRINE ALTERATION	No	Norway	AKVAPLAN-NIVA AS	Government ministry



P-ID	Project Name	PDP	Donor state	Donor project partner	Type of organisation
ES07-0079	BIOMASS ESTIMATIONS BY LIDAR AND MULTI ANGULAR INFORMATION FROM MISR SENSOR DATA	No	Norway	Norwegian University of Life Sciences	University, college or other teaching institution, research institute or think-tank
ES07-0080	MODELLING SEA TROUT POPULATIONS INFECTED BY SEA LICE FROM FISH FARMS IN NORWEGIAN FJORDS	No	Norway	Norwegian Institute for Nature Research (NINA)	Other
ES07-0081	LABOUR SOCIAL RIGHTS IN ECONOMIC LIBERALISM. EFFECTS OF LABOUR REGULATION ON OLD AGE PENSIONS: A COMPARATIVE STUDY FROM NORWAY AND SPAIN CASES.	No	Norway	UNIVERSITY OF OSLO	University, college or other teaching institution, research institute or think-tank
ES07-0082	INTEGRATION OF WAVE AND WIND MARINE ENERGY FARMS IN ELECTRIC POWER NETWORKS	No	Norway	Norwegian University of Science and Technology (NTNU)	University, college or other teaching institution, research institute or think-tank
ES07-0083	AUTOMATIC DETECTION OF BEHAVIOURAL PATTERNS IN HERRING FROM SONAR DATA IN RESPONSE TO EXTERNAL STIMULUS	No	Norway	INSTITUTE FOR MARINE RESEARCH	Government ministry
ES07-0084	REGULATION OF GENE EXPRESSION IN EPIGENETICALLY CONTRASTED CONIFER EPITYPES BY RNA-SEQ	No	Norway	Norwegian Forest and Landscape Institute	Other
ES07-0085	CLIMATE CHANGE IMPACT ON THE OCCURRENCE OF PAH TRANSFORMATION PRODUCTS IN ARCTIC SOILS	No	Norway	Norwegian University of Life Sciences	University, college or other teaching institution, research institute or think-tank
ES07-0087	ROLE OF MICRORNAs IN CHONDROGENIC DIFFERENTIATION OF MESENCHYMAL STEM CELLS TO REPAIR CARTILAGE INJURIES	No	Norway	Oslo Hospital University	National agency
ES07-0088	LONG-TERM FORWARD THINKING FOR A GREEN ECONOMY. A MULTI-STAKEHOLDER BASED STUDY IN THE AREA OF ENGINEERING	No	Norway	UNIVERSITETET I NORDLAND	University, college or other teaching institution, research institute or think-tank
ES07-0093	THE USE OF QUANTITATIVE SCIENCE FOR GOVERNANCE: HOW TO ASSESS PROMISES OF A SUSTAINABLE FUTURE	No	Norway	University of Bergen	University, college or other teaching institution, research institute or think-tank
ES07-0094	ASSOCIATIONS BETWEEN FISH AND THREE-DIMENSIONAL SEABED HABITATS WITHIN ICELANDIC WATERS AND PREPARATION OF A HABITAT MAPPING FRAMEWORK FOR RÍA OF VIGO	No	Iceland	Marine Research Institute of Iceland	Government ministry
ES07-0095	SYSTEMS AQUACULTURE: IMPLEMENTATION OF BIOLOGICAL SYSTEMS WITHIN INTELLIGENT AQUACULTURE STRUCTURES	No	Norway	Norwegian University of Science and Technology	University, college or other teaching institution, research institute or think-tank
ES07-0096	IMPACT OF THE ATLANTIC MEAN STATE ON MODULATING TROPICAL INTERBASIN COUPLING AND THE INDIAN SUMMER MONSOON	No	Norway	University of Bergen	University, college or other teaching institution, research institute or think-tank
ES07-0097	DETECTION AND ESTIMATION OF ICING IN AERODYNAMICAL SYSTEMS USING LPV METHODS	No	Norway	Norwegian University of Science and Technology	University, college or other teaching institution, research institute or think-tank
ES07-0098	IMPACT OF GLOBAL CHANGE ON EXPLOITED FISH RESOURCES: THE CASE OF MOLVA SPECIES IN ICELANDIC AND MEDITERRANEAN WATERS	No	Iceland	University of Iceland	University, college or other teaching institution, research institute or think-tank

P-ID	Project Name	PDP	Donor state	Donor project partner	Type of organisation	
ES07-0099	COMBINING REAL OPTIONS AND MATHEMATICAL BILEVEL PROGRAMMING: AN APPLICATION TO TRANSMISSION AND GENERATION EXPANSION PLANNING IN ENERGY MARKETS UNDER CLIMATE POLICY UNCERTAINTY	No	Norway	Norwegian University of Science and Technology	University, college or other teaching institution, research institute or think-tank	
ES07-0100	TOWARDS HUMAN WELL-BEING: SEARCHING FOR COMMUNICATION STRATEGIES TO PROMOTE PHYSIOTHERAPY IN MENTAL HEALTH	No	Norway	Bergen University College	University, college or other teaching institution, research institute or think-tank	
ES07-0101	COMBINING MORPHOLOGICAL AND MOLECULAR TOOLS TO UNRAVEL CRYPTIC DIVERSITY IN GENERA MYRIOCHELE AND MYRIOGLOBULA (POLYCHAETA; OWENIIDAE) IN NE ATLANTIC WATERS	No	Norway	Norwegian University of Science and Technology	University, college or other teaching institution, research institute or think-tank	
				Iceland	The Icelandic Institute of Natural History	Government ministry
				Iceland	University of Iceland	University, college or other teaching institution, research institute or think-tank
ES07-0102	RESHAPING THE ACCESS TO THE RESOURCES IN TIMES OF CRISES: THE NEW RELATIONSHIPS AMONG PEOPLE, NATURE AND THE ENVIRONMENT	No	Norway	University of Oslo	University, college or other teaching institution, research institute or think-tank	
ES07-0103	FISH, PEOPLE AND PROPERTY RIGHTS: SOCIAL IMPLICATIONS OF FISHERIES GOVERNANCE IN FISHERY DEPENDENT SOCIETIES, FROM THE NORTH-ATLANTIC ARCTIC TO GALICIA - PART I	No	Iceland	STEFANSSON ARCTIC INSTITUTE	Government ministry	
ES07-0104	FISH, PEOPLE AND PROPERTY RIGHTS: SOCIAL IMPLICATIONS OF FISHERIES GOVERNANCE IN FISHERY DEPENDENT SOCIETIES, FROM THE NORTH-ATLANTIC ARCTIC TO GALICIA - PART II	No	Iceland	STEFANSSON ARCTIC INSTITUTE	Government ministry	
ES07-0105	FISH, PEOPLE AND PROPERTY RIGHTS: SOCIAL IMPLICATIONS OF FISHERIES GOVERNANCE IN FISHERY DEPENDENT SOCIETIES, FROM THE NORTH-ATLANTIC ARCTIC TO GALICIA - PART III	No	Iceland	STEFANSSON ARCTIC INSTITUTE	Government ministry	
ES07-0106	GENETIC STUDIES ON THE EDIBLE CRAB CANCER PAGURUS L. WITH IMPLICATIONS FOR FISHERIES MANAGEMENT	No	Norway	Institute of Marine Research	University, college or other teaching institution, research institute or think-tank	
ES07-0107	DETECTION OF SIMILARITIES OF RATIONAL SPACE CURVES	No	Norway	SINTEF Energy Research	University, college or other teaching institution, research institute or think-tank	
ES07-0108	DRIVER FEEDBACK MOBILE APP – A TOOL FOR ROAD SAFETY IMPROVEMENT	No	Norway	The Institute of Transport Economics	University, college or other teaching institution, research institute or think-tank	
ES07-0109	DEVELOPMENT OF THE HUMAN COMPONENT IN THE OPEN MALARIA WARNING (OMAWA) MODEL	No	Norway	University of Bergen	University, college or other teaching institution, research institute or think-tank	
ES07-0110	GREEN INFRASTRUCTURE AND HUMAN WELL-BEING: INTEGRATING KNOWLEDGE, METHODS AND DATA FROM ECOSYSTEM SERVICE ASSESSMENTS IN SPAIN AND NORWAY	No	Norway	Norwegian Institute for Nature Research (NINA)	Other type of NGO	
ES07-0111	THE HOMELESS: AN ANALYSIS OF NEW SOCIAL INEQUALITY PROCESSES WITHIN CHANGING	No	Norway	University of Bergen	University, college or other teaching	



P-ID	Project Name	PDP	Donor state	Donor project partner	Type of organisation
	SOCIETIES				institution, research institute or think-tank
ES07-0112	RADIATIVE EFFECT DUE TO AEROSOL-RADIATION INTERACTIONS ON THE MEDITERRANEAN CLIMATE	No	Norway	Norwegian Meteorological Institute	University, college or other teaching institution, research institute or think-tank
ES07-0113	AUTOPHAGY IN THE EYE: IMPLICATIONS OF OXIDATIVE STRESS	No	Norway	Oslo University Hospital	University, college or other teaching institution, research institute or think-tank
ES07-0114	HYDROGEN PRODUCTION METHOD COMPARISON: INNOVATIVE ONE-STEP SORPTION ENHANCED STEAM REFORMING AND TRADITIONAL TWO STEPS STEAM REFORMING FOLLOWED BY CO2 SEPARATION UNIT	No	Norway	Norwegian University of Science and Technology	University, college or other teaching institution, research institute or think-tank
ES07-0115	CONSERVATION LAWS OF DIFFERENTIAL EQUATIONS BEYOND LAGRANGIAN METHODS	No	Norway	NHH Norwegian School of Economics	University, college or other teaching institution, research institute or think-tank
ES07-0116	CONSERVATION LAWS OF DIFFERENTIAL EQUATIONS BEYOND LAGRANGIAN METHODS ( PART II)	No	Norway	NHH Norwegian School of Economics	University, college or other teaching institution, research institute or think-tank
ES07-0117	INTERPRETATION OF SURFACE DEFORMATION IN VOLCANIC AREAS: APPLICATION TO EL HIERRO UNRESTS (2012-2014)	No	Iceland	University of Iceland	University, college or other teaching institution, research institute or think-tank
ES07-0118	PROVIDING A SHORT-TERM EXPERIMENTAL SOFTWARE ENGINEERING COURSE AND CONDUCTING TWO CONTROLLED EXPERIMENTS (PART I)	No	Norway	Simula Research Laboratory	Small or medium sized enterprise (SME)
ES07-0119	PROVIDING A SHORT-TERM EXPERIMENTAL SOFTWARE ENGINEERING COURSE AND CONDUCTING TWO CONTROLLED EXPERIMENTS (PART II)	No	Norway	Simula Research Laboratory	Small or medium sized enterprise (SME)
ES07-0120	IDENTIFYING SENSITIVE AND NON-SENSITIVE INTERTIDAL MICROBIAL COMMUNITIES TO CLIMATE CHANGE IN GEOTHERMAL EXTREME HABITATS	No	Iceland	Matís Biotech	National agency
ES07-0121	SOCIO-ENVIRONMENTAL APPROACH ON WHALES VULNERABILITY IN THE CONTEXT OF MARINE SPATIAL PLANNING IN NORWAY AND IN THE ARCTIC REGION	No	Norway	UiT The Arctic university of Norway, Tromsø University	University, college or other teaching institution, research institute or think-tank

Projects with donor project partners 104 out of 115(90.4%)

Planned grant amount for projects with donor project partners € 2,435,902

## **Attachment 3 - Strategic report 2015**

**Donor Partnership on the Beneficiary State level.** *(Source- Doris)*

## Projects with donor project partners in Spain. 31/12/2015

<b>Spain – Summary 2014- 2015</b>	
Project grant amount total	€ 35.589.514
Number of projects	444
Number of projects with donor project partners	183
Proportion of projects with donor project partners	41,22%
Number of programmes *	6
EEA and Norway grants committed	€ 42.410.911
<i>* Excluding Technical assistance programmes and PA22</i>	

## **Attachment 4 - Strategic report 2015**

**Programme and country irregularities in Spain as initially reported**

**Reported by designated entities in or before 2015.** *(Source- NFP and Doris)*

Implementation of the EEA Financial Mechanism 2009-14  
Spain – Strategic Report 2015 (Covering 1<sup>st</sup> January 2015- 31<sup>st</sup> December 2015)

IRREGULARITIES DETECTED AT BENEFICIARY STATE LEVEL								
Irregularity case	Irregularity Status	Case opened	Case closed	Irregularity period	Followed up	Initial nature of irregularities	Amount of recovered funds (1)	Grant amount reduced
IR-0063	Closed	16/06/14	29/10/14	2014Q2	New alert system is defined and implemented as alarms set on MS Outlook agenda	Clause 6 of Project Contract provides that expenses must be between June 20, 2013 and December 31, 2015, however in the IFR 2 it has been declared expenses before June 20, 2013	0	0
IR-0140	Closed	02/03/15	31/08/15	2014Q4	The budget wrongfully allocated is recovered in IFR#4. The irregularity is not expected to be recurrent since there are no new invoices previous to the eligibility period.	Invoice of translation services for the MoU, included in IFR#1, dated before the last signature of the MoU, makes it non-eligible Amount 3,103.4. Error in payment claim	3,103.40	0
<b>TOTAL</b>							0	0

*(1) Recovered funds don't affect EEA Grants. Payment was assumed by the Ministry of Finance and decertified in IFR#4*

### IRREGULARITIES DETECTED AT PROGRAMME LEVEL

Irregularity case	Irregularity Status	Case opened	Case closed	Irregularity period	Followed up	Initial nature of irregularities	Amount of recovered funds (2)	Grant amount reduced
IR-0139	Closed	02/03/15	08/07/15	2014Q4	Follow-up reporting in 2015 Q1 (May 2015). Measures taken. Decertified in IFR#5	Personal Computers included as eligible costs. Error in payment claim	1,143.45	0
IR-0141	Closed	02/03/15	22/12/15	2014Q4	. Budget to be recovered in next IFR#6 (Jan-Apr 2015)	The staff costs for the month of June 2013 included days from 1 to 3 June. The programme start date was 4 June	87.91	0
IR-0142	Closed	02/03/15	31/08/15	2014Q4	Budget recovered in IFR#6 (Jan-Apr 2015). The method for declaring the overheads imposed by the audit authority is being used.	The audit authority established the criteria of declaring the overheads as a flat rate of the declared Direct costs in each IFR. The PO had declared such overheads in another way, and always respecting the flat rate agreed in the programme agreement. For the calculation of the indirect costs, the UCM has opted, pursuant to Clause 1.3 "Special rules on cost eligibility" in Appendix 2 of the Programme	1,372.04	0

### IRREGULARITIES DETECTED AT PROGRAMME LEVEL

Irregularity case	Irregularity Status	Case opened	Case closed	Irregularity period	Followed up	Initial nature of irregularities	Amount of recovered funds (2)	Grant amount reduced
						Agreement (PA), for the proportional system reflected in article 7.4.1.b of the Regulations, where the percentage set in the said rule is 20% of the total direct costs. The verified direct costs come to € 8,139.78 so the indirect costs to be attributed would be € 1,627.96." Error in payment claim		
IR-0157	Closed	20/04/15	01/09/15	2015Q1	In the IFR#1, an invoice amounting 21,129 euros was declared as eligible (PO management costs) when the right amount should have been 21,122 euros. This was due to a typing mistake	Although PO has not received the final audit report, expenditure wrongfully declared was reduced in the IFR#5 Error in payment claim	7.00	0
IR-0304	In Review	16/02/16		2015Q4	40,907€ This amount does not represent any monetary transfer, but an accountable balance to adapt the "Previously incurred expenditure" to the present situation with the present criteria for incurred	The incurred expenses were considered as payments made by the PO, following the meeting in Brussels on 29.10.2015 between the FMO and the CA, the criteria for incurred expenses was specified to be the transfers from the Spanish Treasury to	0	0

### IRREGULARITIES DETECTED AT PROGRAMME LEVEL

Irregularity case	Irregularity Status	Case opened	Case closed	Irregularity period	Followed up	Initial nature of irregularities	Amount of recovered funds (2)	Grant amount reduced
					expenditures	the Operator's account (NFP, CA, AA, BRNL)		
IR-0305	In Review	15/02/16		2015Q4	No financial consequences	Concerning the programme, the audit authority has declared a minor irregularity concerning the certification of a cost incurred by the PO, in an erroneous IFR (the cost, which is eligible, had been incurred but still not paid at the time of declaring it in a previous IFR). The amount of the incurred cost is 602,24 euro, that shall be des-certified in the next IFR and again certified according to the actual payment date. Error in payment claim	0	0
<b>TOTAL</b>							0	0

*(2) Recovered funds don't affect EEA Grants. Payment was assumed by the Programme and decertified in the following IFR*



## **Attachment 5 - Strategic report 2015**

**Irregularities detected at project level 2015.** *(Source- Doris and NFP)*

IRREGULARITIES DETECTED AT PROJECT LEVEL								
Irregularity case	Irregularity Status	Case opened	Case closed	Irregularity period	Followed up	Initial nature of irregularities	Amount of recovered funds (1)	Grant amount reduced
IR-0156	Closed	20/04/15	21/10/15	2015Q1	Although PO has not received the final audit report, expenditure wrongfully declared was reduced in the IFR#5	Clause 6 of Project Contract provides that expenses must be between June 20, 2013 and December 31, 2015, however in the IFR 2 it has been declared expenses before June 20, 2013. Error in payment claim	49.232,33 euros have been declared outside the eligibility period	0
IR-0245	In Review	25/11/15		2015Q4		Irregularity 1: Juan Tomás Martín, the Secretary of FGL Foundation has been formally accused of misappropriation and falsehood in documents. The FGL has several debts with public Administration and private companies. Irregularity 2: Final amount of funds transferred from the EEA Grant rises to 3,482,007 €, so the Consortium will not submit a proposal for the transfer of the total EEA Grants contribution of 3,863,280 € set for the pre-defined Project. Irregularity 3: Total amount of the pre-defined project, 6,075,000 €,	3,482,007 € is the total amount corresponding to EEA Grants. It is not yet decided (31-12-2015) the amount of recovered funds.	?

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						there has not been a mismanagement of the EEA Grants, but a bad planning. With regard to the 1,530,000 € to be provided and spent by the Consortium, and 681,750 € to be provided by the MECD through PGE. Irregularity 4: Reduction of the cultural activities in relation to the first programme approved. The Centre was finally opened on 29 July, 2015, the cultural activities were developed in only four months with the resulting managing and programming difficulties. On 9 October, 2015, the Programme Operator complying with the requirements of the NFP and the FMO. The entities members of the Consortium will complete the cultural programme, these will be allocated in the Consortium Budget. Deviation from project contract		
<b>TOTAL</b>							0	0

***(1) Recovered funds corresponding irregularity IR-156 don't affect EEA Grants. Payment was assumed by the Programme Operator and decertified in the IFR#5***

***These are exclusively Irregularities declared in 2015 at Project level according to Article 8 of the Regulation. For more information see Point 4.2b) of the Strategic Report.***

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## **Attachment 6 - Strategic report 2015**

### **Audit Plan 2016** *(Source-AA)*

## CONTENTS

### CONTROLS TO PERFORM in 2016

1. MANAGEMENT AND CONTROL SYSTEMS OF THE OPERATORS OF THE PROGRAM OF THE FINANCIAL MECHANISM OF THE EUROPEAN ECONOMIC AREA (EEA) 2009-2014

2. FINANCIAL CONTROLS ON THE CERTIFIED EXPENDITURE OF THE FINANCIAL MECHANISM IN THE YEAR 2015, CORRESPONDING TO THE OPERATIONS SELECTED BY RANDOM SAMPLING

OFFICIAL COMMUNICATION

Your ref.:

Our ref.: Division III, EEA Financial Mechanism (2009-2014)

Date: Madrid, Tuesday, February 02, 2016

Subject: Communication of start of audit of operations.

Control Plan IGAE 2016

RECIPIENT: PRESIDENT OF THE PLATFORM OF NGO FOR SOCIAL ACTION

PLATFORM OF NGO FOR SOCIAL ACTION

C/ TRIBULETE, 18

28012 Madrid

The General Intervention Board of the State Administration in the use of the powers conferred on it by Article 4.6 of the Regulation on the Implementation of the Financial Mechanism of the European Economic Area (EEA) 2009-2014 adopted by the EEA Financial Mechanism Committee in accordance with Article 8.8 of the Protocol 38b of the EEA Agreement, on January 13, 2011 and confirmed by the Standing Committee of the EFTA States on January 18, 2011 has agreed to the implementation of financial controls on the certified expenditure of the Committee of the Financial Mechanism in the year 2015, corresponding to the operations detailed below which have been selected by random sampling. These operations have been carried out by the Platform of NGO for Social Action.

Description Management costs

Selected cost 214,182.00

Description Project costs

Selected cost To sample according to information provided by the Operator of Program

The scheduled date for the start of the audit work will be on February 8, 2016 and shall be carried out by Servicios Empresariales Arquímedes S. L. P. as a collaborating entity of the General Intervention Board of the State Administration in accordance with the service contract signed with that entity.

In accordance with the regulations referred to above, it shall be provided to the control team all information and documentation needed for the development of the mandated tasks and, in particular, please be prepared to put at its disposal the following original documentation:

I. Complete declarations of expenditure of the certified expenditure to the Committee of the Financial Mechanism for the operations under control.

II. Documentation of the dossier attached to the certified expenditure (contracts, agreements, calls and resolutions for granting subsidies...).

III. Justification of expenditure certificates:

For each of the previous dossiers, the following documentation sorted by dossier:

- original documents (invoices, receipts, payrolls...), justifying the certified expenditures.
- original documents (bank statements, receipts of cash outflow...), justifying the effected payments.
- accounting for expenditure incurred.

IV. Aid received from EEA Grants under control:

- bank statements of the income of the corresponding EEA Grants.
- accounting for the previous operations.

Other aid received for the project under control:

- resolutions of the granting of the aid.
- bank statements of income.
- accounting for the previous operations.
- general ledgers of the subgroups corresponding to the years of implementation of projects/operations under control and in its case, certificate of the responsible person attesting that they have not received other aids for the project under control.

The National Auditor

Head of Division

Signed: Rafael Cortés Sánchez



OFFICIAL COMMUNICATION

Your ref.:

Our ref.: Division III, EEA Financial Mechanism (2009-2014)

Date: Madrid, Wednesday, January 13, 2016

Subject: Initial communication for the start of audits of management and control systems. IGAE Plan 2016

RECIPIENT: DEPUTY GENERAL DIRECTOR OF EUROPEAN TERRITORIAL COOPERATION AND URBAN DEVELOPMENT

MINISTRY OF FINANCE AND PUBLIC ADMINISTRATIONS

Pº de la Castellana, 162

28071 Madrid

The General Intervention Board of the State Administration as Audit Authority of the Financial Mechanism of the European Economic Area (EEA) 2009-2014 is assigned the functions laid down in Article 4.6 of the Regulation on the implementation of the Mechanism.

The General Comptroller of the State Administration, through Resolution of July 22 , 2015, adopted the Control Plan for the auditor year 2015/2016 (Plan IGAE 2016). Among the controls to perform are those related to the management and control systems of the Operators of the Program of the Financial Mechanism of the European Economic Area (EEA) 2009-2014 that are listed below:

PROGRAM OPERATOR OF PROGRAM

ESO2 Center for Industrial Technological Development (CDTI)

ESO5 Ministry of Education, Culture and Sport

ESO7 Complutense University of Madrid

The systems audits whose starts are communicated are intended to verify the effective functioning of the management and control systems of these Operators of Program and to verify that these systems are functioning in accordance with the provisions of chapter 4 of the above mentioned Regulation.

The scheduled date for the start of the audit work will be January 25, 2016 and shall be carried out by Servicios Empresariales Arquímedes S.L.P.A. as a collaborating entity of the State Audit Office in accordance with the service contract signed with that entity.

The National Auditor

Head of Division

PS. Signed: Javier Font Miret

## Attachment 7 - Strategic report 2015

### Risk assessment at the national and programme levels. *(Source- NFP and POs)*

#### 7.1 Risk assessment at the national level.<sup>123</sup>

#### 7.2 Risk assessment at the programme level

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<sup>1</sup> The risks should be categorised in one of 3 ways, depending on whether it poses a risk to the cohesion objective, the bilateral objective, or is more of an operational issue.

<sup>2</sup> Each risk should be described as to whether it poses a risk to the cohesion outcomes (programme outcomes), the bilateral outcome or crucial operational issues 4 = Almost certain (75 – 99% likelihood); 3 = Likely (50 – 74%); 2 = Possible (25 – 49%); 1 = Unlikely (1 – 24%)

<sup>3</sup> Assess the consequence(s) in the event that the outcomes and/or crucial operations are not delivered, where 4 = severe; 3 = major; 2 = moderate; 1 = minor; n/a = not relevant or insignificant.

## 1 Risk assessment at the national level.

TYPE OF OBJECTIVE	DESCRIPTION OF RISK	LIKELIHOOD/ CONSEQUENCE	MITIGATION PLANNED/DONE
Cohesion objective	Not allocation of all the EEA Grants funds remained from calls in some Programmes. Due to the short eligibility period, there is a serious risk that some funds remain unused.	3/2	Steps to mitigate that risk involves: Flexibility and speed by all the parties involved (FMC-FMO-NFP-PO-DPP) in order to get consistent proposals which allow transferring remaining funds to the Bilateral Relations heading (ES02) or to other activities under the same outcome (ES04). <b>Risk partially mitigated</b>
Cohesion objective	(Technical risk – due to the short eligibility period) Projects cancellation or critical underachievement of technical objectives and/or budget expenditures of the Programmes. Delays in Projects implementation. Not complying with project proposals.	3/2	In all Programmes, proposals of projects that were finally approved were carefully monitored by PO due to the short time of implementation (that has included training session addressed to the beneficiaries in programmes ES03, ES02 and ES07 particularly). Furthermore, a follow up of all the projects implemented has been carried out by the POs which has allowed to comply with the end of the eligibility period (31 December 2015) and achieve the objectives in most of the cases. <b>Risk partially mitigated</b>
Bilateral objective	Difficulties in establishing sustainable bilateral relations after finalizing EEA Grants 2009-2014 in Spain.	2/2	The EEA Grant Programmes Cooperation Committees first priority is: building networks that foster future cooperation (ES03 and ES04), promotion of long term joint projects (ES02 and ES07) or the development of an institutional cooperation in the long term (the cooperation between educational institutional from Spain and Norway within ES07 Programme is an example). <b>Risk partially mitigated</b>
Operational issue	Difficulties in ES05 Programme which could lead to the loss of the funds.	4/4	The problems and delays in the ES05 Programme have had as a result that the Lorca's legacy wasn't, as intended, in the Federico García Lorca Centre at 31 <sup>st</sup> December 2015. Intense negotiations are being carried out in 2016 to solve the last challenges.
Operational issue	Financial NFP constraints. Difficulties to carry out the proposed activities beyond June 2016.	1/2	In line with the criteria established in the Regulation, the amount of money destined to Technical Assistance in the National Focal Point is proportional to the total funds allocated. However, the continuity of the staff and activities beyond the set date is at least doubtful unless new funds were earmarked for the period closing (in a similar manner as the previous period closing is funded in the current period). So, a thorough study of the required activities and budget is needed. Spanish Ministry of Finance has already taken up the salaries of civil servants in charge of the EEA Grants. <b>Risk mitigated.</b>
Operational issue	NFP understaffing. Critical underachievement of managerial requirements.	4/3	The NFP has gone through changes at the end of 2015 that could affect the closing. One of the members of the NFP has been assigned to new functions within the General Directorate of European Funds and a new person has joined the NFP team who requires training.

### 7.2.1. Risk assessment at the programme level – ES02 Environmental and Climate change-related Research and Technology

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PROGRAMME #	TYPE OF OBJECTIVE	DESCRIPTION OF RISK	LIKELIHOOD/ CONSEQUENCE	MITIGATION PLANNED/DONE
ES02	Cohesion objective	Crisis in the euro zone, new financial regulations and conditions	1/3	Despite the economic crisis, the favorable financing conditions of the aids of the Programme have supposed an important support to companies to develop R&D activities. <b>Risk overcome.</b>
ES02	Cohesion objective	Insufficient number of good projects. Lack of interest from industry	1/3	Promotion activities to promote the proposals submission during 2013 and 2014 were carried out. <b>Risk overcome</b>
ES02	Cohesion objective	Not allocation of all the EEA Grants funds	4/2	During 2015, different activities to allocate the remaining funds from the projects have been proposed by CDTI and IN: <ul style="list-style-type: none"> <li>• Investment Forum between Spanish and donor countries venture capital investors</li> <li>• Study visit from IN to CDTI</li> <li>• Finally, the Investment Forum and the Study Visit have been approved by FMO. The Study visit was carried out in November 2015 and the Investment Forum will be celebrated in June 2016.</li> <li>• Grants for preparation of proposals to EU Calls</li> </ul> <b>Risk partially mitigated.</b>
ES02	Bilateral objective	Reduced number of Donor Partnership Projects	1/3	Promotion activities with the participation of Norwegian companies.. Strong collaboration with Innovation Norway. IN usually participates in Info-days to promote EEA Grants. In addition, IN searches for collaborators with the Spanish companies in the EEA. <b>Risk mitigated.</b>
ES02	Bilateral objective	Low quality of the Donor Partnership Projects	1/3	To improve the quality of EEA-Spanish collaboration, CDTI has been strict when evaluating the collaboration with donor countries, so that only relevant collaboration in the projects has been considered bilateral cooperation. <b>Risk overcome.</b>
ES02	Operational issue	(Technical risk) Lack of skills and capacities to carry out R&D activities, putting at risk the achievement of project outputs.	1/3	Proposals submitted have been evaluated by CDTI technical staff. Only the proposals that have the required skills have been proposed by the Selection Committee for approval by the Executive Board of CDTI. <b>Risk overcome</b>
ES02	Operational issue	(Financial risk) Financial enterprise constraints. Difficulties to carry out the proposed activities	2/3	Proposals submitted have been evaluated by CDTI financial staff. Inclusion of additional financial requirements to the contract to the companies with financial risk. <b>Risk mitigated.</b>
ES02	Operational issue	(Technical risk) Technical requirements not totally met. Downgrade of the project outputs.	1/3	Proposals that are finally approved will be monitored by the project management division of CDTI, including an on-site visit. Seminars included a training addressed to all the beneficiaries of the first call for proposals. <b>Risk mitigated.</b> A monitoring technician is assigned to each project since the company signs the contract. This monitoring technician helps the company with any doubt it may have during the development and justification of its project.
ES02	Cohesion objective	(Technical risk) Project cancellation or critical underachievement of technical objectives and/or budget expenditures. No compliment with project proposal.	2/4	Proposals that are finally approved will be monitored by the project management division of CDTI, including an on-site visit. A monitoring technician is assigned to each project since the company signs the contract. This monitoring technician helps the company with any doubt it may have

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PROGRAMME #	TYPE OF OBJECTIVE	DESCRIPTION OF RISK	LIKELIHOOD/ CONSEQUENCE	MITIGATION PLANNED/DONE
				during the development and justification of its project. <b>Risk mitigated.</b>
ES02	Operational issue	(Financial risk) Enterprise bankruptcy. No project completion and no enterprise left to pay back the assigned loan	1/3	Use of financial guarantees in the contract. CDTI is going to ask for financial guarantees to a certain number of companies. Risk partially mitigated
ES02	Cohesion objective	(Legal risk) Changes in sectorial regulation	1/2	There was a change in sectorial regulation (reduction in the public grants for renewable energy sector). The EEA Grants have mitigated the negative impact of this reduction, giving financial support for R&D in this sector. Through EEA Grants the development of R&D projects in the specific area of the ES02 Programme is promoted and, therefore, the technology that could be used in next years is going to be developed. This technology improvement and development might mean that some of the current problems of the sector could be solved. <b>Risk mitigated.</b>
ES02	Operational issue	(Organizational/Managerial risk) Change of the enterprise technical staff. New employees. Longer learning period. Changes in budget.	1/2	During the project certifications and the on-site visit CDTI will assess the impact of such changes in the project activities, budget and outputs to assure they don't have a negative effect on them.
ES02	Operational issue	(External risk) Problems with subcontracting entities. Duties to be assumed by other entities or the Promoter itself. Changes in budget.	1/2	During the project certifications and the on-site visit CDTI will assess the impact of such changes in the project activities, budget and outputs to assure they don't have a negative effect on them.
ES02	Cohesion objective	Delays in Project implementation	3/4	It is specified in the call, the contract and the info-days that the deadline is 31st December 2015. However, this does not eliminate this risk, as the time for development of and R&D project is very short, especially those funded with the second call.
ES02	Cohesion objective	Remaining funds from projects	3/2	CDTI has asked (and it has been approved) a change in the budget to increase the fund for bilateral relations with part of the funds not assigned to projects, so that part of them can be used.

### 7.2.2. Risk assessment at the programme level – ES03 NGO’s for social action. Active citizenship.

PROGRAMME #	TYPE OF OBJECTIVE	DESCRIPTION OF RISK	LIKELIHOOD/ CONSEQUENCE	MITIGATION PLANNED/DONE
ES03	Cohesion objective	Lack of interest Donor States: Lack of quality and/or problems with implementation	1/1	Through Bilateral and Complementary actions we coordinate with The Norwegian Helsinki Committee and Norwegian Embassy in Spain. Also through the FMO (Civil Society Team) we have a continuous coordination with Donors and other operators. These relations during 2015 have facilitated the participation of organizations from Donor Countries in events organized by the Programme Operator. <b>Risk mitigated.</b>
ES03	Cohesion objective	Changes in the social or political context can be also a risk factor.	2/2	The mitigation planned and done for the last year was that proposals should draft a research on tendencies, and a plan to foreseen and react timely to unexpected changes. To mitigate this risk, the project promoters have the possibility to ask for modifications of their projects to adapt to the new situations if necessary. This has enabled the project implementation completion without major deviations. <b>Risk overcome</b>
ES03	Cohesion objective	The lack of expertise in the management of this kind of funds (Operator and Project Promoters)	1/2	To mitigate it as it was planned, the Programme Operator Managing Director has previous experience managing European funds and it was hiring by the Programme Operator an external support for this Programme and a specific EEA Team with these background has been hired too. As another mitigation measure, a management and control system has been approved and it is being implemented. Furthermore, as it was planned, project promoters are being monitored by a specific team (the Programme Operator EEA Team) with experience in this field. These mitigations have facilitated the end of the Programme without major deviations. <b>Risk mitigated.</b>
ES03	Cohesion objective	Possible conflict of interest in the projects selection procedure.	1/1	To mitigate this risk the Operator has assured that the external evaluators do not have specific interest in the applicant organizations and the selection of the projects have been carried on by a neutral Committee were the Operator had only one vote. <b>Risk mitigated.</b>
ES03	Bilateral objective	Lack of interest by the Project Promoters to apply for the study visits	3/2	To mitigate this risk the Programme Operator has a personal contact with all the project promoters through the officer in charge of the project to promote and support this kind of activity. Also, the possibility to apply for it is continuously available from July 2014 till July 2015 and the deadline was extended till September 2015. During 2015, the Programme Operator continued with the promotion of this visits and finally 3 study visits were carried out. <b>Risk mitigated.</b>

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PROGRAMME #	TYPE OF OBJECTIVE	DESCRIPTION OF RISK	LIKELIHOOD/ CONSEQUENCE	MITIGATION PLANNED/DONE
ES03	Operational Issue	Mistakes regarding eligibility of actions can be another risk factor	2/3	To mitigate it, the Operator published a guideline for applicants to lay down the kind of actions that were eligible during the life of the project. Also the external evaluators checked it during the evaluation of projects. During 2015 the team hired ad hoc have monitored and verified the activities. <b>Risk mitigated.</b>
ES03	Operational objective	The need to guarantee a cash flow during the life of the programme.	3/3	As it was planned to mitigate this risk, project promoters have been asked to set up a sound financial system taking into account the deadlines of payments and anticipating delays of the funds. Transparency in all phases will be also an asset to reduce this risk. Finally, as the projects have finished their implementation, it has been proven that there have not been major problems regarding the cash flow. <b>Risk mitigated.</b>
ES03	Operational objective	A delay in the development of the projects.	3/2	As it was planned the dedicated team is monitoring the implementation and advice to the organizations in case there are indicators of possible delay. The Project promoters have implemented the projects without delays. <b>Risk mitigated.</b>

### 7.2.3. Risk assessment at the programme level – ES04 Gender Equality and Worl Life Balance

PROGRAMME #	TYPE OF OBJECTIVE	DESCRIPTION OF RISK	LIKELIHOOD/ CONSEQUENCE	MITIGATION PLANNED/DONE
ES04	Operational Issue	Lack of funding due to particular financing procedures in the Spanish Public Administration, where no money can be spent before being approved in the State budget and where 100% of the funds cannot be transferred to a project promoter before the expenditure justification is done.	1/3	<b>Mitigated</b> , thanks to the advance payments received by the PO at the start of the project that allowed it to begin the implementation of the Programme. Also, the reallocation of unused budget has allowed the PO to be able to use the total budget and to further enhance the bilateral relations and the achievement of the Programme objectives.
ES04	Operational issues	Insufficient human resources and complicated management and reporting requirements; great number of audits and extended number of activities under bilateral relations: thus high administrative burden and heavy workload for the PO.	2/2	<b>Partially mitigated</b> thanks to the reallocation of part of the budget into management costs, allowing the PO to extend the contract with the Technical Assistance until September 2016.
ES04	Operational issues	Lack of interest from project participants and target groups	1/3	<b>Mitigated</b> . The PO has been closely working with the Project promoters in order to disseminate and promote project results. Widespread dissemination events and involvement of different actors within the Programme (PP, LDO, project partners, beneficiaries). Radio interviews, TV programme appearances and great number of press releases for a great variety of projects have allowed the Programme to be widely known in the country.
ES04	Bilateral objective	Difference in living standards and in adapting countries' regulations.	1/2	<b>Mitigated</b> . Despite some problems arisen during the expenditure justification period related to different regulations affecting Spanish and Norwegian partners, and thanks to regular contacts and mediation between the PO and the affected PPs, all the projects finalized the justification and financial reports on time.
ES04	Operational issues	Reporting irregularities	1/1	<b>Mitigated</b> . The PO has created a register of irregularities and systematically manages them within the organization according to the Regulations and the PIA. Additionally, and in collaboration with the LDO, few irregularities that not needed to be reported have been successfully solved



#### 7.2.4 Risk assessment at the programme level – ES05 Conservation and Revitalisation of Cultural and Natural Heritage.

PROGRAMME #	TYPE OF OBJECTIVE	DESCRIPTION OF RISK	LIKELIHOOD/ CONSEQUENCE	MITIGATION PLANNED/DONE
ES05	Cohesion (Programme) outcomes	Reduction of the activity plan approved on 26 <sup>th</sup> January 2015	4/3	Rescheduling of activities planned. Programming of additional activities organized by the PO and administrations in the CFGL Consortium.
ES05	Cohesion (Programme) outcomes:	Lorca's legacy is still not placed in the CFGL	4/4	Lorca's legacy was not in the CFGL by 31 <sup>st</sup> December 2015. Intense negotiations between the PO-PP and the FGL Foundation on a new agreement that rules their relations. Legal and financial issues of the FGL Foundation hinder the progress.

### 7.2.5 Risk assessment at the programme level – ES06 Cultural Diversity and Cultural Exchange.

PROGRAMME #	TYPE OF OBJECTIVE	DESCRIPTION OF RISK	LIKELIHOOD/ CONSEQUENCE	MITIGATION PLANNED/DONE
ES06	Cohesion (Programme) outcomes	Lack of self-financing due to the economic crisis in Spain	2/2	All eight institutions in category one signed a contract with the Embassy stating their obligations to contribute with 15% of the project costs.. By the end of October 2014, all projects that had received funds had finished their activity and submitted a final report to the Embassy (with exception of the two cancelled projects). By February 2015, all projects had been reviewed and received their final allocation of funds (with exception of the two cancelled projects). <b>Risk mitigated.</b>
ES06	Operational issues	Low participation in the call	2/2	During the preparation of the call text, the Embassy followed the mitigation plan that was presented together with the risk assessment in the programme proposal. The result of the selection process showed that <b>this second risk was mitigated.</b>
ES06	Operational issues	Difficulty in finding donor partners	2/2	During the preparation of the call text, the Embassy followed the mitigation plan that was presented together with the risk assessment in the programme proposal. The result of the selection process showed that <b>this third risk was mitigated.</b>
ES06	Operational issues	Risk of not being able to complete the projects on time because of the short implementation period	2/2	The Embassy mitigated the risk by selecting short-term projects that could run for a maximum of one year. By February 2015, all projects had been reviewed and received their final allocation of funds (with exception of the two cancelled projects). <b>Risk mitigated.</b>

## 7.2.6. Risk assessment at the programme level – ES07 NILS Science and Sustainability

PROGRAMME #	TYPE OF OBJECTIVE	DESCRIPTION OF RISK	LIKELIHOOD/ CONSEQUENCE	MITIGATION PLANNED/DONE
ES07	Cohesion (Programme) outcomes:	Low probability of including donor states within the preferred destinations by degree students when applying to Erasmus, because of the high cost of life. Low number of applications, leading to objectives of the programme not achieved.	3/2	Done: EEA grant calls directly addressed to students launched by each university during the period time their general Erasmus call was open, or at least mentioned in such call. This allowed students to have all the information available related to EEA grants at the time of deciding to which countries apply. Assessment: from a general perspective, this allowed to get enough applications to the calls launched within the awarded institutions. An assessment of the relevance of the NILS grant for awarded students shall be made through a questionnaire to be fulfilled by grantees after the end of their stay. The questionnaire was received at the end of 2015 but still not analyzed. <b>Risk mitigated.</b>
ES07	Cohesion (Programme) outcomes:	Erasmus + programme were being implemented with a considerable delay. Low number of applications or high level of unused funds, leading to objectives of the programme not achieved.	2/2	<b>Risk mitigated.</b> Flexibility offered for the delays of publishing EEA NILS calls so agreements and other procedures are fixed at the moment of launching the call. Several phase calls in awarded institutions. Assessment: As a result, 100% of the available budget was awarded to institutions, 961.408 euro out of the 1.010.000 awarded, addressed to grants to final beneficiaries (and the rest to organizational costs and overheads). In January 2015, resolutions issued by these institutions have awarded only 900.056 euro to final beneficiaries. One of the projects requested a budget reduction of 55.422 euro due to the fact that they awarded some students less than expected. Finally 196 students have performed stays, the final verified budget and other details still to be confirmed after verification of final reports.
ES07	Cohesion (Programme) outcomes:	Low grant rates to researchers, low previous knowledge among researchers and institutions from participating countries (in the positive side: previous NILS) Small number of applications, low balance between applicant types and countries	4/2	<b>Risk mitigated.</b> <ul style="list-style-type: none"> <li>• Wide communication plan with strong participation of SIU, together with RANNIS and AIBA, in the dissemination of information.</li> <li>• Progressivity of funding of calls.</li> <li>• Flexibility for transferring funds from one measure to another.</li> </ul> Assessment: Communication activities have been important and acknowledged by promoters. Providing several opportunities for applying to NILS programme allowed to make it better known and so to receive a higher number of applications submitted. As a result, NILS received applications for more to 100% of funds available for Outcome 2. Funds unused from this outcome come from projects having signed agreements and resigned after such agreement. Funds transferred from measure 6 to 10 allowed funding 15 projects that, without such flexibility, wouldn't have been awarded. Funds transferred (after projects having being agreed resigned) from outcomes 1 and 2 to

Implementation of the EEA Financial Mechanism 2009-14  
Spain – Strategic Report 2015 (Covering 1<sup>st</sup> January 2015- 31<sup>st</sup> December 2015)

PROGRAMME #	TYPE OF OBJECTIVE	DESCRIPTION OF RISK	LIKELIHOOD/ CONSEQUENCE	MITIGATION PLANNED/DONE
				bilateral relations fund allowed funding 10 additional bilateral relations activities. <b>Risk mitigated.</b>
ES07	Cohesion (Programme) outcomes	Low geographical balance of researchers' individual mobility / Less mobility of scientist from DS to Spain Unbalanced scientific results ownership / Unbalanced further cooperation initiatives	4/3	<b>Risk mitigated:</b> : Strong communication activity. Transfer from Individual mobility to coordinated mobility. Assessment: Funds have been allocated and projects have been implemented. Coordinated mobility shows more balanced share. Planned: See bilateral relations below.
ES07	Bilateral outcome(s)	Absence of EEA Grants funding for Spain in the next programme period of EEA Grants. Lower sustainability of started relations, both at academic and at the research levels.	4/3	Planned: -Promotion, within bilateral relation fund at the programme level, of activities to assess further cooperation opportunities and their funding. -Organization of a workshop from a scientific and institutional perspective, to present NILS results and to discuss further cooperation schemes. This is expected to be organized in 2016. -Investigation of further cooperation schemes and opportunities among the PO, DPPs and other members of the Cooperation Committee: a meeting is expected in 2016.
ES07	Operational issues	Some projects won't use 100% of awarded funds. Unused funds.	4/1	Monitoring of projects for early detection of unused funds allowed performing reallocation procedures, so to provide additional funding to ongoing projects and to fund additional bilateral relations activities.
ES07	Operational issues	Low quality of reporting from promoters	2/2	Guidelines for reporting issued in 2014 were updated and developed, and provided to promoters. Problem: audit authority is introducing rules non established in the regulation.
ES07	Operational issues	Complicated management and reporting requirements, high administrative/bureaucratic workload for PO team, leaving limited time for strategic thinking.	4/1	Simplified procedures from NFP and FMO, flexibility. <b>Risk partially mitigated.</b>

## Attachment 8 - Strategic report 2015

### Annual reporting under the Technical Assistance Agreement EEA Financial Mechanism 2009-2014. (Source- NFP and CA)

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- b) Monitoring and quality evaluation of POs management until December 2014
- c) Communication Event for EEA Grants visibility in Spain

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#### NOTE

*Reporting on implementation and the effect of activities related to the Fund for bilateral relations at national level are reported through the relevant sections of the Strategic Report. The same applies to national level institutions' activities related to risk management and reporting irregularities.*

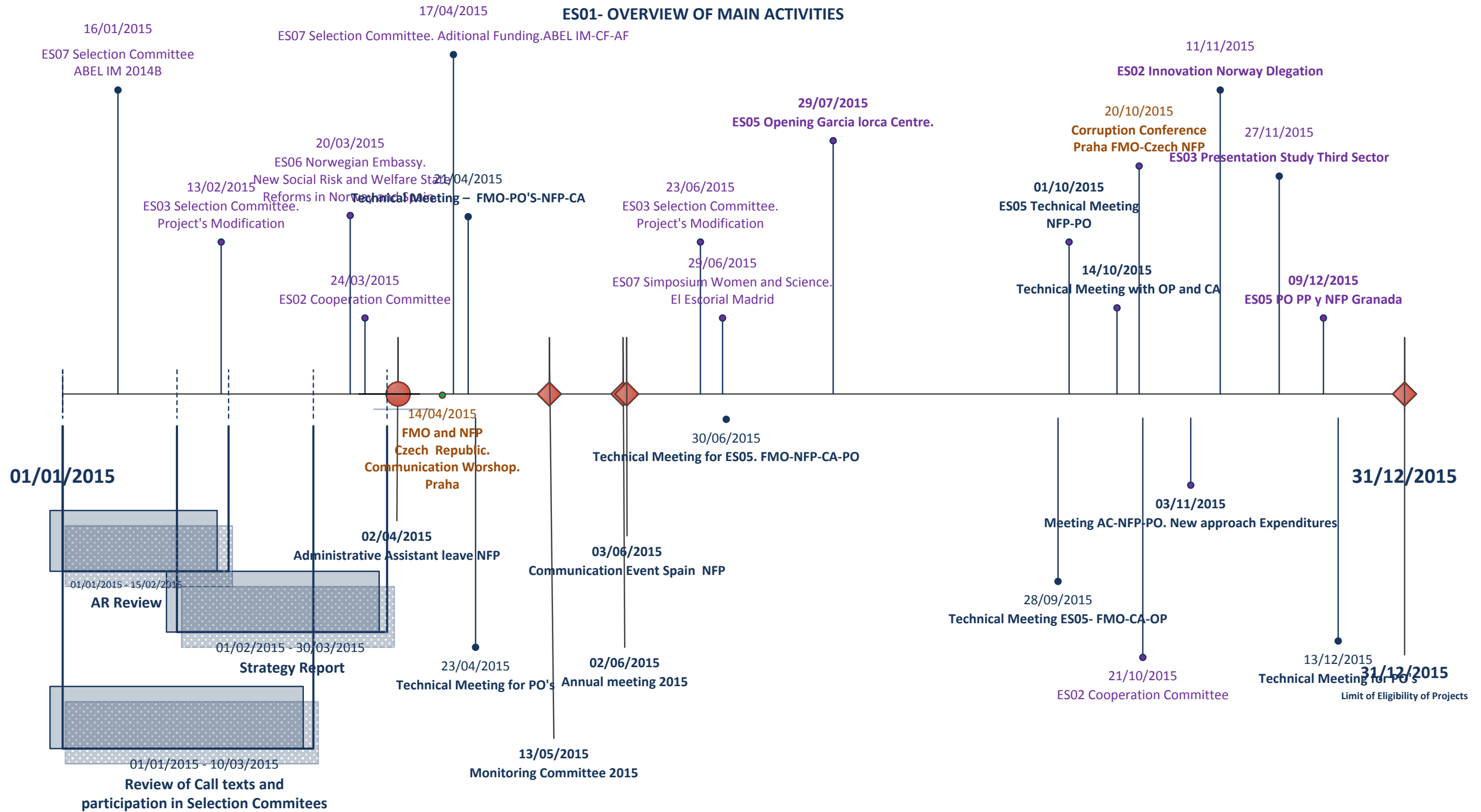
## 1. OVERVIEW OF MAIN ACTIVITIES

2015 has been a crucial year for the EEA Grants in Spain, and therefore for the **National Focal Point**.

If 2014 was challenging because of the low level of implementation at the end of 2013, 2015 was decisive because projects eligibility ended in December 2015. NFP has made a special effort –sustained over time- to follow all the programmes and projects implementation, solving the problems that could have affected the closing and coordinating and providing a coherent global scenario.

Main activities to highlight are indicated in the following drawing.

### ES01- OVERVIEW OF MAIN ACTIVITIES



All the main activities carried out by the **Certifying Authority** during 2014 were no others than the ones that the Regulation implies:

- To submit to the FMO all the Interim Financial Reports generated by the different Operators. During 2014, the CA has checked previously at least 16 IFR's, revised and submitted through DoRIS. All the financial information included in these IFR's has been registered in the CA accounting system.
- To submit regularly to the FMO the forecast of payment applications, each 4 months, through DoRIS.
- To submit annually to the FMO a template with the interests earned in the accounts on any PO.
- To transfer the amounts disbursed by the FMO attending the different IFR's submitted. The CA transfers the money directly to the Programme Operators, except for ES01, ES04 and ES05, in which it pays directly to the Promoters.
- To have in consideration under certification, the results of any audit carried out by the Audit Authority, both on projects or on management and control systems.
- Other activities include financial assessment to the PO's, solving doubts on eligible matters, planning different financial reports, and helping the Focal Point in his reports and forecasts.
- To adapt new changes in the AC management & control systems, harmonizing procedures under Spanish legislation and EEA Regulations.
- To attend and resolve the doubts that different operators have in certifying management (incurred expenditure, proposed expenditure, eligible expenditure, irregularities,...)

The **Audit Authority** performed the activities planned in their "Audit Strategy of the European Economic Area (EEA) Financial Mechanism 2009-2014" dated 29 May 2014 (see Attachment 6 to the Strategic Report 2014). According to their procedures, the audits are referred to the previous calendar year. The effective period covers from 1 January to 31 December 2014:

- System Audits (on the implementation of the Management and Control Systems): CA Certifying Authority ES03 NGO Platform of Social Action and ES04 State Secretariat for Equality Institute for Women's Affairs.
- Audits of expenditure declared: ES01 TA and Bilateral Relations, CA Certifying Authority, ES02 Climate Change, ES03 NGO's Funds, ES04 Gender Equality, ES05 Cultural and Natural Heritage and ES07 Exchange Scholarships.

The result of the audits was favourable (System Audits favourable with reservations for ES03 due to discrepancies between the Regulation and IGAE about the independence of evaluator in the project's selection process, already corrected), with the remarks already considered for corrective and preventive measures by the POs, and reported as irregularities when appropriate. Discrepancies raised about the interpretation of the regulation regarding the independence of evaluators in the selection process are in chapter 4.2 a) of this Strategic Report.



The **Spanish national public entity responsible for the preparation and submission of irregularity reports** is the National Focal Point. Its activities are described in the Strategic Report, chapter 4, item “irregularities”.

## 2. BUDGET OVERVIEW

### 2.1. Implementation of the previous year’s TA budget, 2015

Based on the evolution of budget implementation during the intensive year 2014, a reallocation of funds was detected as necessary in September. A first draft proposal was informed to FMO in November, but since the modifications to the TA budget comply with Art. 2.8.2 of TA agreement, it was not necessary Donors’ prior approval. The final budget reallocation made in December 2014 was:

The Technical Assistance (hereinafter, TA) agreement signed on November 2012 includes the budget for the whole implementation period in the template of Annex 6 of the Regulation on the implementation of the European Economic Area Financial Mechanism 2009-2014 (hereinafter, the Regulation).

Due to the implementation according to actual needs and foreseen expenditures of the TA,

in accordance with Article 2.8.2, paragraph 2 of the TA Agreement and the Article 5.9 of the Regulation, this National Focal Point (NFP) proposes that TA budget be amended as stipulated below to reflect the budgetary needs of the Spanish authorities for the EEA Grants 2009-14 implementation:

Description	Initial Budget NFP	Transfers proposed	Budget amend 12/2015
I. Additional management systems (article 7.12.2 (a))	467.750	41.852	509.602
II. Monitoring Committee, annual and other meetings (article 7.12.2 (b))	7.000	0	7.000
III. Meetings and conferences to share experience (article 7.12.2 (c))	15.000	-2.000	13.000
IV. Promotional and information activities (article 7.12.2 (d))	45.000	-2.000	43.000
VI. On-the-spot verifications (article 7.12.2 (f))	10.000	-5.000	5.000
VII. Reviews and evaluations (article 7.12.2 (g))	6.000	46.000	52.000
VIII. Implementation of the FM 2004-2009 (article 7.12.2 (h))	12.000	-10.077	1.923
I. Additional management systems (article 7.12.2 (a)) - <b>Certifying Authority</b>	75.000	-68.775	6.225
V. Audits (article 7.12.2 (e)) - <b>Audit Authority</b>	50.000	0	50.000
<b>TOTAL</b>	<b>687.750</b>	<b>0</b>	<b>687.750</b>

Both the cumulative transfers between budget headings and between institutions are within the threshold of the 10% of the total TA grant, amounting 68,775 Euro, however this NFP requests at the end of 2015 the formal modification of the TA agreement and DoRIS database in order to avoid future misunderstandings when referring the budget headings.

Regarding this proposal notice the following additional comments:

- Proposal for budget headings' reallocations on the basis of all public officers' salaries excluded from eligible expenses from IFR3 (January 2014). HR expenses are only for management delegation for communication. Reduction for Certifying Authority is the maximum complying with the limit of 10% for transfers between institutions. Remnant mainly for CA trips expenditures.
- The remnant on heading “I. Certifying Authority” will be expended in unscheduled activities participation, programmes closure and others.
- The budget available on heading III is expected to be used in activities for sharing best practices, when the implementation of the FM is higher.
- There are few thousands of euros of savings on heading IV due to the assumption by NFP own resources of the web page development and maintenance, newsletter and graphic design.
- Savings on heading VI due to these activities assumed by the Communication Officer (management delegation, under heading I).
- Heading VIII reduced to zero since eligibility period has expired.

Let's compare below the actual expenditure incurred and declared during 2014 on the different headings of the TA budget vs. the planned expenditure as foreseen in the estimation of 30 September 2015:

Description	Budget amend 12/2015	Actual 2015	Planned 2015	% implem. 2015	Actual vs. Planned
I. Additional management systems (article 7.12.2 (a))	<b>509.602</b>	100.189	101.992	98%	-1.803
II. Monitoring Committee, annual and other meetings (article 7.12.2 (b))	<b>7.000</b>	106	1.019	10%	-913
III. Meetings and conferences to share experience (article 7.12.2 (c))	<b>13.000</b>	2.096	5.567	38%	-3.471
IV. Promotional and information activities (article 7.12.2 (d))	<b>43.000</b>	13.871	14.862	93%	-991
VI. On-the-spot verifications (article 7.12.2 (f))	<b>5.000</b>	0	2.000		0
VII. Reviews and evaluations (article 7.12.2 (g))	<b>52.000</b>	18.755	17.000	91%	1.755
VIII. Implementation of the FM 2004-2009 (article 7.12.2 (h))	<b>1.923</b>	0	0		0
I. Additional management systems (article 7.12.2 (a)) - <b>Certifying A.</b>	<b>6.225</b>	1.296	900	69%	396
V. Audits (article 7.12.2 (e)) - <b>Audit Authority</b>	<b>50.000</b>	1.498	50.000	3%	-48.502
TOTAL TA	<b>687.750</b>	137.811	193.340	71%	55.5290
-					
IX. Funds for bilateral relations at national level (article 3.5)	<b>229.250</b>	38.789	75.355	51%	-36.566
TOTAL PERIOD	<b>917.000</b>	176.599	268.694	66%	-92.095

Some headings were not implemented (0%):

- On spot verifications have been done by the Communication Officer and included in General management. On spot verifications done out of the 20 years book activity has been included in General management too.

Heading for audits (3%) is are low implemented due to the salaries of the AA not included to be subsidized by the FM, and the activities already covered by the management delegation for communication. A contract with an external audit firm has been signed during 2015. The payment done in December 2015 is only a part of the total amount contracted. The rest of the expenditure is foreseen in 2016

The low implementation level of BRNL fund is the consequence of the fact that some activities have been postponed to 2016.

Summarising, during 2015 the TA was implemented 66% of planned budget and BRNL fund 51% of planned.

## 2.2. Disbursements to date

Cumulative expenditure since the signature of the MoU to December 2015 vs. total budget -as amended in December 2015- remains as follows:

DESCRIPTION	BUDGET AMENDMENT 12/2014	TOTAL ACTUAL EXPENDITURE	% ACTUAL EXPENDITURE	REMNANT
I. Additional management systems (article 7.12.2 (a))	509.602	386.277	76%	123.325
II. Monitoring Committee, annual and other meetings (article 7.12.2 (b))	7.000	1.586	23%	5.414
III. Meetings and conferences to share experience (article 7.12.2 (c))	13.000	4.484	34%	8.516
IV. Promotional and information activities (article 7.12.2 (d))	43.000	19.662	46%	23.338
VI. On-the-spot verifications (article 7.12.2 (f))	5.000	1.014	20%	3.986
VII. Reviews and evaluations (article 7.12.2 (g))	52.000	35.030	67%	16.970
VIII. Implementation of the FM 2004-2009 (article 7.12.2 (h))	1.923	1.923	100%	0
I. Additional management systems (article 7.12.2 (a)) - <b>Certifying A.</b>	6.225	1.814	29%	4.411
V. Audits (article 7.12.2 (e)) - <b>Audit Authority</b>	50.000	1.498	3%	48.502
<b>TOTAL TA</b>	<b>687.750</b>	<b>453.291</b>	<b>66%</b>	<b>234.459</b>
IX. Funds for bilateral relations at national level (article 3.5)	229.250	147.577	64%	81.673
<b>TOTAL IFR</b>	<b>917.000</b>	<b>600.867</b>	<b>66%</b>	<b>316.133</b>

On a first view of the data and chart, the budget implementation is close to 66% up to December 2015 Budget expenditures understood as actual expenditures by the Spanish Authorities during the period.<sup>4</sup>

<sup>4</sup> Please, notice that the Spanish Administration incurred expenditures is applied and not the FMO criterion of transferences from AC to ES01.

The remaining tasks expected to be developed in a year period –September December 2016-. The Audit Authority heading below 3% implementation rate are expected to have a higher expenditure rate during the upcoming closing period.

### 2.3. Planned expenditure for the coming year, 2015

The estimated TA expenses for 2015 correspond to the implementation of the program, mainly to Technical Assistance for NFP Communication expert, meetings with POs, dissemination of information of the programs and promotional activities. Expenditures on reviews and evaluations are related to an outsourcing contract of external auditors to verify the quality of the programmes and Programme Operators management by the NFP. On the spot verifications on projects are going to be carried out by the NFP. The expenses for the AA are likely to be totally implemented.

On the other hand, according to the proposal of some activities to be postponed to 2015, and the changes introduced by the FMC during the Annual Meeting on 2 June 2015, the BRNL fund estimations shall be modified. The calculation is based on the BR Plan for 2015/2016, as agreed during the Annual Meeting 2015:

- ES06- Embassy + NFP – EEA Grants Spain Closing Ceremony and Publication about EEA Grant Spain.
- ES07 - Study Trip. Building Sustainable Cooperation. June 2015
- ES03 - Digital presentation and infographic Active Citizenship Programme. (2016)

Amounting all four of them 43,000 euro.

DESCRIPTION	NATIONAL FOCAL POINT	CERTIFYING AUTHORITY	AUDIT AUTHORITY	OTHER ENTITIES	TOTAL
I. Additional management systems (article 7.12.2 (a))	123,325	4.411			127,736
II. Monitoring Committee, annual and other meetings (article 7.12.2 (b))	5,414				5,414
III. Meetings and conferences to share experience (article 7.12.2 (c))	8,516				8,516
IV. Promotional and information activities (article 7.12.2 (d))	23,338				23,338
V. Audits (article 7.12.2 (e)) - Audit Authority			48.502		48,502
VI. On-the-spot verifications (article 7.12.2 (f))	3,986				3,986
VII. Reviews and evaluations (article 7.12.2 (g))	16,970				16,970
VIII. Implementation of the FM 2004-2009 (article 7.12.2 (h))	0				0
<b>TOTAL</b>	<b>234,459</b>				<b>234,459</b>
IX. Funds for bilateral relations at national level (article 3.5)	81,673				<b>81,673</b>

Notice that the foreseen expenditure 2016 on bilateral relations at national level is 81.673. That is because all bilateral activities realised in 2015 are not yet paid on 31 December 2015.

### 3 PROCUREMENTS

During 2015, certain activities have been outsourced by the NFP through three different procedures, two procurements and one management delegation. The outsourced activities were:

- a) Implementation of Communication Strategy Plan in 2015.
- b) Monitoring and quality evaluation of POs management until December 2013.
- c) Activities related to the NFP Communication Event for the dissemination of the EEA Grants.

#### a) Implementation of Communication Strategy in 2015

This outsourcing was instrumented by a management delegation to the state company INECO. There are no specialists in communication within the staff of the Ministry, so that the outsourcing procedure was necessary. It includes the full-time dedication of a communication expert to the staff of the NFP. The management delegation was agreed on 1 April 2014 between the Ministry of Finance and Public Administrations and the company INECO, with a budget of 104,090.98 euros (VAT included). The duration was 10 months, until 31 January 2015 with very positive results as the communication department became a strong point of the NFP.

This management delegation were carried out again from March 2015 until June 2016. This contract can be extended by 6 additional months until December 2016.

#### b) Monitoring and quality evaluation of POs management until 30 April 2015

As part of the NFP duties, in particular those specified in points 6 and 7 of Article 4.3 of the Regulation for EEA Grants, a procurement process was opened to hire an external monitoring agent to develop such activities. In 2014 these works were awarded to the company Grant Thornton mainly to make a quality evaluation and monitoring of PO's processes and activities carried out from the starting of the Programmes until 31 December 2013. To continue these work for activities done in 2014 until 30 April 2015 a new contract was launched in 2015 and was awarded to LRQA -Lloyds Register Quality Assurance . The contracted services included, in relation to EEA Grants objectives:

1. Ex-Ante Evaluation report on the situation before 1<sup>st</sup> January 2014.
2. Reports on evaluation and On spot visit reports for each Programme.
3. Ex-post Evaluation report on the situation at 30 April 2015, irregularities, risk and recommendations.

The budget for the procurement was 17,900 euros (VAT not included). Six companies were asked for proposals by the NFP (LRQA -Lloyds Register Quality Assurance- PSN Servicios y Consultoría- ENRED- KPMG- DNVGL (Det Norske Veritas)- Grant Thornton)

Six bids were received and after technical and economic evaluation it was awarded on 4 September 2015 for 16,274.50 euros (VAT included). POs' evaluation reports were delivered in December 2014.

#### c) NFP Communication Event 2015

The Communication Strategy Plan includes one great public event for the dissemination of the programme progress and first results, that was held on 3th June 2015. Although the NFP organized the whole event, some activities within it were outsourced:

- The production and exhibition of audiovisual material related to the EEA Grants. Two companies were asked for proposals by the NFP being the selected bids Emilia Fernández del Rosal, with a budget of 1,815 euros for the production of the audiovisual material; and NOX Audiovisuales, with a budget of 4,219.03 euros (VAT included), for the installation of the exhibition.
- A presenter and moderator. Juanma Romero, a Spanish TV presenter, was selected to present the event, with a budget of 1,300 euros (exempt from VAT).
- Translators. Two companies were asked for proposals by the NFP being the selected bid Claire Godfrey, with a budget of 1,306.80 euros (VAT included).
- Hostesses. Two companies were asked for proposals by the NFP being the selected bid Best Way Congresos y Azafatas S.L, with a budget of 575.96 euros (VAT included).
- Photographic report and dissemination of the event. Europa Press was selected for the realization of the photographic report and dissemination of the event, with a budget of 1,573 euros (VAT included).

Activities out of the scope of the management delegation described in the point I) above. The summary and the photos are available at Spanish NFP website, [www.eeagrants.es](http://www.eeagrants.es)

## 4 STAFFING

Situation of EEA Grants Spain staff on 1<sup>st</sup> February 2016:

<b>NAME OF NATIONAL FOCAL POINT: SUBDIRECTORATE GENERAL FOR EUROPEAN TERRITORIAL COOPERATION AND URBAN DEVELOPMENT - GENERAL DIRECTORATE FOR EUROPEAN FUNDS - MINISTRY OF FINANCE AND PUBLIC ADMINISTRATIONS.</b>				
<b>NAME OF STAFF</b>	<b>OFFICIAL POSITION</b>	<b>MAIN TASKS</b>	<b>LEVEL OF EFFORT (% OF WORKING TIME)</b>	<b>FUNDED BY GRANTS (Y/N)</b>
<i>Vacant</i>	<i>Deputy Director General of the Territorial Cooperation and Urban Development Fund</i>	<i>Head of the NFP. Representative of the Beneficiary State</i>	<i>0%</i>	<i>N</i>
<i>Eliminated</i>	<i>Senior Advisor</i>	<i>Executive Director General operational work manager</i>	<i>0%</i>	<i>N</i>
Pilar Soler Oroz	Technical Counsellor	Deputy Executive Director. Back-up to the Executive Director	100%	N
Cristina Blas Miranda	External Technical Advisor	Communications expert. Implementation of communication strategy	100%	Y
Raquel Yubero	Administrative Assistant. Logistic organization and financial documentation support	Administrative Assistant	75%	N
	External Auditors	External agent for monitoring tasks. Verification, monitoring and quality control	Outsourced to the company LRQA -Lloyds Register Quality Assurance Duration: 3 months.	Y
<b>NAME OF CERTIFYING AUTHORITY: SUB DIRECTORATE GENERAL FOR CERTIFICATION AND PAYMENT - GENERAL DIRECTORATE FOR EUROPEAN FUNDS - MINISTRY OF FINANCE AND PUBLIC ADMINISTRATIONS.</b>				
<b>NAME OF STAFF</b>	<b>OFFICIAL POSITION</b>	<b>MAIN TASKS</b>	<b>LEVEL OF EFFORT (% OF WORKING TIME)</b>	<b>FUNDED BY GRANTS (Y/N)</b>
Jerónimo Ríos Boeta	Deputy Director General	Supervising and checking the whole tasks	6%	N
Elisa Menendez Moran	Technical Counsellor	Checking the IFRs. Assessment to POs	15%	N
Lidia Garcia Irazábal	Administrative	Administrative tasks	25%	N

NAME OF AUDIT AUTHORITY: GENERAL CONTROLLER OF THE PUBLIC ADMINISTRATION (IGAE) - MINISTRY OF FINANCE AND PUBLIC ADMINISTRATIONS.				
NAME OF STAFF	OFFICIAL POSITION	MAIN TASKS	LEVEL OF EFFORT (% OF WORKING TIME)	FUNDED BY GRANTS (Y/N)
Rafael Cortés Sánchez	Head of Division	Management of AA duties and responsibilities	1%	N
Javier Font Miret	Area Manager	Advisor to the Head, monitoring of AA duties implementation and fulfillment	3%	N
Ramón Sánchez Cuéllar	Team Manager	Audits monitoring, development of audit strategy, assessment reports, annual report and annual opinion.	5%	N
Lourdes Peralta Martínez	Team Leader	Audit work field verifications, development of working plans	5%	N
NAME OF NATIONAL ENTITY (IRREGULARITIES) -SAME AS THE NATIONAL FOCAL POINT-				
NAME OF STAFF	OFFICIAL POSITION	MAIN TASKS	LEVEL OF EFFORT (% OF WORKING TIME)	FUNDED BY GRANTS (Y/N)
<b>Pilar Soler Oroz</b>	Technical Advisor	Irregularities supervision, validation monitoring and reporting .	15%	N

## 5 THE COMING YEAR

The coming year 2016 in Spain means at the same time the monitoring and the closing year for programmes; most of the calls were awarded between the end of 2013 and the end of 2014, but the time limit for implementing the projects and eligible costs was 31 December 2015.

It is expected to represent a big challenge monitoring all POs to ensure their proper monitoring of projects in order to address the outcomes of the EEA Grants during 2016. Programmes are going to close in different moment along the year 2016. The first one is going to be **ES03 NGOs for social action“Active Citizenship”** that will close on 31<sup>st</sup> March 2016. The last one is expected to be **ES02 Environmental and Climate change-related Research and Technology** around the end of October 2016. **ES04 Gender Equality and ES07 Scholarships will** close at some moment between June and October 2016.

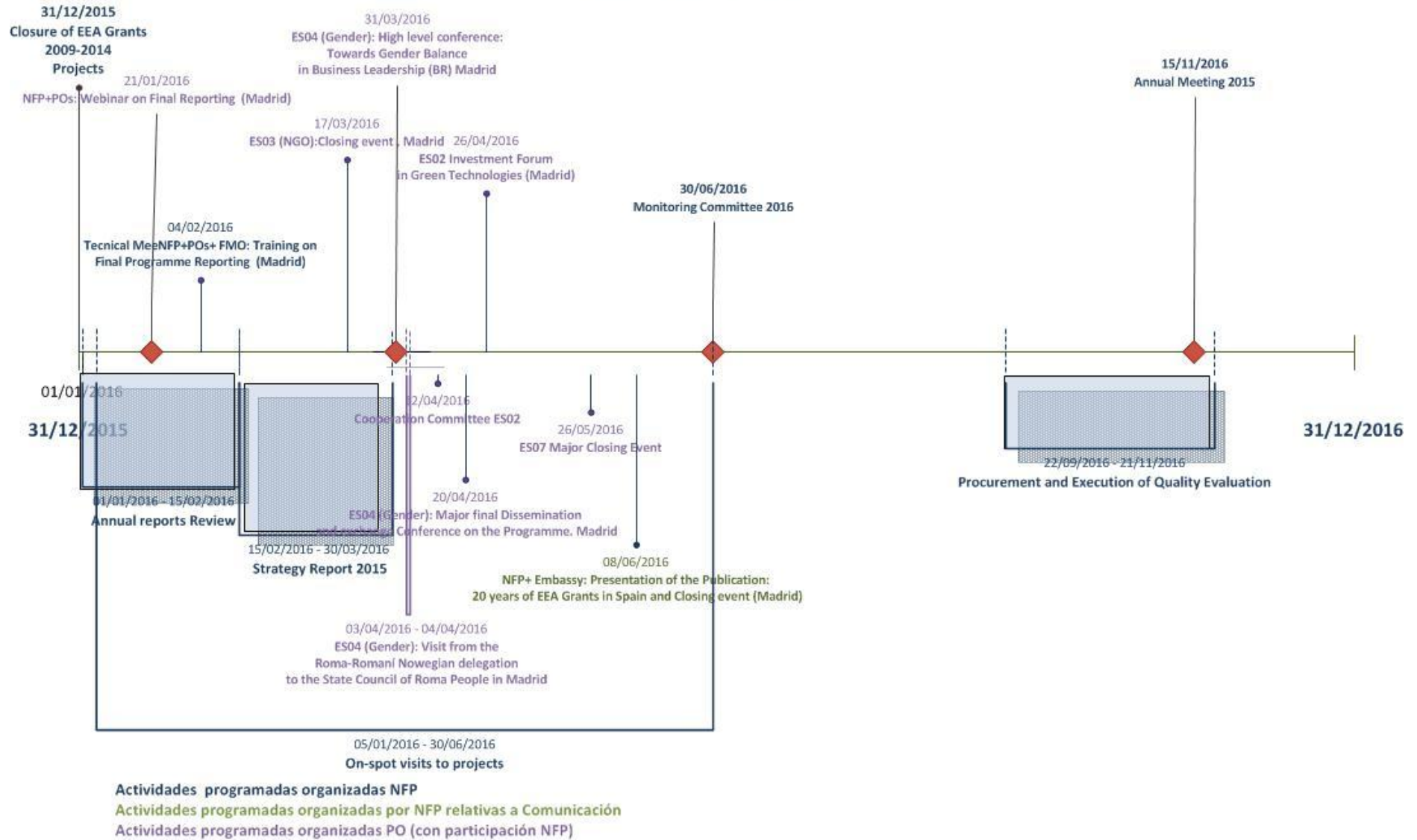


These different moments in the year for closing depend on the incidences that can appear during the final assessment of the projects from the open calls, final internal reports and last payments. All closing events are foreseen for summer.

The planned activities of the AA for 2015 are described in attachment 6 of the Strategic Report. It includes, among expenditure audits of all POs (except from ES06 Embassy), system audits of several programmes.

Implementation of the EEA Financial Mechanism 2009-14  
 Spain – Strategic Report 2015 (Covering 1<sup>st</sup> January 2015- 31<sup>st</sup> December 2015)

**ES01- NFP- WORK PLAN 2016**



## **Annex 1 - Strategic Report 2015**

### **Audit Authority's Annual Report and Opinion 2015.**

1. Annual opinion by virtue of Article 4.6, section 1, letter e), paragraph ii) of the Regulation on the implementation of the European Economic Area (EEA) Financial Mechanism 2009-2014- **(29-12-2015)**
2. Annual audit report for year 2015 with regard to the audit strategy of the European Economic Area (EEA) Financial Mechanism 2009-2014 (drawn up in accordance with article 4.6, section 1, letter e) paragraph i) of the regulation on the implementation of the european economic area (eea) financial mechanism 2009-2014 **(29-12-2015)**
3. Addendum to the Annual Opinion for the year 2015 by virtue of Article 4.6, section 1, letter e), paragraph ii) of the Regulation on the implementation of the European Economic Area (EEA) Financial Mechanism 2009-2014 **(24-02-2016)**



SECRETARÍA DE ESTADO DE PRESUPUESTOS Y GASTOS  
[State Secretariat for Budgets and Expenditure]  
INTERVENCIÓN GENERAL DE LA ADMINISTRACIÓN DEL ESTADO  
[General Intervention Board of the State Administration]  
OFICINA NACIONAL DE AUDITORÍA  
[National Audit Office]

## Annual opinion by virtue of Article 4.6, section 1, letter e), paragraph ii) of the Regulation on the implementation of the European Economic Area (EEA) Financial Mechanism 2009-2014

To the Financial Mechanism Committee

### INTRODUCTION

The undersigned, Jesús del Barco Fernández-Molina, representing the Audit Authority, has examined the functioning of the management and control systems established for the programmes financed by the EEA Financial Mechanism 2009-2014 during 2014 period, in order to issue an opinion on whether the systems functioned effectively so as to provide reasonable assurance that the statements of expenditure presented to the Financial Mechanism Committee are correct and as a consequence reasonable assurance that the underlying transactions are legal and regular.

### SCOPE OF THE OPINION

The examination was carried out in accordance with the audit strategy of the EEA Financial Mechanism 2009-2014 in respect of the expenditure declared during the period 2014 and reported in the attached annual audit report under Article 4.6 (1)(e)(i) of the Regulation on the implementation of the EEA Financial Mechanism 2009-2014.

The audit strategy approved does not cover the programme ES06-Cultural Exchange, which operator is the Norwegian Embassy in Spain.

As the Annual Control Report indicates, the available audit results of provisional findings have been used in forming the opinion.

There were no limitations on the scope.

### OPINION

#### UNQUALIFIED OPINION

Based on the examination referred to above, it is my opinion that for the abovementioned period the management and control systems established for the Programmes complied with the applicable requirements of Article 4.1 of the Regulation on the implementation of



NATIONAL AUDIT OFFICE

the EEA Financial Mechanism 2009-2014 and functioned effectively so as to provide reasonable assurance that the statements of expenditure presented to the Financial Mechanism Committee are correct and as a consequence reasonable assurance that the underlying transactions are legal and regular regarding the following sub-populations:

- Certifying Authority
- Technical Assistance and Bilateral Relations / National Focal Point  
ES02: Climate Change / CDTI
- ES04: Gender Equality / State Secretariat for Equality [*Secretaría de Estado de Igualdad*] - Institute for Women's Affairs [*Instituto de la Mujer*]
- ES05: Cultural Promotions and Artistic Heritage / Ministry of Education, Culture and Sports [*Ministerio de Educación, Cultura y Deporte*]
- ES07: Exchange Scholarships / Complutense University of Madrid [*Universidad Complutense de Madrid*]

#### ADVERSE OPINION

Based on the examination referred to above, it is my opinion that for the abovementioned period the management and control systems established for the Programmes did not comply with the applicable requirements of Article 4.1 of the Regulation on the implementation of the EEA Financial Mechanism 2009-2014 and did not function effectively so as to provide reasonable assurance that the statements of expenditure presented to the Financial Mechanism Committee are correct and as a consequence does not provide reasonable assurance that the underlying transactions are legal and regular regarding the sub-population ES03: Funds for NGOs/ NGO Platform of Social Action.

This adverse opinion is based on the fact that the management and control system only works partially; substantial improvements are needed due to shortcomings in the projects selection procedure.

At Madrid, 29 December 2015

DIRECTOR OF THE NATIONAL AUDIT OFFICE

Signed: Jesús del Barco Fernández-Molina



SECRETARÍA DE ESTADO DE PRESUPUESTOS Y GASTOS  
 [State Secretariat for Budgets and Expenditure]  
 INTERVENCIÓN GENERAL DE LA ADMINISTRACIÓN DEL ESTADO  
 [General Intervention Board of the State Administration]  
 OFICINA NACIONAL DE AUDITORÍA  
 [National Audit Office]  
 DIVISIÓN DE CONTROL FINANCIERO DE FONDOS COMUNITARIOS  
 [Division for Finance Control of Community Funds]

ANNUAL AUDIT REPORT FOR YEAR 2015 WITH REGARD TO THE AUDIT STRATEGY OF THE EUROPEAN ECONOMIC AREA FINANCIAL MECHANISM 2009-2014 (DRAWN UP IN ACCORDANCE WITH ARTICLE 4.6, SECTION 1, LETTER E) PARAGRAPH i) OF THE REGULATION ON THE IMPLEMENTATION OF THE EUROPEAN ECONOMIC AREA (EEA) FINANCIAL MECHANISM 2009-2014

1. Introduction

This report is issued with respect to the audit strategy of the European Economic Area Financial Mechanism 2009-2014. The audit authority responsible for drawing up the present report is the General Intervention Board of the State Administration (IGAE) [*Intervención General de la Administración del Estado*].

The effective period where the random sample of expenditure declared was selected to carry out the audit covers from 1 January to 31 December 2014

The audit strategy version applicable to the audited period is the one dated 29 May 2014. The programme areas covered by the hereby report are the following:

PROGRAMME AREAS	AUTHORITIES /PROGRAMME OPERATORS
Technical Assistance and Bilateral Relations	Sub-directorate General for European Territorial Cooperation and Urban Development [ <i>Subdirección General de Cooperación Territorial Europea y Desarrollo Urbano</i> ]
Certifying Authority	Sub-directorate General for Certification and Payments [ <i>Subdirección General de Certificación y</i>
Programme ES02: Climate Change	CDTI
Programme ES03: Funds for NGOs	NGO Platform of Social Action
Programme ES04: Gender Equality	State Secretariat for Equality [ <i>Secretaría de Estado de Igualdad</i> ] - Institute for Women's Affairs [ <i>Instituto de la Mujer</i> ]

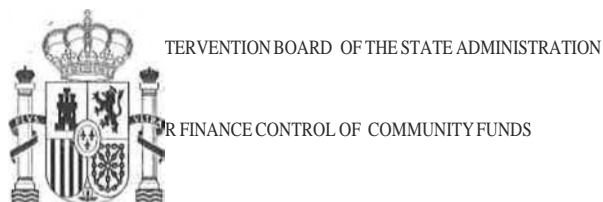
Programme ES05: Cultural Promotions and Artistic Heritage	Ministry of Education, Culture and Sports [ <i>Ministerio de Educación, Cultura y Deporte</i> ]
Programme ES07: Exchange Scholarships	Complutense University of Madrid [ <i>Universidad Complutense de Madrid</i> ]

The audit strategy approved does not cover the programme ESO6-Cultural Exchange, which operator is the Norwegian Embassy in Spain.

The National Focal Point of the programmes is the Sub-directorate General for European Territorial Cooperation and Urban Development, within the Directorate General for Community Funds [*Dirección General de Fondos Comunitarios*] of the Ministry of Finance and Public Administrations [*Ministerio de Hacienda y Administraciones Públicas*]

MARIA DE MOLINA, 50 28006 MADRID





NATIONAL AUDIT OFFICE

The Certifying Authority is the Sub-directorate General for Certification and Payments, within the Directorate General for Community Funds of the Ministry of Finance and Public Administrations.

The present report is issued in accordance with the systems audits and the audits on the expenditure declared carried out by the Audit Authority itself (IGAE) through the collaboration of Servicios Empresariales Arquímedes S.L.P. The total data of controls is included in **Annex 1**.

Besides, the National Focal Point was requested to provide information regarding the changes in the management and control systems that have occurred after the evaluation of Article 4.8.3 of the Regulation on the implementation of the EEA Financial Mechanism 2009-2014.

## 2. Changes in management and control systems

The changes in the management and control systems and those in the bodies descriptions notified by the National Focal Point since their initial evaluation are included in **Annex 2** of the hereby report.

## 3. Changes to audit strategy

**Annex 3** of the hereby report sets out the table of Annex 11 of the audit strategy, without any changes being made in respect of that initially approved.

## 4. Systems audits

### 4.1 General aspects of systems audits

The systems audits were carried out using the "Guide for management and control systems audits" drawn up by IGAE on the basis of the European Commission guidance on the evaluation of management and control systems of Member States.

There are four categories for systems evaluation of effectiveness:

- **Category 1. It works well; only minor improvements needed.** There are no shortcomings, or these are minor, and they do not have significant effect on the



system functioning.

- **Category 2. It works but some improvements are needed.** There are some shortcomings that have moderate effect on the system functioning.

- **category 3. It works partially; substantial improvements needed.** There are shortcomings that have caused or may cause irregularities and have significant effect on the system functioning.
- **Category 4. Essentially, it does not work.** There are shortcomings that cause irregularities that are systemic and far-reaching.

The evaluation for the **Certifying Authority** was performed for each of the following key provisions:

1. Definition, assignment and separation of functions.
2. Adequate management verifications.
3. Appropriate audit trail.
4. Necessary preventive and remedial measures where the audit identifies systemic errors.

The evaluation for the **Programme Operators** was performed for each of the following objectives:

1. Definition, assignment and separation of functions.
2. Information and publicity activities.
3. Adequate procedures for projects selection.
4. Adequate management checks.
5. Appropriate audit trail.
6. Reliable accounting, monitoring and financial information systems in computerised form, and systems of project monitoring and reporting.
7. Necessary preventive and remedial measures where the audit identifies systemic errors.

**Annex 4** of the hereby report includes all data related to the systems audits carried out and the overall conclusion.

## **4.2 Description of the basis for selection of the audits in the context of the audit tegy.**

The audits were selected in accordance with the criteria set out in section IV.1 of the audit strategy document and with the timetable contained in Annex 3 of the hereby report.

## **4.3 Conclusions on the systems. Details by sub-population**

### Certifying Authority: Sub-directorate General for Certification and Payments

Having regard to the results obtained in the audits carried out in present audit year, the overall opinion drawn up on the system is "It works but some improvements are needed" (category 2).

### ES03 Programme Operator: NGO Platform

Having regard to the results obtained in the audits carried out in present audit year, the overall opinion drawn up on the system is "It works partially, substantial improvements needed " (category 3).

### ES04 Programme Operator: State Secretariat for Equality - Institute for Women's Affairs

Having regard to the results obtained in the audits carried out in present audit year, the overall opinion drawn up on the system is "It works but some improvements are needed" (category 2).

## **5. Audits on expenditure declared**

### **5.1. General aspects of the audits on expenditure declared**

**Annex 5** includes all data related to the audits carried out on the expenditure declared, expenditure declared and audited, results, conclusions and follow-up.

Specifically, it includes the following tables:

- Table 5.1 includes information with regard to the expenditure declared, expenditure audited for the sample, percentage of audited expenditure, irregular expenditure, expenditure declared cumulatively and expenditure audited cumulatively.
- Table 5.2 includes detailed results of audits on the expenditure declared and the sample error rate.

## **5.2. Description of the basis for the selection of the samples**

Taking into account the expected operations to be performed by each Programme Operator, a non-statistical sampling method was used covering at least 10% of the expenditure declared for the audit year, assuring that all programmes are represented.

## **5.3. Conclusions drawn from the results of the audits in respect of the effectiveness of the management and control systems. Details by sub-population**

For the group of 5 programmes and for the National Focal Point (Sub-directorate General for European Territorial Cooperation and Urban Development), the control rate that represents the controlled expenditure corresponding to the random sample on the expenditure declared in the reference year is 31.51 %.

The figures of irregular expenditure found in the random sample of the sub-populations group is EUR 5,518.81, which means a percentage of 0.20 %.

### Sub-population: Technical Assistance and Bilateral Relations / National Focal Point:

The figure of irregular expenditure in the random sample amounts to EUR 0.00, which means an error rate of 0 %. The projected error amounts to EUR 0.00.

### Sub-population ES02: Climate Change /CDTI

The figure of irregular expenditure in the random sample amounts to EUR 0.00, which means an error rate of 0 %. The projected error amounts to EUR 0.00.

### Sub-population ES03: Funds for NGOs / NGO Platform of Social Action

The figure of irregular expenditure in the random sample amounts to EUR 0.00, which means an error rate of 0 %. The projected error amounts to EUR 0.00.

### Sub-population ES04: Gender Equality / State Secretariat for Equality / Institute for Women's Affairs

The figure of irregular expenditure in the random sample amounts to EUR 2,488.00, which means an error rate of 0.19 %. The projected error amounts to EUR 3,983.51.

### Sub-population ES05: Cultural Promotions and Artistic Heritage / Ministry of Education, Culture and

## Sports

The figure of irregular expenditure in the random sample amounts to EUR 2,428.57, which means an error rate of 4.79 %. The projected error amounts to EUR 2,951.65.

### Sub-population ES07: Exchange Scholarships / Complutense University of Madrid

The figure of irregular expenditure in the random sample amounts to EUR 602.24, which means an error rate of 0.12 %. The projected error amounts to EUR 2,282.04.

## **6. Follow-up of previous years' audit activity**

The irregularities found in the audit year 2013-2014 have been followed up and included in the Annual Control Report 2014. The Certifying Authority has informed that the following amounts have been withdrawn from the irregularities found in the audit year 2013-2014:

- EUR 3,103.40 in IFR4 for the sub-population Technical Assistance and Bilateral Relations / National Focal Point.
- EUR 1,143.45 in IFRS for the sub-population ES03. Funds for NGOs/ NGO Platform of Social Action.

## **7. Further information. Conclusions**

The final conclusion on the system may be modified, according to variations that might occur when reports drafts are in process of becoming final reports, by issuing an Addendum to the present report.

In accordance with previous paragraphs and, specifically, the results of the management and control systems audits and of the audits on expenditure declared, the final conclusion on the systems is as follows:

### UNQUALIFIED OPINION

Based on the examination referred to above, it is my opinion that for the abovementioned period the management and control systems established for the Programmes complied with the applicable requirements of Article 4.1 of the Regulation on the implementation of the EEA Financial Mechanism 2009-2014 and functioned effectively so as to provide reasonable assurance that the statements of expenditure presented to the Financial Mechanism Committee are correct and as a consequence reasonable assurance that the underlying transactions are legal and regular regarding the following sub-populations:

Sub-population: Certifying Authority: Sub-directorate General for Certification and Payments

- a) As heading 4 and Annex 4 indicate, having regard to the results obtained in the systems audits carried out in present audit year, the overall opinion drawn up on the system is "It works but some improvements are needed".
- b) Considering all the abovementioned, the final conclusion on the system must be favourable.

Sub-population: Technical Assistance and Bilateral Relations / National Focal Point

- a) Having regard to the results obtained in the systems audits carried out in previous years, the overall opinion drawn up on the system is " It works but some improvements are needed".
- b) For the purpose of issuing an opinion, the results of the controls mentioned in Annex 1 have been considered complying with the requirements of sample selection contained in section 5.2 of the hereby report.
- c) Having regard to the results of the audits on expenditure declared, the sample error rate is 0 %. The projected error amounts to EUR 0.00 (0 %).
- d) Considering all the abovementioned, the final conclusion on the system must be favourable.

Sub-population ES02: Climate Change / CDTI

- a) For the purpose of issuing an opinion, the results of the controls mentioned in Annex 1 have been considered complying with the requirements of sample selection contained in section 5.2 of the hereby report.
- b) Having regard to the results of the audits on expenditure declared, the sample error rate is 0 %. The projected error amounts to EUR 0.00 (0 %).
- c) Considering all the abovementioned, the final conclusion on the system must be favourable.

Sub-population ES04: Gender Equality / State Secretariat for Equality. Ministry of Education, Culture and Sport

- a) As heading 4 and Annex 4 indicate, having regard to the results obtained in the systems audits carried out in present audit year, the overall opinion drawn up on the system is " It works but some improvements are needed".
- b) For the purpose of issuing an opinion, the results of the controls mentioned in Annex 1 have been considered complying with the requirements of sample selection contained in section 5.2 of the hereby report.

- c) Having regard to the results of the audits on expenditure declared, the sample error rate is 0.19 %. The projected error amounts to EUR 3,983.51 (0.19%).
- d) Considering all the abovementioned, the final conclusion on the system must be favourable.

Sub-population ES05: Cultural Promotions and Artistic Heritage / Ministry of Education, Culture and Sports

- a) For the purpose of issuing an opinion, the results of the controls mentioned in Annex 1 have been considered complying with the requirements of sample selection contained in section 5.2 of the hereby report.
- b) Having regard to the results of the audits on expenditure declared, the sample error rate is 4.79%. The projected error amounts to EUR 2,951.65 (4.79 %).
- c) According to the information provided by the Certifying Authority, the amount withdrawn is EUR 2,428.57, corresponding to the expenditure declared in reference year.
- d) The residual error amounts to EUR 523.08 (0.85 %).
- e) Considering all the abovementioned, the final conclusion on the system must be favourable.

Sub-population Programme ES07: Exchange Scholarships / Complutense University of Madrid

- a) For the purpose of issuing an opinion, the results of the controls mentioned in Annex 1 have been considered complying with the requirements of sample selection contained in section 5.2 of the hereby report.
- b) Having regard to the results of the audits on expenditure declared, the sample error rate is 0.12 %. The projected error amounts to EUR 2,282.04 (0.12 %)
- c) Considering all the abovementioned, the final conclusion on the system must be favourable.

ADVERSE OPINION

Based on the examination referred to above, it is my opinion that for the abovementioned period the management and control systems established for the Programmes did not comply with the applicable requirements of Article 4.1 of the Regulation on the implementation of the EEA Financial Mechanism 2009-2014 and did not function effectively so as to provide reasonable assurance that the statements of expenditure presented to the Financial Mechanism Committee are correct and as a consequence does not provide reasonable assurance that the underlying transactions are legal and regular regarding the following sub-populations:

Sub-population ES03: Funds for NGOs / NGO Platform of Social Action

The hereby adverse opinion is based on the fact that, as heading 4 and Annex 4 indicate, and having regard to the results obtained in the systems audits carried out in present audit year, the overall opinion drawn up on the system is "It works partially; substantial improvements needed" due to shortcomings in the project selection procedure.

At Madrid, 29 December 2015

NATIONAL AUDITOR  
HEAD OF DIVISION

A handwritten signature in black ink, appearing to read 'Rafael Cortés Sánchez', written over a horizontal line.

Edo. Rafael Cortés Sánchez.

GENERAL INTERVENTION BOARD  
OF THE STATE ADMINISTRATION  
NATIONAL AUDIT OFFICE

# ANNEX 1



Implementation of the EEA Financial Mechanism 2009-14  
Spain – Strategic Report 2015 (Covering 1<sup>st</sup> January 2015- 31<sup>st</sup> December 2015)

Body/Programme Operator	Systems audits		Audits on the expenditure declared		Opinion
	Initiated in the year	Draft/Final	Expected in the sample	Draft/Final	
Technical Assistance and Bilateral Relations / (National Focal Point)	0	0	1	1	Unqualified
Certifying Authority Sub-directorate General for Certification and Payments	1	1	N/A	N/A	Unqualified
ES02: Climate Change / (CDTI)	0	0	1	1	Unqualified
ES03: Funds for NGOs /NGO Platform of Social Action	1	1(*)	1	1(*)	Adverse
ES04: Gender Equality /State Secretariat for Equality - Institute for Women's Affairs	1	1(*)	1	1(*)	Unqualified
ES05: Cultural Promotions and Artistic Heritage /Ministry of Education, Culture and Sports	0	0	1	1	Unqualified
ES07: Exchange Scholarships /Complutense University of Madrid	0	0	1	1(*)	Unqualified

(\*)Draft

ANNEX 1 Annual Control Report 2015 - Audit Strategy of the European Economic Area Financial Mechanism 2009-2014

## ANNEX 2



### ANNEX 2: CHANGES IN MANAGEMENT AND CONTROL SYSTEMS

GENERAL INTERVENTION BOARD OF THE STATE ADMINISTRATION

Body/Programme Operator	Changes notified	Observations
EEA Grants - Programme ES02 (May 2015)	<p>- Section 3b "Procedure for verification of projects expenditure". Clarifications in respect of the deadlines for expenditure verification and for projects payment: the deadlines contained in the Programme Agreement are included.</p> <p>- Annex VII "Procedure for transfer between EEA Grants account and CDTI general account": the procedure has been included for the cases of Reimbursement due to renunciation or infringement.</p> <p>Likewise, the references to these paragraphs appearing throughout the text have been updated.</p>	
EEA Grants - Programme ES04 (June 2015)	<p>Due to the entry into force of Law 15/2014, of September 16<sup>th</sup>, on Public Sector rationalisation and other measures of administrative reform [<i>Ley 15/2014, de 16 de septiembre, de racionalización del Sector Público y otras medidas de reforma administrativa</i>], which withdraws the Directorate General for Equal Opportunities [<i>Dirección General para la Igualdad de Oportunidades</i>], so its jurisdiction, rights and liabilities are assumed by The Institute for Women's Affairs and Equal Opportunities by statutory subrogation, the Director of this Body subscribed, on 7 November 2014, an addendum to the Description of the Management and Control Systems of the Programme Gender Equality and Reconciliation. Version 1.0 dated 09/05/2014. This modification contains the changes</p>	
EEA Grants - Programme ESO5 (February 2015)	<p>On page 37 heading "Final Report", paragraph 3 where it says: "and not before 30 April 2017" it should say: "and not after 30 April 2017".</p> <p>On page 41, paragraph 2 where it says: "Once the programme is approved, the independent audits inform about the unjustified or disproportionate expenditure or any problem for the correct achievement of the programme" it should say: "After launching the programme, the independent audits inform about the unjustified or disproportionate expenditure or any problem for the correct achievement of the programme".</p> <p>On page 41, paragraph 4 where it says: "These reports contain the irregularities incurred, their investigations and any measure taken accordingly" it should say: "These reports contain the real or possible irregularities incurred, their investigations and</p>	

## **ANNEX 3**

**EXPECTED TIMETABLE IN THE AUDIT STRATEGY**

GENERAL INTERVENTION BOARD OF  
THE STATE ADMINISTRATION  
NATIONAL AUDIT OFFICE

Bodies Audited 2013-2014	Systems Audits to carry out in the audit year		
		2014-2015	2015
Sub-directorate General for European Territorial Cooperation and Urban Development (National Focal Point)	X		-
Sub-directorate General for Certification and Payments		X	
CDTI			1
NGO Platform of Social Action		X	
State Secretariat for Equality - Institute for Women's Affairs		X	
Ministry of Education, Culture and Sports			
Complutense University of Madrid			

# ANNEX 4



**ANNEX 4: SYSTEMS AUDITS**



**Table 4.1 Conclusions of the systems audits of the Plan 2014-2015**

Body Audited	Date of Final Report	Audit Status	Main Elements		
			A. CERTIFICATION		
			1	2	3
Sub-directorate General for Certification and Payments (Certifying Authority)	04/03/2015	Completed	1	2	2

Body Audited	Reference (No ES)	Programme	Date of Report	Audit Status	Main Elements			
					Programme Operator			
					1	2	3	4
NGO Platform of Social Action	ES03	Funds for NGOs	22/12/2015	Draft	1	1	3	2
State Secretariat for Equality Institute for Women's Affairs	ES04	Gender Equality	28/12/2015	Draft	1	2	1	2

# ANNEX 5

Annual Control Report 2015 - Audit Strategy of the European Economic Area Financial Mechanism 2009-2014



## **ANNEX 5 AUDITS ON THE EXPENDITURE DECLARED**

**Table 5.1 State of play of expenditure declared and irregular expenditure**

Sub-population	Net expenditure declared in the reference year	Expenditure audited for the random sample in the reference year	Percentage of expenditure audited on expenditure declared	Irregular expenditure in random sample	Percentage of irregular expenditure in random sample	Total expenditure declared cumulatively	Total expenditure audited cumulatively	Percentage of expenditure audited cumulatively on declared cumulatively
Technical Assistance and Bilateral Relations / (National Focal Point)	139,837.92	84,989.15	60.78 %	0.00	0.00%	309,646.93	213,455.70	68.94 %
ES02: Climate Change / (CDTI)	3,111,592.91	420,630.36	13.52 %	0.00	0.00%	3,149,095.91	434,819.36	13.81 %
ES03: Funds for NGOs /Platform of Social Action	1,404,345.90	358,289.89	25.51 %	0.00	0.00%	1,484,633.90	399,974.09	26.94 %
ES04: Gender Equality / State Secretariat for Equality - Institute for Women's Affairs	2,152,699.00	1,344,522.67	62.46 %	2,488.00	0.19%	2,469,535.00	1,544,522.67	62.54 %
ES05: Cultural Promotions and Artistic Heritage/ Ministry of Education, Culture and Sports	61,674.65	50,744.97	82.28 %	2,428.57	4.79%	61,674.65	50,744.97	82.28 %

Implementation of the EEA Financial Mechanism 2009-14  
 Spain – Strategic Report 2015 (Covering 1<sup>st</sup> January 2015- 31<sup>st</sup> December 2015)

ES07: Exchange Scholarships /Complutense University	1,835,810.00	484,478.00	26.39%	602.24	0.12%	1,852,538.00	495,705.69	26.76 %
TOTAL	8,705,960.38	2,743,655.04	31.51%	5518.81	0.20%	9,327,124.39	3,139,222.48	33.66%

ANNEX 5 Annual Control Report 2015 - Audit Strategy of the European Economic Area Financial Mechanism 2009-2014

**OFFICIAL LETTER**

Your reference

**Table 5.2 Results of  
audits on expenditure  
declared**

Sub-population	Gross expenditure declared in reference year	Expenditure audited in the reference year for the random sample	Irregular expenditure in random sample	Error rate %	D amc an
Technical Assistance and Bilateral Relations / (National Focal Point)	181,180.92	84,989.15	0.00	0.00%	
ES02: Climate Change / (CDTI)	3,139,197.35	420,630.36	0,00	0.00%	
ES03: Funds for NGOs/NGO Platform of Social Action	1,404,345.90	358,289.89	0.00	0.00%	
ES04: Gender Equality / State Secretariat for Equality - Institute for Women's Affairs	2,152,699.00	1,344,522.67	2,488.00	0.19%	
ES 05: Cultural Promotions and Artistic Heritage/Ministry of Education, Culture and Sports	61,674.65	50,744.97	2,428.57	4.79%	
ES07: Exchange Scholarships / Complutense University of Madrid	1,835,810.00	484,478.00	602.24	0.12%	
<b>TOTAL</b>	<b>8,774,907.82</b>	<b>2,743,655.04</b>	<b>5,518.81</b>	<b>0.20 %</b>	



<i>SECRETARIA DE ESTADO DE PRESUPUESTOS Y GASTOS</i> [State Secretariat for Budgets and Expenditure] <i>INTERVENCIÓN GENERAL DE LA ADMINISTRACIÓN DEL ESTADO</i> [General Intervention Board of the	State Administration] <i>OFICINA NACIONAL DE AUDITORÍA</i> [National Audit Office] <i>DIVISIÓN DE CONTROL FINANCIERO DE FONDOS COMUNITARIOS</i> [Division for Finance Control of	Community Funds]  Ministry of Finance and Public Administrations General Intervention Board 23/02/2016 13:39:04 OUTGOING DOCUMENT 00565.005.2016.S.000873
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Our reference      Division III, EEA FINANCIAL MECHANISM (2009-2014)  
Date                Madrid, 22 February 2016  
Subject             Addendum to the Annual Control Report and Opinion for 2015 with regard to the Audit Strategy of the EEA Financial Mechanism 2009-2014

**TO                    SUB-DIRECTORATE GENERAL FOR EUROPEAN TERRITORIAL COOPERATION AND                    URBAN                    DEVELOPMENT** [*Subdirección General de Cooperación Territorial Europea y Desarrollo Urbano*] (**EEA FINANCIAL MECHANISM NFP**)  
**MINISTRY OF FINANCE AND PUBLIC ADMINISTRATIONS**  
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Ministry of Finance and Public Administrations  
General Intervention Board National Audit Office – Division III  
24/02/2016 8:43:33  
OUTGOING DOCUMENT 00565.007.2016.S.000069

Please find attached the following documents:

Addendum to the Annual Control Report for the year 2015 with regard to the Audit Strategy of the EEA Financial Mechanism 2009-2014

Addendum to the Annual Opinion for the year 2015 with regard to the Audit Strategy of the  
EEA Financial Mechanism 2009-2014

National Auditor Head

of Division

Signed: Rafael Cortés Sánchez

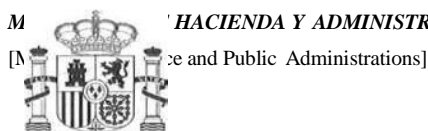
WORKING LANGUAGE FINAL VERSION

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28006 Madrid

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**HACIENDA Y ADMINISTRACIONES PÚBLICAS**

[Ministry of Finance and Public Administrations]

**SECRETARIA DE ESTADO DE PRESUPUESTOS Y GASTOS**

[State Secretariat for Budgets and Expenditure]

**INTERVENCIÓN GENERAL DE LA**

**ADMINISTRACIÓN DEL ESTADO**

[General Intervention Board of the State

Administration]

**OFICINA NACIONAL DE AUDITORÍA**

[National Audit Office]

**Addendum to the Annual Opinion for the year 2015 by virtue of Article 4.6, section 1, letter e), paragraph ii) of the Regulation on the implementation of the European Economic Area (EEA) Financial Mechanism 2009-2014**

To the Financial Mechanism Committee

**INTRODUCTION**

The undersigned, Jesús del Barco Fernández-Molina, representing the Audit Authority, issued an Opinion on 29 December 2015 as to whether the management and control systems established for the programmes financed by the European Economic Area (EEA) Financial Mechanism 2009-2014 during the 2014 period functioned effectively, so as to provide reasonable assurance that the statements of expenditure presented to the Financial Mechanism Committee were correct and as a consequence reasonable assurance that the underlying transactions were legal and regular.

As at the aforementioned date, some of the controls considered to issue the opinion were still being drafted, specifically, the systems audits of the NGO Platform of Social Action Programme Operator and the State Secretariat for Equality / Institute for Women's Affairs Programme Operator, as well as the audits on the expenditure declared for the following programmes: ES03: Funds for NGOs, ES04: Gender Equality and ES07: Exchange Scholarships. At present, all controls considered to issue an opinion have been completed and are final, with regard to both the systems audits and the audits on the expenditure declared, and an Addendum to the Annual Audit Report 2015 has been issued. As a result, the Opinion issued on 29 December 2015 is modified in relation to sub-population ES03: Funds for NGOs / NGO Platform of Social Action, with details of the sections of the Report to which this Opinion refers.

**OPINION**

**UNQUALIFIED OPINION**

Based on the examination referred to above, it is my opinion that for the abovementioned period the management and control systems established for the Programmes complied with



the applicable requirements of Article 4.1 of the Regulation on the implementation of the EEA Financial Mechanism 2009-2014 and functioned effectively, so as to provide reasonable assurance that the statements of expenditure presented to the Financial Mechanism Committee are correct and as a consequence reasonable assurance that the underlying transactions are legal and regular regarding the following sub-populations:

- ES03: Funds for NGOs / NGO Platform of Social Action

Madrid, 19 February 2016

DIRECTOR OF THE NATIONAL AUDIT OFFICE

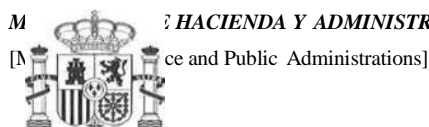
Signed: Jesús del Barco Fernández-Molina

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*SECRETARIA DE ESTADO DE PRESUPUESTOS Y GASTOS*  
[State Secretariat for Budgets and Expenditure]  
*INTERVENCIÓN GENERAL DE LA ADMINISTRACIÓN DEL ESTADO*  
[General Intervention Board of the State Administration]  
*OFICINA NACIONAL DE AUDITORÍA*  
[National Audit Office]  
*DIVISIÓN DE CONTROL FINANCIERO DE FONDOS COMUNITARIOS*  
[Division for Finance Control of Community Funds]

**ADDENDUM TO THE ANNUAL AUDIT REPORT FOR THE YEAR 2015 WITH REGARD TO THE AUDIT STRATEGY OF THE EUROPEAN ECONOMIC AREA FINANCIAL MECHANISM 2009-2014 (DRAWN UP IN ACCORDANCE WITH ARTICLE 4.6, SECTION 1, LETTER E) PARAGRAPH i) OF THE REGULATION ON THE IMPLEMENTATION OF THE EUROPEAN ECONOMIC AREA (EEA) FINANCIAL MECHANISM 2009-2014)**

**1. Introduction**

A report was issued on 29 December 2015 with regard to the audit strategy of the EEA Financial Mechanism 2009-2014 providing details of the intervening sub-populations.

Some of the controls considered to issue the opinion were still being drafted at the time the aforementioned Annual Report was issued, specifically, the systems audits of the NGO Platform of Social Action Programme Operator and the State Secretariat for Equality / Institute for Women's Affairs Programme Operator, as well as the audits on the expenditure declared for the following programmes: ES03: Funds for NGOs, ES04: Gender Equality and ES07: Exchange Scholarships.

At present, all controls considered to issue an opinion have been completed and are final, with regard to both the systems audits and the audits on the expenditure declared.

As a result, this Addendum is issued and the contents of the Annual Audit Report issued on 29 December 2015 are modified.

Below are the sections subject to modification following the issue of the aforementioned final reports.

**4.3. Conclusions on the systems. Details by sub-population**

ES03 Programme Operator: NGO Platform

Regarding sub-population ES03: Funds for NGOs/ NGO Platform of Social Action, an adverse opinion was issued based on the results obtained in the systems audit (in the drafting stage) carried out in the audit year concerned. Thus, the overall opinion drawn up on the system was: “It works partially, substantial improvements needed” due to shortcomings in the projects selection procedure.

However, on 29 January 2016, the National Focal Point submitted a consultation to the FMO on the interpretation of Article 6.5.2. of the Regulation in relation to the requirement of having two independent experts review the application. On 4 February 2016, the FMO submitted the following reply:

“According to Article 6.5 of the Regulation, ‘Each application that meets the administrative and eligibility criteria shall be reviewed by two experts appointed by the Programme Operator, who shall be impartial and independent of the Programme Operator and the Selection Committee. The experts shall separately score the project according to the selection criteria published with the call for proposals. For the purposes of ranking the projects, the average of the scores awarded by the experts shall be used’. Provided that the evaluation and scoring was conducted separately, by experts independent of the Programme Operator and the Selection Committee, the requirements of the Regulation are met. The Regulation does not make specific provisions regarding the independence between the experts. The contracting of an external company to provide project evaluators is not an infringement of the Regulation, provided the above-mentioned requirements are met.

The systems audit commissioned by the FMO did not reveal any significant weaknesses related to the selection process, and no findings were related to the issue referred to above. The draft report has already been shared with the National Focal Point/Programme Operator and the final version of the report will be sent to the authorities concerned.”

Therefore, taking into account the interpretation provided by the FMO of Article 6.5.2. of the Regulation, the systems audit opinion contained in the final report regarding the NGO Platform of Social Action Programme Operator is modified; thus, the following overall opinion is assigned to the system: “It works, but some improvements are needed” (category 2).

## **8. Further information. Conclusions**

In accordance with previous paragraphs and, specifically, the results of the management and control systems audits and of the audits on expenditure declared, the final conclusion on the systems should be as follows:

#### UNQUALIFIED OPINION

Based on the examination referred to above, it is my opinion that for the abovementioned period the management and control systems established for the Programmes complied with the applicable requirements of Article 4.1 of the Regulation on the implementation of the EEA Financial Mechanism 2009-2014 and functioned effectively, so as to provide reasonable assurance that the statements of expenditure presented to the Financial Mechanism Committee are correct and as a consequence reasonable assurance that the underlying transactions are legal and regular regarding the following sub-populations:

#### Subpopulation ES03: Funds for NGOs / NGO Platform of Social Action

#### ADVERSE OPINION

The reference to sub-population ES03: Funds for NGOs / NGO Platform of Social Action is to be eliminated.

#### ANNEXES

Please find attached the following Annexes to the Annual Report, which have been modified:

- Annex 1: Controls considered to issue the opinion
- Annex 4 – Table 4.1: Conclusions of the systems audits of the Plan 2014-2015

Madrid, 19 February 2016

NATIONAL AUDITOR

HEAD OF DIVISION

Signed: Rafael Cortés Sánchez

M<sup>a</sup> de Molina, 50 28006

Madrid

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**ANNEX 1: CONTROLS CONSIDERED TO ISSUE THE OPINION**

Body/Programme Operator	Systems audits		Audits on the expenditure declared		Opinion
	Initiated in the year	Draft/Final	Expected in the sample	Draft/Final	
Technical Assistance and Bilateral Relations/(National Focal Point)	0	0	1	1	Unqualified
Certifying Authority Sub-directorate General for Certification and Payments	1	1	N/A	N/A	Unqualified
ES02: Climate Change/(CDTI)	0	0	1	1	Unqualified
ES03: Funds for NGOs/NGO Platform of Social Action	1	1	1	1	Unqualified
ES04: Gender Equality /State Secretariat for Equality - Institute for Women's Affairs	1	1	1	1	Unqualified
ES05: Cultural Promotions and Artistic Heritage /Ministry of Education, Culture and Sports	0	0	1	1	Unqualified
ES07: Exchange Scholarships /Complutense University	0	0	1	1	Unqualified

**Annex 4: SYSTEMS AUDITS**

**Table 4.1: Conclusions of the systems audits of the Plan 2014-2015**

Body Audited	Date of Final Report	Audit Status	Main Elements				Overall Opinion
			A. CERTIFICATION				
			1	2	3	4	
Sub-directorate General for Certification and Payments (Certifying Authority)	04/03/2015	Completed	1	2	2	2	It works but some improvements are needed

Body Audited	Reference (No. ES)	Programme	Date of Report	Audit Status	Main Elements							Overall Opinion
					Programme Operator							
					1	2	3	4	5	6	7	
NGO Platform of Social Action	ES03	Funds for NGOs	11/02/2016	Completed	1	1	2	2	1	1	2	It works but some improvements are needed
State Secretariat for Equality Institute for Women's Affairs	ES04	Gender Equality	5/02/2016	Completed	1	2	1	2	2	1	2	It works but some improvements are needed

## Annex 2 - Strategic Report 2015

### Programmes Evaluation Reports covering 2014 and 1Q 2015 outsourced by NFP in 2015.

#### CONTENTS:

QUALITY ASSESSMENT OF THE SYSTEMS AND PROCEDURES FOR THE IMPLEMENTATION OF THE PROGRAMMES FINANCIAL MECHANISM EEA-GRANTS 2009-2014. PERIOD: 2014 AND FIRST FOUR-MONTH PERIOD 2015.

1. ES02-Environmental Change and Climate Change-related Research and Technology  
PO: CDTI, Centre for Technological Industrial Development
2. ES03- Funds for non-Governmental Organisations  
PO: The NGO Platform of Social Action (POAS)
3. ES-04- Gender Equality and promoting work-Life Programme  
PO: State Secretariat for Social Services and Equality (Ministry of Health, Social Services and Equality)
4. ES05- Programme for the Conservation and Revitalization of Cultural and Natural Heritage  
PO: State Secretariat of Culture (Ministry of Education, Culture and Sports)
5. ES07-Scholarship Programme  
PO: Complutense University of Madrid-UCM
6. Ex- ante analysis of the quality of the systems and procedures for the implementation of the Programmes in Spain. 2014/1Q 2015
7. Ex- post analysis of the quality of the systems and procedures for the implementation of the Programmes in Spain. 2014/1Q 2015



## Quality assessment of the systems and procedures for the implementation of the Programmes Financial Mechanism EEA-GRANTS 2009-2014.

### Programme and Number:

ES02-Environmental Change and Climate Change-related Research and Technology

### Intervention Mechanism:

Financial Mechanism EEA-GRANTS 2009-2014.

### Programme Operator

CDTI, Center for Technological Industrial Development

### Period:

2014 and first four-month period 2015.

**LRQA Reference:**

SGI2944066/0030

**Audit dates:**

6<sup>th</sup> and 7<sup>th</sup> October 2015

**Location:**

MADRID.





**Audit Criteria:**

Check-list, Procedures and Management System  
Control

**Audit team :**

OLGA RIVAS

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## Annexes

### This report was presented to and accepted by:

<b>Name:</b>	Luis Enrique San José García Susana Rodriguez (Personal contratado para EAA Grants)
<b>Job title:</b>	Jefe Dpto. Analisis e Inversiones Centro de Desarrollo Tecnológico Industria

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## 1. Report explanation

Introduction

*The Memorandum of Understanding signed by Spain with the Donor States on 15 November 2011 establishes that in Spain the Deputy General Directorate for European Territorial Cooperation and Urban Development will act as the National Focal Point (hereinafter, NFP) for the Programme co-funded by the EEA (European Economic Area) Financial Mechanism 2009-2014 (EEA Grants).*

*NFP's responsibilities include controlling the implementation of the Programme of Financial Mechanism and the Programme Agreement. LRQA España, SL has been hired to verify the quality of the operations and procedures in view of the objectives set by the EEA Grants according the Programme and the applicable standards.*

*The Programme Implementation Quality audit is carried out in the site of the Programme Operator and includes, if it is applicable, the quality of implementation in an adequately sampling of projects*

*The quality audit has been focused on:*

- The proper achievement of the objectives established in the Programme Agreement "Environmental Change and Climate-Change related Research and Technology" between the FMC (Financial Mechanism Committee) and CDTI, dated 19.08.2013, based in the "Regulation on the Implementation of the European Economic Area (EEA) Financial Mechanism 2009-2014 and the "CDTI Management and Control System ES02" version 3, dated 11.05.2014, and approved by the "Intervention General del Estado, here in after IGAE acting as Audit Authority and the Financial Mechanism Office, here in after (FMO)*
- Quality Verification was performed on those projects and activities whose operations were carried out in year 2014 and first four month period 2015 presented by CDTI and Projects Promoters, as well as verifying the systems to prepare the estimate of expenditure and calculate the advance payments.*
- It was selected in the projects list provided by CDTI, projects that are a high level of implementation and significant expenditure in order to verify the implementation of the projects. The criteria of selection were: projects based in the Madrid Autonomous Community that had been paid the milestone 1 plus the advance. Once calculated the % certified, which do most high are Geocontrol and Yesos Ibericos, due to problems of logistics it was visited the third in the ranking DIAGNOSTIQA.*

**Objective and scope of the audit**

*The auditor will review the system to determine whether it conforms to the audit criteria and covers the activities detailed in the scope of audit.*

*The general objectives are:*

- *Verify that the management and control processes applied by the Programme Operator are aligned with their own Management and Control System Manual approved by the Audit Authority and the EEA Grants Regulations*
- *Evaluate the quality of the Programme Implementation respect to the Objectives established in the Programme Agreement, carrying out the verification of quality and the costs of activities that give rise to expenses declared in 2014 and the first four-month period of 2015*
- *Management of advance payments and expenditures Methodology for each IFR*

*The following aspects has been verified:*

- *Functional Independence between the grant/Project managers and the expenditure verifier*
- *Projects are activities are those selected for the Programme*
- *Verification procedures used by the Programme Operator are appropriated*
- *Audit trail is appropriate and sufficient*
- *Appropriate IT Tool is used*
- *Horizontal and cross sectional risks and issues*
- *Appropriate procedures for drawing up an IFR*

*The auditor will interview the top Manager of the Programme Operator to determine the obligations of the Financial Mechanism are known and the auditor will use information obtained as a result of this interviews, to review the degree in which the Programme Operator has addressed the potential risk within the system, and to determine the needs for the proper achievement of the objectives of the Programme has been taken in account*

## **Definitions of Grade Findings**

### **Major Nonconformity**

*The absence of, or the failure to implement and maintain, one or more management system elements, or a situation which would, on the basis of the available objective evidence, raise significant doubt of the management to achieve:*

- *compliance with the applicable regulatory requirements*
- *conformance to applicable Interested Parties*
- *Conformance with the audit criteria deliverables.*

### **Minor Nonconformity**

*A finding indicative of a weakness in the implemented and maintained system, which has not significantly impacted on the capability of the management system or put at risk the system deliverables, but needs to be addressed to assure the future capability of the system.*

## **Additional information**

### **Isolated issues and opportunities for improvement**

*Any isolated issues identified during the assessment, which have not resulted in a nonconformity being raised, we will record in the appropriate process table in the report.*

*If we identify opportunities to improve the already compliant system, we will either record them in the process table applicable to the area being assessed or in the Executive summary of the report if they can deliver improvement at a strategic level.*



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**Confidentiality**

*We will treat the contents of this report, together with any notes made during the visit, in the strictest confidence and will not disclose them to any third party without written client consent.*

**Sampling**

*The assessment process relies on taking a sample of the activities of the Programme Operator. This is not statistically based but uses representative examples. Not all of the detailed nature of a business may be sampled so, if no issues are raised in a particular process, it does not necessarily mean that there are no issues, and if issues are raised, it does not necessarily mean that these are the only issues.*

## 2. Executive report for Deputy General Directorate for European Territorial Cooperation and Urban Development (National Focal Point/NFP)

### Audit Result:

As result of the evaluation of the management and control system applicable to the Programme ES02 Programme Environmental Change and Climate Change related Research and Technology and the projects sampling carried out, it is concluded that the level of compliance respect to the requirements to the Interested Parts is high

Also, the efficiency achieved is high, given that the results in terms of degree of compliance with the objectives of the Programme and the results of the indicators can demonstrate this.

### Strengths and Opportunities

#### The identified Strengths are:

- High degree of involvement of Programme Manager and Representative and high degree of knowledge of the requirements of the Programme and the requirements to meet part of the management team of Programme
- CDTI is an organization that is professionally engaged in the management of grants and funds, has integrated into its procedures, tools, processes and Systems the specific to the requirements of EEA Grants
- Adaptation of the specific CDTI project management software to the requirements of the EEA GRANTS
- Use of the structures and methodologies administrative, accounting, communications and Informatics of the CDTI
- Detailed standardization methodology for monitoring and control of projects
- Programme Promotion, both in as disclosure through INFO DAYS Conference and website to reach a large number of participants
- Flexibility, availability, and ongoing support to Project Promoters by the Programme Operator team
- Capability of CDTI of saving bureaucratic burdens related to the double imputation of data at DORIS and internal applications

#### The identified Weaknesses are:

- Deadlines required by the Programme and the Systematic implemented in CDTI are not adjusted, so it has not been possible the total allocation of funds.
- Management tools implementation could be improved for example: solving problems system that eliminate the cause root with a focus on lessons learned from the different Programme could be help to CDTI
- Although CDTI widely meets Communications established for the Programme with the NFP or IN, the organisation, in a general way and for each Fund, is more focused on a proper execution of the procedures, than in the analysis or communication of the obtained results or the impact of the Programme to the Society, environment or economy and the competence and capability of CDTI to manage these funds or grants.



### 3. Audit Details

<b>Introduction:</b>
It was maintained opening and closing meetings with Luis Enrique San José García and Susana Rodríguez. In the opening meeting, they were commented the relevant aspects in terms of the nature of this audit, the style of report of LRQA, including an explanation of the grades of the findings detected, confidentiality of the exercise, the opportunity of not accepting the audit team before the audit or any member thereof, as well as the right to appeal decisions of the audit team to the LRQA Management.

<b>Assessor:</b>	<b>OLGA RIVAS</b>	<b>06 and 07.10.15</b>
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<b>Audit to:</b>	<b>TABLE 1 COMPONENTS 1 &amp; 6 Organisation Structure, Risk Management and cross-cutting issues</b>	<b>Auditee(s):</b>	Luis Enrique San José García Susana Rodriguez
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<b>Audit trails and evidences assessed:</b>
<p>The following aspects have been evaluated to assess whether there are measures to ensure that they are not systemic irregularities or fraud and functional independence among project managers and expenditures verifiers</p> <ul style="list-style-type: none"> <li>• Degree of advancement of Programme and Projects.</li> <li>• First Open call approved in January 2014: 83 signed projects</li> <li>• Second Open call July 2014: 91 signed projects</li> <li>• PIA dated August 2013 and PA dated 19.08.2013 + Addenda dated August 2014</li> <li>• First round of pre-selection of Project Promoters January 2014 + Second round of pre-selection of Project Promoters March 2014</li> <li>• Web</li> <li>• CDTI Management and Control System Manual.Version3, date 11<sup>th</sup> May 2015</li> <li>• Organisation Structure of Programme Management. Organigram of CDTI and EEA team. See dedication data in the attached check-list</li> <li>• Functions and responsibilities included in CDTI Management and Control System Manual.Version3, dated 11th of May 2015 + Transparent management Standard of CDTI</li> <li>• CDTI Procedures adapted to the EEA GRANTS Programme, for example: Selection Committee</li> <li>• Project Promoter Instruction Manual version 1</li> <li>• Monitoring Project records with forms to be complete by the Project Promoters</li> <li>• CDTI Ethical Code and its inclusion in the contracts</li> <li>• Project Management Software</li> <li>• Travel and Expenditures Control Software</li> <li>• Communication meetings with Project Promoters</li> </ul>

## Evaluation and conclusions:

### Strenghts

- Clear and structured definition of the functions and responsibilities in the documentation of each participant in the Programme
- CDTI is an organization whose mission is the fund and grants management with a clear industrial focus who could adapt the organization to different Funds, for example: EAA Grants
- Activities/tasks standardization for monitoring and follow-up of the Programme
- Human Resources that assure the success of Programme Management
- High level of commitment and awareness with the Programme and the projects of the team members
- Good mechanism of workload and task monitoring.
- Proactive approach in Management and relationships with Project Promoters.
- Good Communication skills with the interested Parties
- Flexibility, Availability and Continual Support to the Project Promoters
- Webpage and other events
- Programme and Projects Management Software with access to the Project Promoters.

### Areas of attention:

#### *Weakness*

Although CDTI widely meets Communications established for the Programme with the NFP or IN, the organisation, in a general way and for each Fund, is more focused on a proper execution of the procedures, than in the analysis or communication of the obtained results or the impact of the Programme to the Society, environment or economy and the competence and capability of CDTI to manage these funds or grants.

<b>Audit to:</b>	TABLE Nº 2 COMPONENTS 2, 3 Y 7 PROGRAMME MANAGEMENT	<b>Auditee(s):</b>	Susana Rodriguez Luis Enrique San jose
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### Audit trails and evidences assessed

The following aspects have been evaluated to assess whether the projects and activities selected are adequate for the Programme, if verification procedures by the Programme Operator are adequate and the IFRs draw-up procedures are adequate, the following aspects have been evaluated:

- CDTI Management and Control System Manual. Version 3, dated 11 May 2015, that includes Procedure of Project Selection and Approval (conditions that have to be met in order to be eligible to receive funding), Procedure of management and monitoring of Programme and Projects and Report systems, modifications, expenditure verification Procedures, Procedure for controlling expenditure projects and Programme Procedures for drawing up an IFR and Procedure that origin an appropriate and sufficient audit trial
- Applicant Guidance
- Programme Audits
- Irregularities detected in IFR1 y IFR2 and cancelled projects by several reasons
- Irregularities Prevention and Irregularities Reports.
- Procedures for management and control system document amendments.
- IFRs Revision
- Records of several Projects, for example SUMITOMO Bakelite, Químicas Irurena, Dow Chemical y Yesos Ibéricos and it is found managed properly
- Project Management software and Workflow GGPCDTI
- Back-up Copies System CDTI
- Visits on site to projects. Reports Ej: Yesos Ibéricos

Irregularities Reports, ej. August 2015  
Internal Log of Irregularities

### Evaluation and conclusions:

#### Strenghts

- Workflow ERP and electronic records archiving clearly established
- Systems already implemented in CDTI dedicated to selection of projects with a team dedicated to promotion of calls, tracking of spending discipline
- Discipline in the completion of the requirements of the procedures established in the Management and Control System, filling in the applicable formats, compliance with deadlines of Programme and Projects
- Irregularities Internal Log
- High level of control of projects using the project tracking log System

### Areas of attention

**Weaknesses**

- The Programme deadlines and CDTI systematic are not aligned to the type of projects and duration of them, due to the available deadline in the EAA framework, for this reason the total allocation of the funds has not been possible.
- Management tools implementation could be improved for example: solving problems system that eliminate the cause root with a focus on lessons learned from the different Programme could be help to CDTI

<b>Audit to:</b>	<b>TABLE Nº 3 COMPONENTS 4 AND 5 DOCUMENTS AND RECORDS IT SYSTEMS</b>	<b>Auditee(s):</b>	Susana Rodriguez Luis Enrique San jose
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**Audit trails and evidences assessed**

The following aspects have been evaluated to assess if the systems that are implemented in CDTI let to access to the implementation evidences and if the IT Tools implemented are adequate for management, in order to evaluate this, several evidences and audits trails has been followed:

- CDTI Management and Control System Manual. Version 3, 11 May 2015, that includes the procedure for management and monitoring of projects and Programme
- Documentation Log –GPPCDTI; software of CDTI
- Project Promoter Communications.
- DORIS
- Internal Software (Travel &Expenditure control)
- INTRANET CDTI
- IT Security of CDTI.

**Evaluation and conclusions:**

**Strengths**

- Dedication of resources of the CDTI for each one of the processes
- Contracting in the case that needed external assistance INDRA for the adaptation of the GGPCDTI application to the requirements of DORIS
- Use of the server and the CDTI IT services

**Areas of attention**

**Weaknesses**

*No identified in these Components*

<b>Audit to:</b>	<b>TABLE Nº 4 PROJECTS EVALUATION</b>	<b>Auditee(s):</b>	Susana Rodriguez Luis Enrique San jose
<b>Audit trails and evidences assessed</b>			
<p>It was sampled two projects that have been selected within the Community of Madrid, a list of companies with the milestone 1 certified expenses were requested, with a significant quantity spending; It was selected YESOS IBERICOS and GEOCONTROL. The responsible of the project YESOS IBERICOS was on vacation and the third of the list was DIAGNOSTIQA.</p> <p>An audit was carried out to Project Promoters to verify that CDTI carries an exhaustive control of projects</p> <p><u>IDI-20140046 ENERTUN</u> Reduce the power consumption of road tunnels A visit was made by March 2015 by the Technician Jorge del Pozo Martin and the audit focused on reviewing that control visits carried out are effective</p> <p>The meeting was attended by the managing of GEOCONTROL; the Technical Director and the Head of R&amp;D and the Chief Financial Officer The deliverables of the project were required and properly shown</p> <p>It was also found that the justification of the expenses was fully justified in the report dated 12<sup>th</sup> March 2015 and it was not included specific aspects related to Publicity of the Financial Mechanism, although these requirements were asked and shown by the company: Project Public Presentation of 17th February 2014 and communication Event in Norway Embassy in 2015.</p> <p><u>IDI-20140020 tool Software for economic technical analysis of the energy recovery of losses of power, transport and distribution of electric power transformers</u> visit was made in December 2014 by Alfredo Gómez Raposo project technician and the audit visit was focused on that review carried out by technicians are conducted properly.</p> <p>The meeting was attended by the partner Director of the company DIAGNOSTIQA and the consultant company hired for the R+D</p> <p>The deliverables of the project were required and the results showed</p> <p>It was also found that the justification of the expenses was fully justified. In the report dated 31 December 2014, done by the project technician, all the aspects specifically required by CDTI and the Programme were included.</p>			
<b>Evaluation and conclusions:</b>			
<b>Strenghts</b>			
<ul style="list-style-type: none"> <li>• High degree of systematization in the activities of management and technical and economic control of the projects.</li> <li>• Professionalization of the tasks of on the spot verifications that lead to a good level of consistency in the activities</li> </ul>			
<b>Areas of attention</b>			
<b>Weaknesses</b>			
<ul style="list-style-type: none"> <li>• <i>No identified in these Components</i></li> </ul>			

## 4. Audit Finding Log

It has not been detected new findings in the sampling carried out during this audit; by this reason this form prepared in the report for the new findings is empty. Weaknesses are not considered audit findings, due to they are not specifically non conformities of the audit criteria

Grade 1	Status 2	Finding 3	Correction, root cause and review of the corrective action 4	Proces / Aspect 5	Date 6	Reference 7	Clause 8
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1. Grading of the finding *	2. New, Open, Closed	3. Description of the LRQA finding	4. Review by LRQA	5. Process, aspect, department or theme			
6. Date of the finding	7. YYYY<Initials>seq.#	8. Clause of the applicable standard					
* Major NC = Major nonconformity		Minor NC = Minor nonconformity					

## 5. Review of findings from previous visit

Grade 1	Status 2	Finding 3	Correction, root cause and review of the corrective action 4	Procces / Aspect 5	Date 6	Reference 7	Clause 8
Minor NC	Closed	The control systems and procedures carried out on the IFRs corresponding to expenditure handled in 2013 are considered to be susceptible of improvement. Taking in account that the expenditures are of Programme Management and that the amount is not high and that the Programme is at its initial stage for verification of expenditure and for ex-ante control procedures, the fact of the control is not perfect does not imply a high risk. The IGAE acting as the audit authority, reviewed and authorised the control lists in 2014	<u>Comments LRQA</u> : It has been reviewed the CDTI Management and Control System Manual.Version3, dated in 11 May 2015 and it is included the p procedure for controlling expenditure, implementation is reviewed without adverse findings	Existence of a procedure for controlling expenditure	09/12/2014		Component assessment 3

1. Grading of the finding *	2. New, Open, Closed	3. Description of the LRQA finding	4. Review by LRQA	5. Process, aspect, department or theme
6. Date of the finding	7. YYYY<Initials>seq.#	8. Clause of the applicable standard		
* Major NC = Major nonconformity		Minor NC = Minor nonconformity		





Grade 1	Status 2	Finding 3	Correction, root cause and review of the corrective action 4	Procces / Aspect 5	Date 6	Reference 7	Clause 8
Minor NC	Closed	The Programme Operator has performed retrospective controls of the expenditure declared in 2013 and has adjusted a declared amount in the IFR1 and IFR2 that had been wrongly calculate (Staff expenditure). However the origin of the error is not clearly documented. The documentation of the calculation process shows certain deficiencies in the verified error. An improvement is recommended in future financials periods. The time-card system is currently under-going modification, which, according to the Programme Operator, will reduce the risk of error in future Statements	<p><u>Comments LRQA:</u> In CDTI Management and Control System Manual.Versión3, dated 11 May 2015, it has included how identify irregularities. It has been shown evidences about analysing the root cause of this mistake that the implementation pf a new IT system will prevent this error again</p> <p>This Note is closed, although it is recommend considering about the opportunity of setting up new improved process based on errors.</p>	Identification and classification of irregular expenditure Monitoring of incidents and irregularities Mistake analysis and management	09/12/2014		Component assessment 4

1. Grading of the finding *	2. New, Open, Closed	3. Description of the LRQA finding	4. Review by LRQA	5. Process, aspect, department or theme
6. Date of the finding	7. YYYY<Initials>seq.#	8. Clause of the applicable standard		
* Major NC = Major nonconformity		Minor NC = Minor nonconformity		

Grade 1	Status 2	Finding 3	Correction, root cause and review of the corrective action 4	Procces / Aspect 5	Date 6	Reference 7	Clause 8
Minor NC	Closed	The deficiencies mentioned in the previous aspects do not guarantee the effectiveness of the system for monitoring errors and preventing future weakness. According to the Programme Operator, the improvements to the IT application implemented in 2014 will represent a sufficient prevention system.	<u>Comments LRQA:</u> In CDTI Management and Control System Manual.Versión3, dated 11 <sup>th</sup> May 2015, it has included how identify irregularities. It has been shown evidences about analysing the root cause of this mistake that prevent the repetition of this errors and IT tool is implemented. This Note is closed, although is recommend to reinforce this process in the whole organisation as a management tool	Monitoring of Incidences and Irregularities	09/12/2014		
Minor NC	Open	The entity's general system possess some type of external accreditation (ISO, AENOR, etc..)	<u>Comentarios de LRQA</u> No se ha realizado ninguna acción por parte del CDTI a este respecto	External certificate of general management systems of the entities	09/12/2014		Component assessment 5

1. Grading of the finding *	2. New, Open, Closed	3. Description of the LRQA finding	4. Review by LRQA	5. Process, aspect, department or theme
6. Date of the finding	7. YYYY<Initials>seq.#	8. Clause of the applicable standard		
* Major NC = Major nonconformity		Minor NC = Minor nonconformity		

## 6. Check-list and evidences

Document control will be audited in each component

### Assessment Component 1: Functional Independence between the grant/Project managers and the expenditure verifier

Assessed aspect	Y/N/ N/A	Evidence
1. It is defined and organisational chart of the units of the Programme Operator that are involved in the management and control of the EEA GRANTS Financial Mechanism.	Y	CDTI MANAGEMENT AND CONTROL SYSTEM MANUAL, version 3, dated 11 May 2015 Page 11
2. It is defined a work flowchart of the units of the Programme Operator that are involved in the management and control of the EEA GRANTS Financial Mechanism.	Y	CDTI MANAGEMENT AND CONTROL SYSTEM MANUAL, version 3, dated 11 May 2015  Responsibilities and deadlines clearly specified in the Manual
3. Is there an assignment of functions at a divisional level and, if applicable, at a work post level, defined in writing	Y	CDTI MANAGEMENT AND CONTROL SYSTEM MANUAL, version 3, dated 11 May 2015 For example page 13 are defined responsibilities of Department of Analysis& Investments
4. Is this information published and distributed among employees?	Y	Evidences of Meetings or distribution and awareness of the Manual were shown
5. Is there established the appropriated policies and procedures for authorising and approving operations at an appropriate level?	Y	CDTI Management and Control System Manual.Version3, dated 11 May 2015 defines clearly responsibilities, approved by CEO
6. Is there a study that assesses the adequacy of the assigned human resources?	Y	In the Manual have been included time allocations of the technicians of each Department according to the dedication
7. Identify if the personnel in charge of the Programme is: <ul style="list-style-type: none"> <li>Personnel allocated (if it is the case, assess the imputation system of the allocated personnel).</li> <li>Personnel contracted</li> </ul>	Y	Contract personal: 1 person (Coordinator-Susana Rodriguez) Allocated Staff of CDTI: 17% Management, Legal advice (2014) – 14% Technical Evaluation

Assessed aspect	Y/N/ N/A	Evidence
		(2014) 4% control of Project (2015) -100% technician of analysis and investments. July, August and September Monthly reports are checked and according with the established
<p>8. Are the human resources allocated enough? As a guidance, you should assess the following aspects:</p> <ul style="list-style-type: none"> <li>• Meeting deadlines in the management of the Programme.</li> <li>• Volume of managed expenses.</li> </ul>	Y	Yes, It has been selected a personal sample: 25% of the certified budget Fourth quarterly report issued Pending final report expected November 2015 Pending final balance
<p>9. Evaluation of the qualification of the human resources allocated?</p> <ul style="list-style-type: none"> <li>• Bachelor or Ing superiors/Total of people</li> <li>• Graduates or engineering technicians/Total of people</li> <li>• Staff involved in the management level (range within the Organization)</li> <li>• Level and capacity in Languages/Total of people, Mandatory English</li> </ul>	Y	Due to the high number of participants 99 to not overworking to the CDTI, we have selected 10 that are included in the list, see evidences in annexed table about qualifications
<p>10. Are there established plans of contingencies for the assumption of tasks in case of removals of staff in charge of in personnel management and verification of the Programme?</p>	Y	There is a method but not documented. In case of prolonged sick leave, envisaged the possibility of adding staff using Job Board to be able to replace quickly
<p>11. Existence of separation between the people or units in charge of Project management, expenditure verification, payment procedures, accounting? Is this supported and documented property?</p>	Y	CDTI Management and Control System Manual.Version3. 11 May2015 Various committees and functions of the departments are documented. Segregation of duties appropriate
<p>12. Are the staffs involved in the Financial Mechanism management aware of this separation of functions?</p>	Y	Evidences of Meetings for distribution and awareness of the requirements of the Manual were shown
<p>13. Is it existed for the preparation and processing of IFR 2014 a separation of functions :</p> <ul style="list-style-type: none"> <li>• Project management, Unit teams in charge</li> <li>• Expenditure verification,</li> <li>• Payment procedures,</li> <li>• Accounting</li> </ul>	Y	Organigram <ul style="list-style-type: none"> <li>- Units for Project Management: Análisis e Inversiones</li> <li>- Unit for Verification of Expenditure: Departamento de Seguimiento.</li> <li>- Unit for payment</li> </ul>

Assessed aspect	Y/N/ N/A	Evidence
		<p>Procedures: Asesoría Jurídica</p> <ul style="list-style-type: none"> <li>- Accountability Unit</li> <li>- Management</li> </ul> <p>Programme Management: Bilateral and complementary activities:</p> <ul style="list-style-type: none"> <li>- Coordinator of the Programme: Planning through the Cooperation Committee</li> <li>- Publicity and Promotion</li> </ul>
14. Are there established policies to mitigate the risks of conflicts of interest? (a copy of the same)	Y	Ethical Code CDTI Law Incompatibilities
15. Where are published these policies at organisational level?	Y	Intranet.
16. Are the staffs involved in the Financial Mechanism management aware of these policies as well as the protocols for ensuring they are complied with.	Y	See below See contract of Susana Rodriguez as a contractual requirement
17. If there are delegated functions, is there in place an appropriated supervision and monitoring of these activities? How and when are these activities monitored? Is the information flow and reporting clearly established?	N/A	Only it has contracted to ANEP, public administration agency: review specific agreement with ANEP governing the EEA Grants. The agreement and performance of ANEP has been reviewed
18. Are there regulations and procedures for hiring, training, motivation, assessment and remuneration? (Transparency)	Y	Procedures recruitment and remuneration: Training and motivation: there is a method, but not documented formally. The team has participated in events, courses, lectures.
19. Is included the candidate adequacy evaluation to the Job Profile in the recruitment procedures? (Specifically languages and Knowledge of the Programme)?	Y	Seen training processes and records e.g. Susana Rodríguez, d training carried out to EEA Grants specific
20. Are implemented measures towards work-life balance?(Copy)	Y	Workers Convention and mail of flexibility of schedule. Flexible hours email
21. Is it respected gender equity in : <ul style="list-style-type: none"> <li>• Hiring</li> <li>• Staff structure</li> <li>• Specific Programme Committees</li> </ul>	Y	There has been a study of the gender equality and prepares a plan of measures
22. ¿Is there a mechanism to measure the level of employees satisfaction related to <ul style="list-style-type: none"> <li>• Level of competence to develop the functions.</li> <li>• Workload</li> </ul>	Y	There is a method, but not documented formally. Psychosocial evaluations performed

Assessed aspect	Y/N/ N/A	Evidence
<ul style="list-style-type: none"> <li>Training is reasonable to carry out the allocated tasks</li> </ul>		
23. In the assessed period, is there a training plan? Has it been carried out additional training for complement the Programme? (Obtain details)	N Y	Seen training processes and records e.g. Susana Rodríguez, for example training carried out to EEA Grants specific
24. Existence of a work conditions study?	Y	There is an evaluation of occupational risks which assesses the conditions of facilities and psychosocial risks to which workers are subjected
25. Request a description of the technical means that are available to the Programme Operator to carry out the Programme. <ul style="list-style-type: none"> <li>Physical Location – Location and conditions (lighting, furniture, storage...).</li> <li>IT systems (PC, laptops, tablets, printers, scanners, mobile phones, travels..).</li> </ul>	Y	In the Visit to the offices, we could observe that: there are physical, and electronic media without any detailed analysis
26. Has implemented the Programme Operator a preventive detection system of deficiencies in respect to Technical means (personnel consultation, periodical analysis etc...)?	Y	There is a method, but not documented formally. Internal team meetings
27. Does it consider the involved personnel in the Programme that the Technical Means is adequate for the implementation of the Programme?	Y	Yes

The other aspects related to IT means are assessed in the Component nº 6

## Assessment Component 2: Projects/activities are adequate for the Programme

Assessed aspect	Y/N/ N.A	Evidence
1. Definition of controls aimed at verifying that the expenditure declared for Predefined Projects comply with the criteria approved by the Programme Agreement, or by the document of Approval	N/A	
2. Is there a Project announcement procedure in accordance with the legislation on subventions?	S	Included in the Manual, Web verification <a href="https://sede.cdti.gob.es/AreaPrivada/Expedientes/accesoSystem.aspx">https://sede.cdti.gob.es/AreaPrivada/Expedientes/accesoSystem.aspx</a> and announcements procedure
3. Does this procedure assure the verification of project compliance of the particular and general objectives of the Programme	S	Selection Committee and Evaluator allocated
4. If this procedure exists, it is requested a description or a reference to the document	S	CDTI MANAGEMENT AND CONTROL SYSTEM MANUAL, version 3, dated 11 may 2015
5. Are established verification procedures that assure that the selected projects are aligned to the grant announcement and the conditions of the Grant?	S	Evaluation CDTI Evaluation ANEP Evaluation of the project breakdown tab
6. ¿Are available records of these verifications including specifically that the selected projects are aligned to the grant announcement and the conditions of the Grant?	S	Evaluation CDTI Evaluation ANEP Evaluation of the project breakdown tab
7. The verification of the project announcement maintains evidences of: <ul style="list-style-type: none"> <li>• The conditions that have to be met in order to be eligible to receive funding</li> <li>• The project selection criteria that are going to be weighted.</li> <li>• The procedures and terms for evaluating projects.</li> <li>• Beneficiaries' obligations and rights</li> <li>• Description of the organs and commissions in charge of selecting the projects</li> <li>• The objective and possibilities for creating networks with entities of the donor countries.</li> <li>• Specification that the acceptance of funds implies accepting to disseminate a summary of the project and the main contact details</li> </ul>	S	Evaluation CDTI Evaluation ANEP Evaluation of the project breakdown tab Advertising Requirements Applicants guide includes a description of the organs of the projects and the possibilities of networking with donors They have been verified in two projects
8. Is established quality procedures by the Programme Operator that assure that the declared expenditures in	N/A	Reviewed budgetary allocation of EEA-Grants. Implementation of

Assessed aspect	Y/N/ N.A	Evidence
technical assistance are really technical assistance?		existing processes are reviewed several expenses e.g. travel CDTI staff to Brussels, INDRA contract for connecting DORIS with ERP
9. Are there implemented policies in the organization related to expenditures execution aligned with the economy principles assuring efficacy? (Economic sustainability)	N/A	Expenditures reviewed look reasonable
10. Is established quality procedures by the Programme Operator that assure that the declared expenditures in bilateral activities are really expended in bilateral activities?	S	CDTI Management and Control System Manual.Version3. 11 May2015 Monitoring project EEA TEAM will guide has several applications for example ERP which have different levels of approval of expenses, are checked in IFR3
11. Are there implemented policies in the organization related to expenditures execution aligned with the economy principles assuring efficacy? (Economic sustainability)	S	CDTI Policies
12. Are there established reporting or results monitoring systems of the bilateral activities?	S	CDTI MANAGEMENT AND CONTROL SYSTEM MANUAL, version 3, dated 11 may 2015 Check the costs of the energy seminar that took place in Madrid on October 23, 2014 and 2013 and 2014 annual reports
13. Is a procedure established for the effective verification of principles of equality and publicity in the management of Financial Mechanism Funds?	S	CDTI MANAGEMENT AND CONTROL SYSTEM MANUAL, version 3, dated 11 may 2015 See method followed in selection Committee Communication and advertising of the Programme Operator and Promoters In addition to the web site advertising, there are implemented the INFO DAYS in several cities, example IGAPE Gijon
14. Is a procedure established for the effective verification of principles of equality and publicity in the management of Financial Mechanism Funds?(See requirements Annex IV Regulation)? This procedure shall include the project announcement reviews	S	See point below
15. Has the Programme Operator adequately meet with the transparency principles in the management of the Funds of the Financial Mechanism(See component number 6)	S	See Component <sup>o</sup> 6





### Assessment Component 3: The verification procedures used by the Programme Operator are appropriated:

Assessed Aspect	Y/N/ N.A	Evidences
1. Are there established administrative verification procedures for 100% of the expenditure declared in the IFR(the check-list can be Manual or computerised or any other system can be used)	S	Administrative Verification Procedures are documented in the pgna 31 Manual Manual dated 11.05.14 Procedure for controlling expenditure of projects Procedure for controlling expenditure pf Programme Operator Control Check lists
2. If that is not the case, is there a review procedure that included a report model, sampling systems which assure that a risk assessment forms the basis for selecting the expenditure If yes, check that the Programme Operator keeps evidences of the sampling method applied and the selected sampling	N/A	
3. Are the evidences of these verifications kept in documents or reports? If yes, please include a copy of the report or document form	S	Check lists filed in the Project folders (electronic) It is used the annex IV Manual
4. Are the evidences of controls carried out kept, for example: record of control lists including the completing date? Are procedures established for supervision and follow-up of incidences?	S	Check lists filed in the Project folders (electronic) Reviewed checklists IFR3 (16/06/14), IFR4 (8/9/14), IFR5 (13/2/15) e IFR6 (11/6/15)
5. Are recorded in the control lists or reports the detected incidences or observations?	S	Check lists filed in the Project folders (electronic) Manual, dated 11.5.15 It was detected in IFR 1& IFR2 an incidence in the calculation, immediate action and corrective actions have been taken. The root cause of the problem has eliminated
6. Are there implemented control systems that prevent continuing with the justification and statement of expenses if the control lists have not been completed or the pending issues have been resolved?	S	Included in the agreements signed with the Project Promoters Check lists filed in the Project folders (electronic)
7. Does the established control systems assure the verification of the following aspects: <ul style="list-style-type: none"> <li>The expense has neither been paid nor justified previously or in other projects or against other funds.</li> <li>The expense is real and has been made</li> <li>Reconciliations are made between the support documentation and the expense statement</li> <li>Conceptual eligibility of the expenditure</li> </ul>	S	The financial verification is carried out by the Department's intervention of the CDTI The method is robust and consistent. It is evidenced with records of the results of the control in the folders
8. Are there implemented retention and conservation	S	Electronic folder retention clearly

Assessed Aspect	Y/N/ N.A	Evidences
procedures of the supporting original documentation?		established Project management Software in Intranet with document management Folders in server with restrictions for access : <ul style="list-style-type: none"> <li>- Administración/contabilidad: Folder of administración/IFR's</li> <li>- Coordinator: Access to IFR's, projects and Programme,</li> <li>- Technician EEA: Access to Projects</li> </ul>
9. It has been established an on-field verification programme/plan of the projects? Obtain a programme	S	Always has been carried out one visit to the Company during the Project implementation and generally, one visit in each milestone
10. Level of compliance of the plan/programme mentioned below	S	100%. There are 2 situations that visits has not happened in all the milestones, they are SUMITOMO Bakelite, justified adequately and Quimicas Irurena, they carried out a combined visit of the milestones1 and 2, the reason is not clearly specified
11. Is there established a visit report/plan which includes the verification scope and procedures?	S	CDTI Management and Control System Manual.Version3. 11 May2015 , include the points the requirements of Visit Reports
12. Is there established a visit report/plan which includes physical and financial implementation? Obtain a copy	S	CDTI Management and Control System Manual.Version3. 11 May2015 , include the points the requirements of Visit Reports
13. Is there a sampling systematic documented for selection the on field verification Project/activities?	S	Always has been carried out one visit to the Company during the Project implementation and generally, one visit in each milestone.
14. Check that the Programme Operator keeps evidence of the sampling plan applied and the selection	N/A	Not sampling, visits 100%.
15. Check that the sampling has been effectively implemented	S	99%. There are 2 situations that visits has not happened in all the milestones, they are SUMITOMO Bakelite, justified adequately and Quimicas Irurena, they carried out a combined visit of the milestones1 and 2, the reason is not clearly specified
16. Check that the sampling plan assure:: <ul style="list-style-type: none"> <li>• Verification on field of 5% of the amount declared in the IFR for projects (defined by announcement or predefined).</li> <li>• Verification of 25% of the amount declared in the IFR for concepts other than projects that have been verified in the field</li> </ul>	S	100% conformity

Assessed Aspect	Y/N/ N.A	Evidences
17. Check that the sampling plan is representative, taking in account risk criteria and random sampling systems too	S	100% conformity
18. Check that the projects/activities verifications are included the expenditure declared in previous certifications	S	100% conformity
19. Are procedures implemented that generate evidence of the expenditure that is rejected and considered irregular?	S	CDTI Management and Control System Manual.Version3. 11 May2015 Irregularities Prevention Irregularities Report
20. Do these procedures let the identification of the root cause of expenditure rejection?	S	Project Files Check list de control Irregularities Reports
21. Do these procedures let the identification of the root cause of each error that appears?	S	Project Files Check list de control Irregularities Reports
22. Do these procedures establish how investigate and quantify the systematic errors?	S	CDTI Management and Control System Manual.Version3. 11 May2015 Irregularities Prevention Irregularities Report
23. Do these procedures provide reference for obtaining evidence of other irregularities apart of rejected expenditure?	S	Check list de control Irregularities Report Irregularities Internal Log Procedure of management and monitoring of Programme and projects

#### Assessment Component 4: The audit trail is appropriate and sufficient

Assessed aspect	Y/N/ N.A	Evidence
1. Is there established a control and review documentation system of the implementation process of the Programme in the period?	S	CDTI MANAGEMENT AND CONTROL SYSTEM MANUAL, version 3, dated 11 may 2015 Procedure of management and monitoring of Programme and projects Documents Log Project management Software with Access to the Project Promoters
2. Is a flowchart available which included the process and verification documents?	S	CDTI MANAGEMENT AND CONTROL SYSTEM MANUAL, version 3, dated 11 May 2015
3. Is this flowchart updated when it is necessary?	S	CDTI MANAGEMENT AND CONTROL SYSTEM MANUAL, version 3, dated 11 May 2015
4. Is this management system known by the relevant staff?	S	Interview to the EEA Team
5. Carry out a compliance test about 10 random elements to check that all has been processed in a proper way	S	Selected several files as DIAGNOSTIQA, YESOS IBERICOS; QUIMICA IRURENA;

Assessed aspect	Y/N/ N.A	Evidence
and they are in the selected site		DOW CHEMICAL AND SUMITOMO and checked documents and records
6. Check that detailed account records are maintained that could check expenditures carried out in several stages and the agents	S	Derailed records are reviewed in ENERTUN and DIAGNOSTIQA, veracity are check on field
7. Check that the accounting system could let identify each transaction related projects/actions and identify the certified amounts and payment of the public contribution to the Promoter or the beneficiary.	S	Additionally to the software, specific queries are carried out for monitoring
8. Check that a proper Justification documentation retention system of all the process is implemented	S	It was checked for the mentioned projects below that the records are retained
9. Check that are properly retained for each Project: Technical Specifications, Financial Plan, documents relating to the approval of the concession or spending, documents relating to public administration procurement procedures, the progress reports and verification reports	S	It was checked for the mentioned projects below that the records are retained (100%)
10. Check if the Programme Operator carries out verifications to verify if the Project Promoter meets the established requirements and that the Project Promoters has been implemented systems for the verification of the accountability of grant beneficiaries.	Y	Checked the verifications in the software and as well on the premises of project Promoters
11. Check if the Programme Operator assure that the Project Promoter and the beneficiaries maintain a separate accountability system for transactions related to operations subject to co-financing or account with appropriate accounting codification for clearly identifying such transactions, and the sources of project financing	Y	Checked in several reports appears specifically reports
12. Check that clear instructions have been communicated to the Project Promoters and beneficiaries about maintaining files administrative documentation	Y	See TABLE n° 4 report Promoters Communications + quarterly reports .
13. Check that the organisation meet the record retention requirements according the Regulation	Y	5 record years of DOCUMENTS AND RECORDS,, for the Programme Management and Project Promoters Record control list

### Assessment Component5: An appropriate IT Tool is used.

Assessed aspect	Y/N/ N.A	Evidence
1. Identify the IT systems and software used for implementation of tasks related to the Programme Operator	Y	<ul style="list-style-type: none"> <li>• Software DORIS</li> <li>• Software GPPCDTII</li> <li>• Adaptation carried out by INDRA to adapt GPPCD to DORIS</li> <li>• INTRANET</li> <li>• Travel and expenditures</li> </ul>

Assessed aspect	Y/N/ N.A	Evidence
		management Software
2. Has the Programme Operator been externally certified (ISO, AENOR, etc...) (Include specific Certification, if any.)? If yes, is it included in the scope all the Project management activities and grants verification of EEA Financial Mechanism?.	N	
3. Does the involved personnel the implemented systems?.	S	Interview team EEA
4. Do the IT systems include financial management? ¿Or includes too document and records management?	S	Software
5. How is it structured?		Workflow for the Programme Operator Team and Documents Software for the Project Promoters
6. Is this IT Tool integrated totally or partially en the IT Systems of the Programme Operator or it Works as an independent tool? Is it designed specifically for EEA Grants?	N N	Software is independent. EEA Team and Project Promoters has to have access permits
7. Is it allocated the property for each application and database in the IT infrastructure?	Y	Server Access clearly limited and Project shared files
8. Is it included all the relevant information to meet the requirements of transparency and good governance in the management Programme?	Y	
9. Does it Provide (or could provide) all the necessary information for management. Specially, statistics and outputs indicators.	Y	Excel sheets developed internally for management of objectives/results and indicators and statistics
10. Are the responsible persons identified?	Y	
11. Is there implemented a back-up protocol for information recovering in case of disaster or documentation loss? .	Y	IT Procederes CDTI
12. Are these systems appropriately updated? .	Y	
13. By area? By functions? By projects? By budget headings?	Y	Reviewed several projects in the GPPCDTI Software and it was demonstrated that the process is implemented

## Assessment component 6: Horizontal and cross sectional risks and issues.

Assessed aspect	Y/N/ N.A	Evidence
1. Has been the Programme Operator establish any risk assessment system of the functions performed?	Y	<ul style="list-style-type: none"> <li>- Programme proposal template, point 3.7 risk and uncertainty + annual reports 2013 y 2014.</li> <li>- Risks Analysis System in the process of evaluation and selection of Projects (technical, economical, specific risks of Project Promoters</li> <li>- Management and Control System, May 2015, Project Prevention de Irregularities en los Projects.</li> <li>- Initial Report of Promoter with Risk assessment and action plan.</li> </ul>
2. Is there a work Protocol that assessed the detected risks and depending on their level it contemplates the implementation of a work plan designed to overcome said risks?	Y	<p>Method Not documented.</p> <p>Evidences of AR were shown in:</p> <ul style="list-style-type: none"> <li>- Programme proposal template, clause 3.7 risk and uncertainty.</li> <li>- Committee Meetings</li> </ul> <p>Projects Promoters:</p> <ul style="list-style-type: none"> <li>- Record Projects Assessment +Resume analysis and study risk + diversity approach.</li> </ul>
3. Has been identified in the Annual report the main risks of the Programme Operator?	Y	<p>Annual Report 2014</p> <p>Annex 2: Risk assessment of the Programme.</p>
4. The indicators used for detecting risks are appropriately supported and offer guarantees that no significant risk for the programme will be omitted	Y	Risk scenario and probability and consequences clear and consistent.
5. Is there implemented a proactive or reactive risk management culture?		Proactive
6. Has the Programme Operator been externally certified (ISO, AENOR, etc...) (Include specific Certification, if any)? If yes, is it included in the scope all the Project management activities and grants verification of EEA Financial Mechanism?.	N	There is a Minor NC open corresponding to previous year audit. Discussed with NFP it is recommended, but not mandatory. LRQA considers that the Management and Control System Manual should include not only financial issues related to quality management tools, especially those related to quality management tools to the root cause and communication
7. Is any event carried out by the Programme Operator for advertising and communication of the Financial Mechanism? What type of events?	Y	<ul style="list-style-type: none"> <li>- Webpage</li> <li>- INFO DAYS in all Spain</li> <li>- Specific communications of events</li> </ul> <p>Newsletter and communications sent to I FMO, NFP and embassy that they use in their communications.</p> <ul style="list-style-type: none"> <li>- Programme Publicity Events</li> <li>- Press Communications</li> </ul>
8. The Grant announcements include the participation of the Financial Mechanism?	Y	100% Announcement calls include the Programme conditions

Assessed aspect	Y/N/ N.A	Evidence
9. Has been the Transparency Principle met by announcement grants publication where relevant for the Financial Mechanism Funds?	Y	100% announcement calls published in the web Webpage
10. Is it included in a webpage?	Y	Google Analytic Reports in launching and closures of call announcement
11. This Financial Mechanism Participation webpage is independent of the main webpage of the Programme Operator?	Y	Specific area
12. The Programme Operator's Public actions refers to the participation in the Financial Mechanism Funds and redirecting to the webpage	Y	See below
13. The Project calls (announcement, selection and resolution processes) as well as the other Project selection processes are published on the Programme Operator website? The website acts as a platform for guaranteeing transparency in the Financial Mechanism Funds	Y	See below
14. Is it considered enough the Communication team? Is it required the NFP collaboration?	Y	See below
15. Is it defined and implemented a communication policy with NFP? (which mails/communications is included NFP, although they were not the main recipient)	Y	There is a methodology, although it is not formally documented. Communications to NFC (bulletins and mandatory communications: section 6 of the document Management and Control System
16. What procedures have the Programme Operator has been established to meet the gender equity policies? For example un project calls	Y	It is included in the projects a chapter that counts for gender equality. This issue has been one with lower evaluation. It has been analysed by the CDTI, as it is in engineer project, usually in Spain, the proportion is not equal.
17. Analyse the systems established by the Programme Operator that will ensure compliance with the rules of the General Law on subsidies or public procurement: <ul style="list-style-type: none"> <li>Relationships with third parties who provide services</li> <li>Management of the expenses of the Programme</li> <li>Relationship and activities of Project Promoters.</li> </ul>	Y	They carried out the basis in the situations required by legal requirements
18. Implementation of Transparency Law	Y	



Assessed aspect	Y/N/ N.A	Evidence
19. Implementation of procedures, analysing: <ul style="list-style-type: none"> <li>– Are there established</li> <li>– Right moment.</li> <li>– Content (theoretical and practical based in the users comments)</li> <li>– Diffusion Level</li> </ul>	Y	CDTI MANAGEMENT and CONTROL SYSTEM MANUAL, version 3, dated 11 May 2015 Projects Monitoring Guidance EEA TEAM List and use of Programme documents Project Monitoring Document Software Internal Meetings Programme Management Team Promoters Communications Web Preselected project meetings Kick off Project meeting with Promoters
20. Is the Programme Operator certified in ISO 14001 or equivalent standard?	N	
21. ¿Is an Environmental Manual or Policy implemented?	N	Not specific. In the web there is included policy/commitment with the environment
22. Are there environmental practices implemented as; energy consumption, recycling material use, reutilised materials used or reduction of paper consumption?	Y	Not documented Good environmental practices related to efficiency consumptions and waste recycling
23. Which analysis procedures have been implemented related with social sustainability?	Y	No documented, included in the Project Reports
24. Has been designed the Programme in order that the results affect a sufficient number of people (Because the groups are large or because they are significant in themselves)?	Y	The number of the affected companies is high due to that the companies are partially funded.
25. Do the social consequences of this Programme last in the long term or even make their results have a multiplying effect? For example: To continue with this initiative other groups or companies? Would that trigger additional investigations?	Y	Projects evidence the positive impact and sustainability of Projects in the long term and the multiplying effect due to the structure of the Funds
26. The Programme Operator itself or by NFP promotes the "lessons learnt" effect for other programmes and activities (meetings, memorandums, feed-back)	Y	Events with NFP and FMO.
27. Are there implemented policies for analyse the economic sustainability of the Programme?	Y	Economic sustainability of the Project Promoters has been analysed in the evaluation and selection Majority of Projects will not need more funds in the future.
28. Has the Programme Operator implemented systems and controls for monitoring the Programme	N	No formally, due to the characteristics of the Programme is difficult to know the final impact

Assessed aspect	Y/N/ N.A	Evidence
effects in terms national, regional or local economic development?		
29. What positive effects had the Programme originated as regards the creation of Jobs?		There are available data by each Project of the new Jobs created. At the end of the Programme, a report will be prepared with these data
30. What impact has the Programme originated in Project Promoters, partners, participants, etc...?		Positive High degree of participation and Interest Evaluation: Good Programme although very heavy documentation It is requested that the Programme continues with more funds
31. Has created the Programme a positive environment for developing and delivery of key services?	S	See below
32. Is there available a cost-benefit analysis of the Programme?	N	Not formally
33. Are obtained results justified, against expenditures, considering alternative solutions?	Y	Methodology of technical & economical comparation when the contract is decided
34. Once the support has of the Financial Mechanism has finalised, other supports from other entities (public or private) have been managed?	N/A	In the bilateral event 1st October, there is a session related to Project sustainability

## Assessment component 7: Appropriate procedures for drawing up an IFR

Assessed aspect	Y/N /N.A	Commentaries
1. Check that the Programme Operator gives instructions in systematic way to the Project Promoters to make their expenditures declaration	Y	Promoter Agreements Instructions Promoters Manual. Version 1 15 <sup>th</sup> March 2014 CDTI Projects Software Kick off meeting Projects Promoters Promoters Specific Forms
2. Check that the Programme Operator has received, reviewed and the legality and regularity of expenditures declaration.	Y	Auditor Report Annex III, jointly technical in situ visits
3. Determine that they are established procedures for arithmetically check all payment requests	Y	Management AND Control System Manual 30.04.2015 Expenditures Verification Procedure Control Check list Verification Excelsheet Budget and Forecast IFR
4. Check that there are procedures for calculated the estimated expenditure which ensure that the calculations have not been carried out randomly	Y	Management and control System Manual 11.05-2014
5. Check that the Programme Operator holds periodical meeting with the NFP or other Programme Operator to receive instructions and make comments about management procedures aimed at the appropriate rendering of the IFRs	S	Promoter Agreements Instructions Promoters Manual. Version 1 15 <sup>th</sup> March 2014 CDTI Projects Software Kick off meeting Projects Promoters Promoters Specific Forms It was observed the support to Promoters during the audit.

Identify the personnel that has been participated in management and verification tasks declared in IFR presented in 2014-2015.

Name and Surname	Category	Departament	Management (G) Verification (V)	Assigned (P) Contracted (C)	Training (*)	Languages English	Accreditation (***)	Years of work experience	Years of work experience In the entity
Breton Solan, Concepción	Technician	Financial Evaluation	(G)	(P)	5	0		6	8
Calleja Martin, María Jesus	Technician	Technical	(G)	(P)	5	1		33	25
Del Pozo Martin, Jorge	Technician	Monitoring	(V)	(P)	5	1		7	7
Duran Cuevas, Jose Manuel	Technician	Technical	(G)	(P)	6	2	Delf2	10	4
Garcia Arroba Solano, Jesus Miguel	Technician	Technical	(G)	(P)	5	1		10	6
Gomez Raposo, Alfredo	Technician	Technical	(G)	(P)	5	1		13	7

Hernandez Muñoz, Isabel	Technician	Technical	(G)	(P)	6	2		12	23
Rodriguez Crespillo, Susana	Technician	Analysis and Investments	(G)	(C)	6	2		18	1.75
Tomas Sanchez Maria Jose	Technician	Promotion and Cooperation	(G)	(P)	5	1		13	7
Torio Mendizabal, Crititina	Technician	Financial Evaluation	(G)	(P)	5	1		13	8

(\*) Training:

- (1) Basic General education
- (2) medium-grade professional training
- (3) premium grade vocational training.
- (4) Diploma
- (5) Degree
- (6) Other studies (Masters, Post-grade, etc...)

(\*\*)Language accreditation

## 7. Quality Audit Plan EAA Grants-ES02

### Sites

- CDTI- Programme Operator  
2 Projects selected

### Programme

- ES-02-Environmental and Climate Change related Research and Technology

<b>Verification type</b> <b>Auditoria de calidad a los Manuales de System de Gestión y su implantación en dos Projects</b>	<b>Audit Criteria</b> <ul style="list-style-type: none"> <li>- Financial Mechanism 2009-2014 (EEA Grants) and its annexes</li> <li>- The Memorandum of Understanding signed by Spain -Financial Mechanism on 15 November 2011</li> <li>- Rules and Procedures 2009-2014 <ul style="list-style-type: none"> <li>• For the implementation of Financial Mechanism EEE</li> <li>• Protocol 38, Enlargement Agreement.</li> </ul> </li> <li>- Programme Agreement and Programme Implementation Agreement</li> <li>- Manuals and Management and Control Systems document approved in 2014</li> <li>- Instructions NFP and FMO</li> </ul>
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<b>Team</b> Olga Rivas	<b>Verification Date</b> 6 <sup>th</sup> & 7 <sup>th</sup> October 2015	<b>Issue Date</b> 14/09/2015
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<b>6<sup>th</sup> October 2015</b>	
<b>CDTI</b>	
8.30 h	Opening meeting with Top Management of CDTI and responsible of Programme Implementation.
9.00	Organization, structure and responsibilities, Programme and Management System <ul style="list-style-type: none"> <li>- Accountability System separated</li> <li>- NFP Communications</li> <li>- Communication Plan</li> </ul>
09:30	Review and follow-up of previous visit findings
10:00	Procedure of selection of Projects.
10:45	Procedures of Projects management and monitoring <ul style="list-style-type: none"> <li>- System of Reports</li> <li>- Modifications</li> </ul>
12:00	Bilateral agreements Cross cutting issues
13:15	Procedure of expenditure verification and record and expenditure accountability
14:00	Lunch



15:00	Procedure Report emission
16:00	Audit trails Procedures Irregularities and Prevention DORIS Documentation
17:00	Report Preparation
17:30-18:00 h	
09:00	Implementation review of Project 1- GEOCONTROL
15:00	Implementation review of Project 2- DIAGNOSTIQA



## **Quality assessment of the systems and procedures for the implementation of the Programmes Financial Mechanism EEA-GRANTS 2009-2014.**

### **Programme name and number:**

Funds for non-Governmental Organisations -ES03

### **Intervention Mechanism**

EEA-Grants 2009-2014

### **Programme Operator:**

The NGO Platform of Social Action (POAS)

### **Period:**

2014 and first four month period 2015.

**LRQA ref.:** SGI2944066/0030

**Assessment dates:** 24<sup>th</sup> & 25<sup>th</sup> September 2015  
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**Localization:** MADRID.  
**Assessment standard:** Check list, Procedures and Management Control System  
**Assessment Team :** AURORA GIL

## Content

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Annex

<b>This report has been presented to and accepted by:</b>	
Name:	Vanesa Cenjor/Mercedes Gutiérrez
Job Title	Programme Coordinator/Financial Controller

## 1. Report explanation

<b>Introduction</b>
---------------------

*The Memorandum of Understanding signed by Spain with the Donor States on 15 November 2011 establishes that in Spain the Deputy General Directorate for European Territorial Cooperation and Urban Development will act as the National Focal Point (hereinafter, NFP) for the Programme co-funded by the EEA (European Economic Area) Financial Mechanism 2009-2014 (EEA Grants).*

*Its responsibilities include ensuring the previously named Programme is controlled properly. It was this objective that LRQA España, S.L. has been contracted to carry out the quality assessment of the Programme Operator (hereinafter PO) operations and procedures regarding of the objectives set by the EEA Grants and the applicable standards.*

*The assessment was carried out at the PO installations and were reviewed the Projects implementation.*

*The assessment has been focused:*

- *The proper achievement of the objectives established in the Programme Agreement "Funds for Non-Governmental Organisations" between the FMC (Financial Mechanism Committee) and POAS, dated 19.08.2013, based in the "Regulation on the Implementation of the European Economic Area (EEA) Financial Mechanism 2009-2014 and the "Management and Control System", dated 30.04.2014, and approved by the "Intervention General del Estado, here in after IGAE acting as Audit Authority and the Financial Mechanism Office, here in after (FMO)*
- *Quality Verification was performed on those projects and activities whose operations were carried out in year 2014 and first four month period 2015 presented by the NGO Platform of Social Action (here in after POAS) and Projects Promoters, as well as verifying the systems to prepare the estimate of expenditure and calculate the advance payments.*
- *An updated list of "in progress" Projects has been requested in order to select those were relevant in terms of level of implementation, level of cost to verify their implementation.*

## Assessment objective and scope of the work

The auditor will review the system to determine whether it conforms to the audit criteria and covers the activities detailed in the scope of audit.

The general objectives are:

- Verify that the management and control processes applied by the Programme Operator are aligned with their own Management and Control System Manual approved by the Audit Authority and the EEA Grants Regulations
- Evaluate the quality of the Programme Implementation respect to the Objectives established in the Programme Agreement, carrying out the verification of quality and the costs of activities that give rise to expenses declared in 2014 and the first four-month period of 2015
- Management of advance payments and expenditures Methodology for each IFR

The following aspects has been verified:

- Functional Independence between the grant/Project managers and the expenditure verifier
- Projects are activities are those selected for the Programme
- Verification procedures used by the Programme Operator are appropriated
- Audit trail is appropriate and sufficient
- Appropriate IT Tool is used
- Horizontal and cross sectional risks and issues
- Appropriate procedures for drawing up an IFR

The auditor will interview the top Manager of the Programme Operator to determine the obligations of the Financial Mechanism are known and the auditor will use information obtained as a result of this interviews, to review the degree in which the Programme Operator has addressed the potential risk within the system, and to determine the needs for the proper achievement of the objectives of the Programme has been taken in account

## Definitions of Grade Findings

### Major Nonconformity

The absence of, or the failure to implement and maintain, one or more management system elements, or a situation which would, on the basis of the available objective evidence, raise significant doubt of the management to achieve:

- compliance with the applicable regulatory requirements
- conformance to applicable customer requirements
- Conformance to the audit criteria deliverables.

### Minor Nonconformity

A finding indicative of a weakness in the implemented and maintained system, which has not significantly impacted on the capability of the management system or put at risk the system deliverables, but needs to be addressed to assure the future capability of the system.

## Additional information

### **Isolated issues and opportunities for improvement**

*Any isolated issues identified during the assessment, which have not resulted in a nonconformity being raised, we will record in the appropriate process table in the report.*

*If we identify opportunities to improve the already compliant system, we will either record them in the process table applicable to the area being assessed or in the Executive summary of the report if they can deliver improvement at a strategic level.*

### **Confidentiality**

*We will treat the contents of this report, together with any notes made during the visit, in the strictest confidence and will not disclose them to any third party without written client consent.*

### **Sampling**

*The assessment process relies on taking a sample of the activities of the Programme Operator. This is not statistically based but uses representative examples. Not all of the detailed nature of a business may be sampled so, if no issues are raised in a particular process, it does not necessarily mean that there are no issues, and if issues are raised, it does not necessarily mean that these are the only issues.*

## 2. Executive report to Deputy General Directorate for European Territorial Cooperation and Urban Development (National Focal Point/NFP)

### Assessment results:

As a result of the assessment carried out to the Management and Control System applicable to the program and the ES03 "Funds for Non-Governmental Organisations" as well as the Projects sampling made, we conclude that the level of compliance with respect to the requirements established by the interested parties is high. It also has been demonstrated a high level of effectiveness, regarding the results in terms of level of compliance with the objectives of the program and the results of the indicators highlights.

### Strengths and Opportunities

It has been identified the following aspects:

#### Strengths:

- High level of the Programme Operator Management team Involvement
- High level of the Programme requirements and the Projects' requirements knowledge to fulfil by the OP team
- Versatility of the Programme Operator team
- Communication Skills with the interested parties on the part of the Programme Manager and her team
- Flexibility, availability and ongoing support to developers by the Programme Operator Team
- Detailed Standardization methodology for monitoring and control of Projects
- Development of an specific Project management software
- Clear focus on risk management implemented in the Programme and Projects
- Use structures and administrative, accounting, communications and computing methodologies of POAS

#### Weakness:

- Lack of Programme management software to connect Projects with DORIS
- Lack of information mechanism to exploit the performance data of the Projects (deadlines for completing tasks , resulting from internal quality control of each phase of the Project, dealt with such incidents and resolution)
- Lack of mechanisms and tools to exploit the quantitative and / or qualitative information on impact of the Programme and Projects (social impact / sustainability)
- Inability to exploit the application DORIS by POAS of the contested information for statistical purposes
- High level of bureaucracy in the process of activation of Projects and processes in technical / economic control of the Programme and Projects
- Double-counting DORIS data and the internal control software/data base tools

### 3. Assessment details

<b>Introduction:</b>	
Initial and final meeting was held	
<p>Vanesa Cenjor, Coordinator Funds for Non-Governmental Organisations Programme Mercedes Gutiérrez, Financial Controller POAS</p> <p>in which the relevant aspects were discussed regarding the nature of this audit, the style of LRQA for preparing the audit report, including an explanation of the grades in the findings , confidentiality exercise, and the right to appeal decisions of the audit team before the address LRQA.</p> <p>In the case of the POAS, due to time constraints, we will notice a week in advance of the dates, but we send the Programme with less than 1 week so there were only possibility for the visit to the Programme Operator and evaluation of 2 Projects was limited.</p>	
<b>Participants by the company during the assessment:</b>	
<p>Vanesa Cenjor, Coordination- Funds for Non-Governmental Organisations Mercedes Gutiérrez, Financial Controller POAS</p>	
<b>Assessor:</b>	<b>AURORA GIL</b>
	<b>24 y 25.09.15</b>



<b>Assessment to:</b>	<b>TABLE 1 COMPONENTS 1 &amp; 6 Organization Structure, Risk Management and Cross-cutting issues</b>	<b>Auditee(s):</b>	Vanesa Cenjor Mercedes Gutiérrez
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### Audit trails and evidences assessed:

Following aspects evaluated:

Degree of progress of the Programme and Projects. A Pre-defined Project (TSAS) + 38 Projects with Project Promoters.

Open Call December 2013 (6.09.2013-6.11.2013)

PIA dated August 2013

PA dated 19.08.2013 + addendum August 2014

Preselecting first round Project Promoters January 2014 + second round of preselecting Project promoters in March 2014

Web [www.plataformaong.org](http://www.plataformaong.org) [www.plataformaong.org/ciudadaniaactiva](http://www.plataformaong.org/ciudadaniaactiva)

Management and Control System Manual 30.04.2014

Organizational structure of Programme Management. Flowchart EEA POAS and team. No significant changes in the period evaluated: Programme Director (Director of POAS with 20% of dedication to the Programme) + Communications Manager (responsible for communications of the POAS with 20% of dedication to the Programme) + Financial Controller (controller of the POAS with 50% of dedication to the Programme) + team EEA ( 1 + 2 Programme Coordinator Technicians)

Components Selection Committee: 1 member of POAS + 1 member Public University + 1 representative Ministry of Justice + 1 representative Ministry of Health + observers (FMO + Norway Embassy + NFP )

Welcome pack document 07.04.2015

Notes on internal meetings (Director + Programme Team members EEA) (e.g. meeting minutes dated 05.2015 )

HR file at server

Monitoring Guide EEA TEAM + Projects List and use of Programme documents

Monitoring Guide for Project Promoters 11.2014 (sent via circular to all the Project promoters and posted on the web

[www.plataformaong.org/ciudadaniaactiva](http://www.plataformaong.org/ciudadaniaactiva)

Project monitoring document formats to be completed by the Project promoters.

Document evaluators conflict of interest ( companies and individuals)

Transparent management communications sent by the Programme Director to the team in 2014-2015

Events Best Practice / exchange of experiences: diversity international conference in June 2015

2015 schedule of domestic tasks ( chrono activities) workload by months ( bilateral Projects +Projects + complementary activities + Project management activities)

Management application developed *ad hoc* on the Intranet of POAS to drive the Programme and Projects by the Programme management team and supplying access to developers.

Meeting maturation preselected event

Project Promoters kick off meeting

## Evaluation and conclusions:

### Strengths:

- Structured and clear definition of the roles and responsibilities of each participant in the Programme established in the documentation
- Documented welcome pack implemented to facilitate people incorporated to the Programme to learn its focus and objectives, roles and responsibilities, limitations and working methods to be followed
- Regular internal meetings structured and documented focused on: situation analysis of the Programme and Projects + decision-making + lessons learned
- Tasks / activities Standardization to be undertaken to monitor the Programme and Projects : Project Monitoring Guide EEA TEAM + List and use of Programme documents
- Versatility of staff in the EEA team
- High level of motivation and commitment to the Programme and the Projects by team members
- Adequate control mechanism tasks and workload through internal tasks Schedule (chrono activities) workload by months
- Clearly proactive approach to Programme and Project management and in dealing with Project promoters
- Communication skills with stakeholders by the Director and team
- Flexibility, availability and ongoing support to Project Promoters
- Webpage and advertising Active Citizenship Programme
- Programme and Project management software implemented with access by the Project Promoters

### Areas for attention:

#### **Weaknesses:**

*Not identified at these components*

<b>Assessment to:</b>	TABLE Nº 2 COMPONENTS 2, 3 Y 7 PROGRAMME MANAGEMENT	<b>Auditee(s):</b>	Vanesa Cenjor Mercedes Gutiérrez
<b>Audit trails and evidences assessed:</b>			
<p>Management and Control System Manual 04/30/2015          Selecting and approving Projects Procedure          Process management and monitoring of the Programme and Projects procedure          Reporting System          Modifications document control method          Expenditure verification procedures          Record and accounting of Project expenditure procedures          Record and accounting own expense Programme Operator procedures          Procedures for issuing reports          Procedures to ensure an adequate audit trail          Programme Audits          Irregularities procedure          Irregularities Prevention          Irregularities Reports          Procedures for changing the documents          Control Checklists          Delivery schedule of interim financial reports POAS -AC 2014-2015          Delivery schedule reports: Project Promoters- POAS 2014-2015          Annual Programme report 2014 ES03 EEA Financial Mechanism 2009-2014          Files Control List          In/out document control log          Internal Programme and Projects control software          POAS folder server with access permissions system          Communication Folder Project promoters          System backup POAS          Planning Project visits. Visit reports: Eg CA- 095 Assemblies of Partnership for Peace (Municipalities without racism Project). Visit reports (technical and financial) of 12.2014 and 09 2015.          Register Monitoring Project. E.g. CA- 020 file          Reports of irregularities. For example: Report August 2015          Internal log of irregularities</p>			
<b>Evaluation and conclusions:</b>			
<b>Strengths:</b>			
<ul style="list-style-type: none"> <li>• Physical and electronic records retention system clearly established</li> <li>• Robust documentation control system implemented through a log of incoming and outgoing documents</li> <li>• System physical file folders and consistent , robust and secure mail</li> <li>• High degree of discipline in completing the requirements of the procedures established by the Management control system, completing the applicable forms , compliance with the deadlines set for critical Programme and Projects milestones defined</li> <li>• Internal irregularities log implemented</li> <li>• Projects Control High level through Project Monitoring log</li> </ul>			
<b>Areas for attention:</b>			

**Weaknesses:**

*Not identified at these components*

<b>Assessment to:</b>	TABLE Nº 3 COMPONENTS 4 Y 5 DOCUMENTATION AND RECORDS INFORMATION SYSTEMS	<b>Auditee(s):</b>	Vanesa Cenjor Mercedes Gutiérrez
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**Audit trails and evidences assessed:**

Management and Control system 30.04.2015  
 Process management and monitoring of the Programme and Projects procedure  
 Monitoring Project log. Eg CA- 020 Record  
 In/out documents control log  
 Internal software to control the Programme and the Projects (with access to Project promoters to submit relevant documents)  
 Communications Project promoters regarding the agreement + file quarterly reports  
 Files Control List  
 DORIS software  
 EEA Media Library  
 INTRANET  
 Facebook  
 Twiter  
 POAS news letter  
 POAS folder server. Login system  
 Login system for personnel involved in the Programme to the physical files and electronic  
 Login system to the Project promoters  
 Information security systems of POAS

**Evaluation and conclusions:**

**Strengths:**

- Dedication of 20 % of one staff person from the communications POAS department to manage the advertising and Programme communications
- POAS Server Use and IT services

**Areas for attention:**

**Weaknesses:**

*Not identified at these components*

<b>Assessment to:</b>	TABLE Nº 4 PROJECT EVALUATION	<b>Auditee(s):</b>	Vanesa Cenjor Mercedes Gutiérrez
<b>Audit tracks and evaluated evidence:</b>			
Two Projects have been sampled:			
<u>Project CA 020 New Future (Project: "Sharing diversity, we create local links". Barrio el Raval en Algemesí)</u>			
Project progress : 100 % Step 1: Applications. 05.11.2013 first request. Check lists of review of documentation (administrative reception) 14.11.2013 .Second request dated 25/11/2013 Step 2: Evaluation. 12.2013-20.01.2014. First meeting of the Selection Committee 01/28/2014. Communication to the Project promoter in January 2014 Step 3: maturity meeting. First half of February 2014 Step 4: reformulation of Projects to be submitted by shortlisted. End of February 2014. Grant application Report revised February 27 Step 5: reassessment: 28.02.2014-10.03.2014. Table of selected Projects proposal 3/18/2014 . Documentation package to deliver to the Evaluation Committee. Evaluation Committee Meeting 03.18.2015 . Minutes of second meeting of the Selection Committee 18/03/2014.			
<u>Pre-defined Project "Third Sector Study on Social Action" TSAS.</u>			
Project progress: 85% Step 1: Annex to the Programme Proposal Template of 21.12.2012 . Presentation of the Project Step 2: Draft FMO Project. Communication to activate the Project for approval. April 2014 Step 3: request for clarification and updating of the Project in June 2014. Step 4: filling new template Project by FMO in July 2014. Step 5: Approval of the Project by the FMO / NFP in August 2014. Step 6: hiring two employees to the Project (diagnosis and prospective) through a tender + contract coordination studies. 09/15/2014 Launch invitations. 01/10/2015 receiving proposals. Second round of invitations (given the low level of response in the first round) 13.10.2014. 29/10/2014 receiving proposals. Step 7: evaluation of proposal / budget / assessment / approval. Board ratification dated 12/17/2014 award. Step 8: Hiring: Company contracts for diagnosis (System Innovation and Consultancy) contract for the company and prospective (Alcalá University) 12.2014. 28/10/2014 contract coordinator. 01.2015 control checklist. Step 9: Project launch and execution. Work meetings. Meeting minutes. Reports coordinator percentage of completion of the Project. Final scheduled 11.2015. 06.10.2015 Presentation of drafts. 26/11/2015 final presentation.			
<b>Evaluation and conclusions:</b>			
<b>Strengths:</b>			
<ul style="list-style-type: none"> <li>High degree of systematization in the management activities and technical and economic control of Projects.</li> </ul>			
<b>Areas for attention:</b>			

**Weaknesses:**

- *Resources Lack has meant that Project promoters greater workload and dedication to the EEA team*
- *High administrative burden on Project management (50 % attention to Project promoters involved and time spent implementing Projects vs 50 % management and control of documents / records).*

#### 4. Assessment finding log

It has not been detected new findings in the sampling carried out during this audit; by this reason this form prepared in the report for the new findings is empty.  
Weaknesses are not considered audit findings, due to they are not specifically non conformities of the audit criteria

Grade 1	Status 2	Finding 3	Correction, root cause and review of the corrective action 4	Proces / Aspect 5	Date 6	Reference 7	Cláusula 8
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## 5. Review of findings from previous visit

Grade 1	Status 2	Finding 3	Corrective action review 4	Process / aspect 5	Date 6	Reference 7	Clause 8
Minor NC	Closed	At the start of the period no training plan had been formalised. The training plan must identify the training needs and actions that cover said deficiencies, as well obtained from them POAS has taken this recommendation into account and is currently preparing supporting documents that mention these needs, in order to start applying it.	24.09.2015 AG: There has been no documented training plan. HHRR folder with evidence - CV 's - Training activities carried out  -	Human Resources Training	09/12/2014		Evaluation component 1
Minor NC	Closed	The control systems and procedures carried out on the IFRs corresponding to expenditure handled in 2013 are considered to be susceptible to improvement. Taking into account that the expenses correspond to the Programme management, the amount is not high and the Programme is at its initial stage, the fact the control is not perfect does not imply a high risk. The IGAE, acting as the Audit Authority, reviewed and authorised the control lists in 2014. The control carried out by the POAS for the moment in time stated herein was based on the procedures established in the Platform itself, and the checklist provided by the Certifying Authority was added (included in the Management and Control System as Annex 8: Programme Operator checklist). The Platform has undertaken to perform the review in question in a retrospective manner and it will complete the previously mentioned checklist.	24.09.2015 AG: It has been carried over and completing the check list retroactively.	Existence of a procedure for controlling expenditure Existence of appropriate control lists for verifying expenditure Existence of a control procedure prior to the expense statement	09/12/2014		Evaluation component 3  Evaluation component 7
Minor NC	Closed	As mentioned in the first evaluated aspect of the previous assessment component, the Programme Operator has not performed a retrospective review of the IFRs corresponding to 2013 with the new lists implemented, meaning it is not possible to assess these aspects. It is recommended that this process is carried out. POAS has undertaken to perform the retrospective review of these aspects, in order to verify that the procedure was the appropriate one.	24.09.2015 AG: It has been carried over and completing the check list retroactively.	Identification and classification of irregular expenditure Error analysis and management.	09/12/2014		Evaluation component 4
Minor NC	Open	The information security systems have not been accredited by any of the existing external accreditation standards (ISO, AENOR, etc.). We stress that this condition would be desirable but not obligatory.	24.09.2015 AG: There has been no action by POAS regarding this aspect. POAS have procedures to manage and control the IT issues.	External accreditation certificate of the Entity's general systems	09/12/2014		Evaluation component 5



## **6. Checklist and evidences**

The documentation control will be audited at each component.

## Assessment Component 1: Functional Independence between the grant/Project managers and the expenditure verifier:

Assessed aspect	Y/N/ N.A		Evidence
<b>Definition of the structure</b>			
28. It is defined and organisational chart of the units of the Programme Operator that are involved in the management and control of the EEA GRANTS Financial Mechanism.	Y		Management and Control System Manual dated 30.04.2014
29. It is defined a work flowchart of the units of the Programme Operator that are involved in the management and control of the EEA GRANTS Financial Mechanism.	Y		Management and Control System Manual dated 30.04.2014 schedule of domestic tasks (chrono activities) workload for months
<b>Definition of functions</b>			
30. Is there an assignment of functions at a divisional level and, if applicable, at a work post level, defined in writing	Y		Management and Control System Manual dated 30.04.2014 Statutes of POAS Transparent management standard
31. Is this information published and distributed among employees?	Y		Internal meetings Welcome pack dated 07.04.2015
32. Is there established the appropriated policies and procedures for authorising and approving operations at an appropriate level?	Y		Management and Control System Manual dated 30.04.2014 Statutes of POAS Transparent management standard
<b>Adequacy of human resources</b>			
33. Is there a study that assesses the adequacy of the assigned human resources?	Y		Programme Proposal Template annex 9 dated 21.12.2012
34. Identify if the personnel in charge of the Programme is: <ul style="list-style-type: none"> <li>- Personnel allocated (if it is the case, assess the imputation system of the allocated personnel).</li> <li>- Personnel contracted</li> </ul>	Y		Contract staff : 3 people (coordinator and 2 techniques) Personnel assigned from POAS: <ul style="list-style-type: none"> <li>- 20 % Programme Manager</li> <li>- 50 % Controller / Administration</li> <li>- 20 % Communication</li> </ul>
35. Are the human resources allocated enough? As a guidance, you should assess the following aspects: <ul style="list-style-type: none"> <li>• Meeting deadlines in the management of the Programme.</li> <li>• Volume of managed expenses.</li> </ul>	Y		Preliminary Programme : 100 % payout 80 % of the executed budget Fourth quarterly report issued Pending final report due in November 2015 Pending final balance
36. Evaluation of the qualification of the human resources allocated? <ul style="list-style-type: none"> <li>• Bachelor or Ing superiors/Total of people</li> <li>• Graduates or engineering technicians/Total of people</li> <li>• Staff involved in the management level (range within the Organization)</li> <li>• Level and capacity in Languages/Total of people, Mandatory English</li> </ul>	Y		See workforce table added

Assessed aspect	Y/N/ N.A		Evidence
37. Are there established plans of contingencies for the assumption of tasks in case of removals of staff in charge of in personnel management and verification of the Programme?	Y		There is a method but not documented. For long low it is foreseen the possibility of incorporating staff. Division of tasks between the existing team. Versatility
38. Existence of separation between the people or units in charge of Project management, expenditure verification, payment procedures, accounting? Is this supported and documented property?			
39. Are the staffs involved in the Financial Mechanism management aware of this separation of functions?	Y		Management and Control System Manual dated 30.04.2014 Statutes of POAS Transparent management standard Tools check lists in this differentiation / segregation of duties is evidence.
40. Is it existed for the preparation and processing of IFR 2014 a separation of functions : <ul style="list-style-type: none"> <li>• Project management, Unit teams in charge</li> <li>• Expenditure verification,</li> <li>• Payment procedures,</li> <li>• Accounting</li> </ul>	Y		Self-study and start regular meetings Meeting schedule milestones in financial reporting + Procedure emission reports. E-mails related to planning and consequences of these meetings.
41. Are there established policies to mitigate the risks of conflicts of interest? (a copy of the same)	Y		Organization chart Relationship Project promoters : <ul style="list-style-type: none"> <li>- Team management Programme : Programme manager</li> <li>- Technical Programme : 1 verification of expenditure (coherence of expenditure)</li> <li>- Controller : verification of expenditure</li> <li>- Programme Coordinator : management requirements to Project promoters</li> <li>- Programme Manager: proposal for payment processing</li> <li>- Administration and controller: accounting processing</li> <li>- Programme management: Bilateral and complementary activities:</li> <li>- Program Coordinator : planning</li> <li>- Program Manager: Approval</li> <li>- Administration and controller: budget control</li> </ul>
<b>Conflict of Interests (Good Governance)</b>			
42. Are there established policies to mitigate the risks of conflicts of interest? (a copy of the same)	Y		Document signed by conflict of interest: assessors and company, relevant suppliers, members of the Standing Committee of the

Assessed aspect	Y/N/ N.A		Evidence
			Platform, members of Pre-defined Project.
43. Where are published these policies at organisational level?	Y		Commitment signed by all members of POAS in calls and minutes of Standing Committee renunciation manage program funds.
44. Are the staffs involved in the Financial Mechanism management aware of these policies as well as the protocols for ensuring they are complied with	Y		See above Internal Communication to the Program participants sent by the Program Director recalling the principles.
<b>Decentralization/delegation of functions</b>			
45. If there are delegated functions, is there in place an appropriated supervision and monitoring of these activities? - How and when are these activities monitored? - Is the information flow and reporting clearly established?	N/A		
<b>Hiring and selection of Human Resources</b>			
46. Are there regulations and procedures for hiring, training, motivation, assessment and remuneration? (Transparency)	Y		Recruitment and remuneration : Statutes POAS Training and motivation: There is a method but not formally documented. The team has participated in events, lectures, presentation courses. In each semester and after each major milestone meeting of lessons + minutes / meeting notes is maintained.
47. Is included the candidate adequacy evaluation to the Job Profile in the recruitment procedures? (Specifically languages and Knowledge of the Programme)?	Y		Definition of contract staff profile + Commission + Presidency Technical Assistance Recruitment and remuneration : statutes POAS
48. Are implemented measures towards work-life balance?(Copy)	Y		The platform is host to the World Agreement principles that reflect the aspects of life balance Flexible working time Progress Report 2013
49. Is it respected gender equity in : • Hiring • Staff structure • Specific Programme Committees	Y		Commitments signed on : - World agreement - Third Sector Strategic Plan - Values of POAS - Strategic Plan of POAS
50. ¿Is there a mechanism to measure the level of employees satisfaction related to • Level of competence to develop the functions. • Workload • Training is reasonable to carry out the allocated tasks	Y		There is a method but not formally documented. The team has participated in events, lectures, presentation courses . In each semester and after each

Assessed aspect	Y/N/ N.A		Evidence
			major milestone meeting of lessons + minutes / meeting notes is maintained.
51. In the assessed period, is there a training plan? Has it been carried out additional training for complement the Programme? (Obtain details)	N Y		There is a method but not formally documented Welcome document Monitoring Guide EEA TEAM + Projects List and use of program documents The team has participated in events , lectures, presentation courses . In each semester and after each major milestone meeting of lessons + minutes / meeting notes is maintained.
<b>Provision of Technical Means</b>			
52. Existence of a work conditions study?	Y		Programme Proposal Template annex 9 dated 21.12.2012
53. Request a description of the technical means that are available to the Programme Operator to carry out the Programme. <ul style="list-style-type: none"> <li>Physical Location – Location and conditions (lighting, furniture, storage...).</li> <li>IT systems (PC, laptops, tablets, printers, scanners, mobile phones, travels..).</li> </ul>	Y		Risk Assessment Study of the Society of Prevention Office + endowment of shelves and cabinets (2 ½ ) + printer, scanner , 3 desktop computers, one laptop, fixed-line telephony ( 2).
54. Has implemented the Programme Operator a preventive detection system of deficiencies in respect to Technical means (personnel consultation, periodical analysis etc...)?	Y		There is a method but not formally documented Internal team meetings.
55. Does it consider the involved personnel in the Programme that the Technical Means is adequate for the implementation for the Programme?	Y		There is a method but not formally documented

**The other aspects relater to IT means are assessed in the Component n° 6**

## Assessment Component 2: The Projects activities are those selected for the Programme

Assessed aspect	Y/N/ N.A		Evidence
<b>Pre-defined Projects</b>			
2. Definition of controls aimed at verifying that the expenditure declared for Pre-defined Projects comply with the criteria approved by the Programme Agreement, or by the document of Approval	Y		Pre-defined Project: Study of Third Sector Social Action
<b>Projects defined by calls</b>			
16. Is there a Project announcement procedure in accordance with the legislation on subventions?	Y		Web <a href="http://www.plataformaong.org">www.plataformaong.org</a>
17. Does this procedure assure the verification of Project compliance of the particular and general objectives of the Programme	Y		Selection committee
18. If this procedure exists, it is requested a description or a reference to the document	Y		Web <a href="http://www.plataformaong.org">www.plataformaong.org</a> <a href="http://www.plataformaong.org/ciudadaniaactiva">www.plataformaong.org/ciudadaniaactiva</a>
19. Are established verification procedures that assure that the selected Projects are aligned to the grant announcement and the conditions of the Grant?	Y		Monitoring Guide EEA TEAM + Projects List and use of Programme documents Check control list
20. ¿Are available records of these verifications including specifically that the selected Projects are aligned to the grant announcement and the conditions of the Grant?	Y		Monitoring Guide EEA TEAM + Projects List and use of Programme documents Check-list control,
21. The verification of the Project announcement maintains evidences of: <ul style="list-style-type: none"> <li>• The conditions that have to be met in order to be eligible to receive funding</li> <li>• The Project selection criteria that are going to be weighted.</li> <li>• The procedures and terms for evaluating Projects.</li> <li>• Beneficiaries' obligations and rights</li> <li>• Description of the organs and commissions in charge of selecting the Projects</li> <li>• The objective and possibilities for creating networks with entities of the donor countries.</li> <li>• Specification that the acceptance of funds implies accepting to disseminate a summary of the Project and the main contact details</li> </ul>	Y		Programme files <a href="http://www.plataformaong.org/ciudadaniaactiva">www.plataformaong.org/ciudadaniaactiva</a> Project Promoters agreements
<b>Technical Assistance</b>			
22. Is established quality procedures by the Programme Operator that assure that the declared expenditures in technical assistance are really technical assistance?	N/A		
23. Are there implemented policies in the organization related to expenditures execution aligned with the	N/A		

Assessed aspect	Y/N/ N.A		Evidence
economy principles assuring efficacy? (Economic sustainability)			
<b>Bilateral Activities</b>			
24. Is established quality procedures by the Programme Operator that assure that the declared expenditures in bilateral activities are really expended in bilateral activities?	Y		Management and Control System Manual dated 30.04.2014 Monitoring Guide EEA TEAM + Projects List and use of Programme documents 2015 schedule of domestic tasks ( chrono activities) workload for months ( Projects + bilateral Projects + complementary activities)
25. Are there implemented policies in the organization related to expenditures execution aligned with the economy principles assuring efficacy? (Economic sustainability)	Y		The characteristics of POAS
26. Are there established reporting or results monitoring systems of the bilateral activities?	Y		Management and Control System Manual dated 30.04.2014 Monitoring Guide EEA TEAM + Projects List and use of Programme documents 2015 schedule of domestic tasks ( chromo activities) workload for months ( Projects + bilateral Projects + complementary activities) Annual reports 2013 & 2014
27. Is a procedure established for the effective verification of principles of equality and publicity in the management of Financial Mechanism Funds?	Y		There is a method , although not documented . Evidenced by : method followed in the selection panel Communication and publicity activities of the Programme Operator and Project promoters
28. Is a procedure established for the effective verification of principles of equality and publicity in the management of Mechanism Funds?(See requirements Annex IV Regulation)? This procedure shall include the Project announcement reviews	Y		Annual Programme report 2014 ES03 "Funds for Non-Governmental Organisations" EEA Finacial Mechanism 2009-2014
29. Has the Programme Operator adequately meet with the transparency principles in the management of the Funds of the Financial Mechanism(See component number 6)	Y		See criteria n° 6

### Assessment Component 3: The verification procedures used by the Programme Programme Operator are appropriated:

Assessed Aspect	Y/N/ N.A	Evidences
<b>Admin. Controls</b>		
24. Are there established administrative verification procedures for 100% of the expenditure declared in the IFR(the check-list can be manual or computerised or any other system can be used)	Y	Expenditure verification procedures Registration procedures and accounting of Project expenditure Registration procedures and accounting own expense Programme Operator Check-list control
25. If that is not the case, is there a review procedure that included a report model, sampling systems which assure that a Risk assessment forms the basis for selecting the expenditure If yes, check that the Programme Operator keeps evidences of the sampling method applied and the selected sampling	N/A	
26. Are the evidences of these verifications kept in documents or reports? If yes, please include a copy of the report or document form	Y	Check lists stored in Project folders ( electronic and physical )  Annex checklists in Management and Control 04/30/2015  POAS forms at Intranet
27. Are the evidences of controls carried out kept, for example: record of control lists including the completing date? Are procedures established for supervision and follow-up of incidences?	Y	Check lists stored in Project folders
28. Are recorded in the control lists or reports the detected incidences or observations?	Y	Check lists stored in Project folders
29. Are there implemented control systems that prevent continuing with the justification and statement of expenses if the control lists have not been completed or the pending issues have been resolved?	Y	Specified in the agreements signed with promoters of Projects Communications file to promoters in physical and electronic folders
30. Does the established control systems assure the verification of the following aspects: <ul style="list-style-type: none"> <li>The expense has neither been paid nor justified previously or in other Projects or against other funds.</li> <li>The expense is real and has been made</li> <li>Reconciliations are made between the support documentation and the expense statement</li> <li>Conceptual eligibility of the expenditure</li> </ul>	Y	Financial verification is performed by the Department of Intervention NGO Platform The method is robust and consistent. It is evidenced by records of the monitoring results in Project folders
31. Are there implemented retention and conservation procedures of the supporting original documentation?	Y	File system physical and electronic records clearly established File Control List Check in/out documentation log Project management software at



Assessed Aspect	Y/N/ N.A		Evidences
			Intranet System folders on the server with access permissions : - Administration / Accounting : Management folder permissions / IFR 's - Coordinator: IFR 's permissions to folders and Programme Projects , common area - Technical EEA: folders permissions Projects
<b>On site control</b>			
32. It has been established an on-field verification programme/plan of the Projects? Obtain a programme	Y		Schedule technical and economic visits 2014 and 2015 Visited all the Projects duration > 1 year (2 + 1 technical visits Economic visit) Eg CA- 095 Project
33. Level of compliance of the plan/programme mentioned below	Y		100%
34. Is there established a visit report/plan which includes the verification scope and procedures?	Y		Management and Control System Manual dated 30.04.2014 Communications Project promoters Check list + spot verification visit reports
35. Is there established a visit report/plan which includes physical and financial implementation? Obtain a copy	Y		Management and Control System Manual dated 30.04.2014 Communications Project promoters Check list + spot verification visit reports
36. Is there a sampling systematic documented for selection the on field verification Project/activities?	Y		Projects visit programme 2014-2015 Management and Control System Manual dated 30.04.2014
37. Check that the Programme Operator keeps evidence of the sampling plan applied and the selection	Y		See table report n° 4
38. Check that the sampling has been effectively implemented	Y		100% made in accordance
39. Check that the sampling plan assure:: <ul style="list-style-type: none"> <li>• Verification on field of 5% of the amount declared in the IFR for Projects (defined by announcement or Predefined).</li> <li>• Verification of 25% of the amount declared in the IFR for concepts other than Projects that have been verified in the field</li> </ul>	Y		100% made in accordance
40. Check that the sampling plan is representative, taking in account risk criteria and random sampling systems too	Y		100% made in accordance
41. Check that the Projects/activities verifications are	Y		100% made in accordance

Assessed Aspect	Y/N/ N.A	Evidences
included the expenditure declared in previous certifications		
<b>Irregularities and their monitoring:</b>		
42. Are procedures implemented that generate evidence of the expenditure that is rejected and considered irregular?	Y	Management and Control System Manual dated 30.04.2014 Irregularities Prevention of irregularities Reports of irregularities
43. Do these procedures let the identification of the root cause of expenditure rejection?	Y	Project files Communications with Project promoters Check control list Irregularities Reports
44. Do these procedures let the identification of the root cause of each error that appears?	Y	Project files Communications with Project promoters Check control list Irregularities Reports
45. Do these procedures establish how investigate and quantify the systematic errors?	Y	Management and Control System Manual dated 30.04.2014 irregularities Prevention of irregularities Reports of irregularities Internal register of irregularities
46. Do these procedures provide reference for obtaining evidence of other irregularities apart of rejected expenditure?	Y	Project files Communications with Project promoters Check control list Reports of irregularities Internal register of irregularities Process management and monitoring of the Programme and Projects

### Assessment Component 4: The audit trail is appropriate and sufficient

Assessed aspect	Y/N/N.A	Evidences
14. Is there established a control and review documentation system of the implementation process of the Programme in the period?	Y	File system physical and electronic records clearly established File Control List Check in/out documentation log Project management software at Intranet System folders on the server with access Management and Control System Manual dated 30.04.2014 Process management and monitoring of the Programme and Projects

Assessed aspect	Y/N/N.A	Evidences
		Register monitoring Project. Eg CA- 020 Record
15. Is a flowchart available which included the process and verification documents?	Y	Management and Control System Manual dated 30.04.2014
16. Is this flowchart updated when it is necessary?	Y	Management and Control System Manual dated 30.04.2014
17. Is this management system known by the relevant staff?	Y	Interviews to EEA Team
18. Carry out a compliance test about 10 random elements to check that all has been processed in a proper way and they are in the selected site	Y	See table report n° 4
19. Check that detailed account records are maintained that could check expenditures carried out in several stages and the agents	Y	See table report n° 4
20. Check that the accounting system could let identify each transaction related Projects/actions and identify the certified amounts and payment of the public contribution to the promoter or the beneficiary.	Y	See table report n° 4
21. Check that a proper Justification documentation retention system of all the process is implemented	Y	See table report n° 4
22. Check that are properly retained for each Project: Technical Specifications, Financial Plan, documents relating to the approval of the concession or spending, documents relating to public administration procurement procedures, the progress reports and verification reports	Y	See table report n° 4
23. Check if the Programme Operator carries out verifications to verify if the Project Promoter meet the established requirements and that the Project Project Promoters has been implemented systems for the verification of the accountability of grant beneficiaries.	Y	See table report n° 4
24. Check if the Programme Operator assure that the Project Promoter and the beneficiaries maintain a separate accountability system for transactions related to operations subject to co-financing or account with appropriate accounting codification for clearly identifying such transactions, and the sources of Project financing	Y	See table report n° 4
25. Check that clear instructions have been communicated to the Project Promoters and beneficiaries about maintaining files administrative documentation	Y	See table report n° 4 Communications Project promoters regarding the agreement + file quarterly reports
26. Check that the organisation meet the record retention requirements according the Regulation	Y	5 years of file documentation and records , both to the Programme Management and Project promoters File Control List Communications Project

Assessed aspect	Y/N/N.A	Evidences
		promoters regarding the agreement + file quarterly reports

## Assessment Component 5: An appropriate IT Tool is used

Assessed aspect	Y/N/N.A	Evidences
14. Identify the IT systems and software used for implementation of tasks related to the Programme Operator	Y	<ul style="list-style-type: none"> <li>• DORIS software</li> <li>• Internal software</li> <li>• INTRANET</li> <li>• EEA Media Library</li> <li>• POAS Bulletin</li> <li>• Facebook</li> <li>• Twiter</li> </ul>
15. Has the Programme Operator been externally certified (ISO, AENOR, etc...) (Include specific Certification, if any.)? If yes, is it included in the scope all the Project management activities and grants verification of EEA Financial Mechanism?	N	
16. Does the involved personnel the implemented systems?.	Y	Interviews EEA team
17. Do the IT systems include financial management? ¿Or includes too document and records management?	Y	Internal software
18. How is it structured?		Task Manager for the Programme Management Team and document management for developers
19. Is this IT Tool integrated totally or partially en the IT Systems of the Programme Operator or it Works as an independent tool? Is it designed specifically for EEA Grants?	N N	The software runs independently Both the EEA team and the promoters must have permission to access
20. Is it allocated the property for each application and database in the IT infrastructure?	Y	Clearly delimited and access to common folders and server Projects
21. Is it included all the relevant information to meet the requirements of transparency and good governance in the management Programme?	Y	
22. Does it Provide (or could provide) all the necessary information for management. Specially, statistics and outputs indicators.	Y	Internally developed excel sheets to manage results / objectives / indicators and collection of statistics
23. Are the responsible persons identified?	Y	
24. Is there implemented a back-up protocol for information recovering in case of disaster or documentation loss? .	Y	IT procedures POAS
25. Are these systems appropriately updated?	Y	
26. By area? By functions? By Projects?	Y	POAS folder server with access permissions system

Assessed aspect	Y/N/ N.A		Evidences
By budget headings?			

## Assessment component 6: Horizontal and cross sectional risks and issues.

Assessed aspect	Y/N/ N.A		Evidences
<b>Programme risk assessment</b>			
35. Has been the Programme Operator establish any RISK ASSESSMENT system of the functions performed?	Y		<ul style="list-style-type: none"> <li>- Programme proposal template, clause 3.7 risk and uncertainty + annual reports 2013 y 2014.</li> <li>- Risk Assessment System in the process of evaluation and selection of Projects (technical , economic risks inherent in the Project promoters)</li> <li>- Management and control System Manual April 2014 paragraph b of preventing irregularities in the Projects.</li> <li>- Report Project promoter start with RISK ASSESSMENT and action plan for risk management</li> </ul>
36. Is there a work Protocol that assessed the detected risks and depending on their level it contemplates the implementation of a work plan designed to overcome said risks?	Y		<p>Method not documented</p> <p>Evidence of completion of RA in :</p> <ul style="list-style-type: none"> <li>- Programme proposal template, section 3.7 risk and uncertainty</li> <li>- Meetings of Standing Committee</li> </ul> <p>Projects / promoters :</p> <ul style="list-style-type: none"> <li>- Sheets + Project appraisal summary records and Risk assessment study + approach diversity.</li> </ul>
37. Has been identified in the Annual report the main risks of the Programme Operator?	Y		<p>Annual report 2014</p> <p>Annex 2: Risk assessment of the Programme.</p>
38. The indicators used for detecting risks are appropriately supported and offer guarantees that no significant risk for the Programme will be omitted	Y		Risk scenarios and assessment of probability and consequence / clear and consistent impact.
39. Is there implemented a proactive or reactive risk management culture?			Proactive
40. Has the Programme Operator been externally certified (ISO, AENOR, etc...) (Include specific Certification, if any)? If yes, is it included in the scope all the Project management activities and grants verification of EEA Financial Mechanism?.	Y		World Agreement signed
<b>Advertising and communication (Transparency)</b>			
41. Is any event carried out by the Programme Operator for advertising and communication of the Financial Mechanism? What type of events?	Y		<ul style="list-style-type: none"> <li>- Web page: <a href="http://www.plataformaong.org/ciudadaniaactiva">http://www.plataformaong.org/ciudadaniaactiva</a></li> <li>- POAS monthly bulletin</li> <li>- Events specific communications</li> <li>- Programme Twiter &amp; Facebook</li> </ul>

Assessed aspect	Y/N/ N.A		Evidences
			<ul style="list-style-type: none"> <li>- POAS Twitter &amp; Facebook</li> <li>- Newsletters and communications sent to the FMO, NFP and embassy</li> <li>- Events outreach Programme</li> <li>- Press release (pre and post )Specifics web pages (<a href="http://www.plataformaong.org/ciudadaniaactiva/alianzasestrategicas/">http://www.plataformaong.org/ciudadaniaactiva/alianzasestrategicas/</a>)</li> </ul>
42. The Grant announcements include the participation of the Financial Mechanism?	Y		100 % of the calls clearly indicate the basis of the Programme.
43. Has been the Transparency Principle met by announcement grants publication where relevant for the Financial Mechanism Funds?	Y		100 % Open calls published in the web Dissemination : Platform members , newsletters subscribers , website <a href="http://www.soluciones.org">www.soluciones.org</a>
44. Is it included in a webpage?	Y		Reports in Google Analytics launches and closures of calls
45. This Financial Mechanism Participation webpage is independent of the main webpage of the Programme Operator?	Y		<a href="http://www.plataformaong.org/ciudadaniaactiva">www.plataformaong.org/ciudadaniaactiva</a>
46. The Programme Operator Public actions refers to the participation in the Financial Mechanism Funds and redirecting to the webpage	Y		See above
47. The Grant announcements include the participation of the Financial Mechanism?	Y		See above
48. Is it considered enough the Communication team? Is it required the NFP collaboration?	Y		See above
49. Is it defined and implemented a communication policy with NFP? (which mails/communications is included NFP, although they were not the main recipient)	Y		There is a methodology, although it is not formally documented. NFC communications ( newsletters and communications required : paragraph 6 Document Management and Control System 30/04/2014
<b>Gender Equity in the Programme</b>			
50. What procedures have the Programme Operator has been established to meet the gender equity policies? For example un Project calls	Y		Exchange POAS in the terms of contracts with third parties. Statement of terms of reference for hiring speakers, Project calls for : <ul style="list-style-type: none"> <li>- Requirements to apply for assistance to Project promoters</li> <li>- Language gender</li> <li>- Report Project promoters with results / disaggregated indicators.</li> </ul>
51. Analyse the systems established by the Programme Operator that will ensure compliance with the rules of	Y		Making signatures in cases where that is applicable under applicable law

Assessed aspect	Y/N/ N.A		Evidences
the General Law on subsidies or public procurement: <ul style="list-style-type: none"> <li>Relationships with third parties who provide services</li> <li>Management of the expenses of the Programme.</li> <li>Relationship and activities of Project promoters.</li> </ul>			
<b>Good Governance</b>			
52. Implementation of Transparency Law	Y		<a href="http://www.plataformaong.org">http://www.plataformaong.org</a> <a href="http://www.plataformaong.org/ciudadaniaactiva">http://www.plataformaong.org/ciudadaniaactiva</a>
53. Implementation of procedures, analysing: <ul style="list-style-type: none"> <li>Are there established</li> <li>Right moment.</li> <li>Content (theoretical and practical based in the users comments)</li> <li>Diffusion Level</li> </ul>	Y		Management and Control System Manual dated 30.04.2014 Welcome pack Monitoring Guide EEA TEAM Projects List and use of Programme documents Project monitoring document formats to be completed by the Project promoters Monitoring Guide for Project promoters 2015 schedule of domestic tasks ( time trial activities) Management application Internal meetings Programme Management Team Communications with Project promoters web Meeting maturation preselected Project launch meeting with Project promoters
<b>Sustainability: Environment</b>			
54. Is the Programme Operator certified in ISO 14001 or equivalent standard?	Y		World Agreement signed
55. ¿Is an Environmental Manual or Policy implemented?	N		Not specifically . On the Web as a political / environmental commitment World agreement signed by POAS , which includes environmental commitments
56. Are there environmental practices implemented as; energy consumption, recycling material use, reutilised materials used or reduction of paper consumption?	N		No documented. Good environmental practices domestic consumption and waste
<b>Social Sustainability</b>			
57. Which analysis procedures have been implemented related with social sustainability?	Y		Not documented. It will make an impact study on the short end of the Programme
58. Has been designed the Programme in order that the results affect a sufficient number of people (Because the groups are large or because they are significant in themselves)?	Y		<ul style="list-style-type: none"> <li>Degree of compliance with the objectives of the Project high</li> <li>Forecast overcome the expected impact on the Programme</li> </ul>
59. Do the social consequences of this	Y		Projects that demonstrate the positive impact and



Assessed aspect	Y/N/ N.A		Evidences
Programme last in the long term or even make their results have a multiplying effect? For example: To continue with this initiative other groups or companies? Would that trigger additional investigations?			sustainability of Projects in time and the multiplier effect. Ex: TIPI Project: design of corporate purchasing department
60. The Programme Operators itself or by NFP promotes the "lessons learnt" effect for other programmes and activities (meetings, memorandums, feed-back)	Y		Events and meetings with the NFP and the FMO Event brochure May 2015 on diversity
<b>Economic Sustainability</b>			
61. Are there implemented policies for analyse the economic sustainability of the Programme?	Y		Solvency analysis and Project promoters in the evaluation and selection Most of the Projects are not going to need in the future financing for its continuity
62. Has the Programme Operator implemented systems and controls for monitoring the Programme effects in terms national, regional or local economic development?	N		Not formally documented Current measurements : jobs created, volunteering created
63. What positive effects had the Programme originated as regards the creation of Jobs?			It is available for Project data of the jobs created, dedications staff and volunteers. At the end of the Programme a report with these data will be reported
64. What impact has the Programme originated in Project promoters, partners, participants, etc...?			Positive High degree of participation and interest Rating: good Programme but very bureaucratic. Demands continuity in funding through the program of active citizenship
65. Has created the Programme a positive environment for developing and delivery of key services?	Y		See above
66. Is there available a cost-benefit analysis of the Programme?	N		Not formally documented
67. Are obtained results justified, against expenditures, considering alternative solutions?	Y		Comparative methodology offers technically and economically deciding to hire
68. Once the support has of the Financial Mechanism has finalised, other supports from other entities (public or private) have been managed?	N/A		Guide Community Programme POAS In the bilateral seminar to perform on October 1 it will devote an express to discuss the sustainability of the Projects section

## Assessment component 7: Appropriate procedures for drawing up an IFR

Assessed aspect	Y/N/N.A	Evidences
6. Check that the Programme Operator gives instructions in systematic way to the Project Promoters to make their expenditures declaration	Y	Promoters agreements web <a href="http://www.plataformaong.org/ciudadaniaactiva">www.plataformaong.org/ciudadaniaactiva</a> Monitoring Guide for Project promoters 11.2014 Application of Project management Active Citizenship Meeting maturation preselected Project launch meeting with promoters Specific forms for promoters
7. Check that the Programme Operator has received, reviewed and the legality and regularity of expenditures declaration.	Y	See table report nº 4
8. Determine that they are established procedures for arithmetically check all payment requests	Y	Management and Control System Manual dated 30.04.2014 Expenditure verification procedures Check control list Excell sheets check
9. Check that there are procedures for calculated the estimated expenditure which ensure that the calculations have not been carried out randomly	Y	Management and Control System Manual dated 30.04.2014
10. Check that the Programme Operator holds periodical meeting with the NFP or other Programme Operator to receive instructions and make comments about management procedures aimed at the appropriate rendering of the IFRs	Y	Project Promoters agreements web <a href="http://www.plataformaong.org/ciudadaniaactiva">www.plataformaong.org/ciudadaniaactiva</a> Monitoring Guide for Project promoters 11.2014 Application of Project management Active Citizenship Meeting maturation preselected Project launch meeting with Project promoters Specific forms for Project promoters Attention to Project promoters witnessed by technicians during the audit visit

Identify the personnel that have been participated in management and verification tasks declared in IFR presented in 2014-2015.

Name and Surname	Category	Departament	Managem nt (G) Verification (V)	Assigned (P) Contracted (C)	Training (*)	Languag es English	Acreditation (***)	Years of work experience	Years of work experience In the entity
Cenfor del Rey, Vanesa	Degree	Coordination	Managem nt	Contracted	5	English	No	12	2 years
Gómez Crespo, M <sup>a</sup> Luisa	Degree	Manger	Verification	Assigned	6	English/ French	Yes	20	12 years
Mercedes Gutiérrez Duque	Degree	Finance/admin.	Verification	Contracted	6	English	No	10	10 months
M <sup>a</sup> José Carmona Durán	Degree	Finance/admin	Verification	Contracted	5	English	No	20	Almost a year

(\*) Training:

- (7) Basic General education
- (8) medium-grade professional training
- (9) Premium grade vocational training.
- (10)Medium Degree
- (11)Degree
- (12)Other studies (Masters, Post-grade, etc...)

(\*\*)Language accreditation

## 7. Quality Audit Plan EAA Grants ES03

POAS

**PROGRAMME**  
ES03 Funds for Non-Governmental  
Organisations

<p><b>Verification type</b> Quality Audit to Management and Control System and its implementation in 2 projects</p>	<p><b>Audit criteria</b></p> <ul style="list-style-type: none"> <li>- <b>Financial Mechanism 2009-2014 (EEA Grants) and its annexes</b></li> <li>- <b>The Memorandum of Understanding signed by Spain -Financial Mechanism on 15 November 2011</b></li> <li>- <b>Rules and Procedures 2009-2014</b> <ul style="list-style-type: none"> <li>• <b>For the implementation of Financial Mechanism EEA</b></li> <li>• <b>Protocol 38, Enlargement Agreement.</b></li> </ul> </li> <li>- <b>Programme Agreement and Programme Implementation Agreement</b></li> <li>- <b>Manuals and Management and Control Systems document approved in 2014</b></li> <li>- <b>Instructions NFP and FMO</b></li> </ul>
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<p><b>Audit Team</b> Aurora Gil</p>	<p><b>Audit dates</b> 24 &amp; 25 September 2015</p>	<p><b>Issue Date</b> 22/09/2015</p>
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<b>24th September 2015 POAS</b>	
9.00 h	Opening meeting with implementation Programme Team: Presentation of the audit team, plan, methodology report
09.20	Management and Control System Manual for EEA GRANTS 2009 2014 Programme Agreement Programme Implementation Agreement 2009 2014 Organization structure and responsibilities, Sufficiency of means and human resources Good governance, Horizontal concerns and cutting-cross Issues Delegation of functions-Subcontracting Technical means
12:00	Procedures of Projects management and monitoring (financial terms, eligible costs, ....) - System of Reports Procedure of Project Expenditure Accountability and Record Procedure of Programme Operator Expenditure Accountability and Record Procedure IFRs Elaboration Procedure Expenditure Verification Economical Management and Payment request Verification Technical Assistance. Bilateral Activities
13.30	Lunch
14:30	Project Monitoring Procedures - Monitoring Plan and modification



	<ul style="list-style-type: none"><li>- Report Emissions Procedure</li><li>- Programme Audits</li><li>- Verifications</li><li>- On site Verifications</li><li>- Irregularities/desviations and monitoring (DORIS)</li></ul>
16.00-17.00	Documentation Control and Project records retention. Data and IT Security
17.00-18:00	Report Preparation

<b>25 de Septiembre de 2015 POAS</b>	
8.30-13.00	2 Projects Audit Planning and Control Project and Programmes Process Irregularities
13.00-14.00	Closing meeting
15.00-17:00	Preparation of final report



# Quality assessment of the systems and procedures for the implementation of the Programmes Financial Mechanism EEA-GRANTS 2009-2014.

## Programme and Number:

ES-04 Gender Equality and Promoting work-Life Programme

## Programme Operator

State Secretariat for Social Services and Equality (Ministry of Health, Social Services and Equality)

## Intervention Mechanism:

Financial Mechanism EEA-Grants 2009-2014

## Period:

2014 and First four month period 2015.

**LRQA Reference:** SGI2944066/0030  
**Audit dates:** 9<sup>th</sup> and 23<sup>th</sup> October 2015  
**Location:** MADRID.  
**Audit Criteria:** Check-list, Procedures and Management Control System

**Audit team:** PERMIN PARINA



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## Annexes

### This report was presented to and accepted by:

Name:	Begoña Suárez Suárez,
Job title:	Sub-Director of Entrepreneurship and Women Professional Promotion / Project Responsible

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## 4. Report explanation

<b>Introduction</b>
---------------------

*The Memorandum of Understanding signed by Spain with the Donor States on 15 November 2011 establishes that in Spain the Deputy General Directorate for European Territorial Cooperation and Urban Development, will act as the National Focal Point (hereinafter, NFP) for the Programme co-funded by the EEA (European Economic Area) Financial Mechanism 2009-2014 (EEA Grants).*

*NFP's responsibilities include controlling the implementation of the Programme of Financial Mechanism and the Programme Agreement. LRQA España, SL has been hired to verify the quality of the operations and procedures in view of the objectives set by the EEA Grants in the "Gender Equality and Promoting work-Life Programme" according to the Programme and the applicable standards.*

*The Programme Implementation Quality audit is carried out in the site of The Operator Programme and includes, if it is applicable, the quality of implementation in an adequately sampling of projects*

*The audit has been focused on:*

- *The proper achievement of the objectives established in the Programme Agreement "Gender Equality and Promoting work-Life Programme" between the FMC (Financial Mechanism Committee) and "Secretary of Social Services and Equality", dated 19.08.2013, based in the "Regulation on the Implementation of the European Economic Area (EEA) Financial Mechanism 2009-2014 and the " MANAGEMENT CONTROL SYSTEMPROGRAMME ES04" version 2, dated 12.06.2015, and approved by the Audit Authority and the Financial Mechanism Office, here in after (FMO) that modifies the approved on 16/05/2014*
- *Quality Verification was performed on those projects and activities whose operations were carried out in year 2014 and first quarter 2015 presented by "Secretary of Social Services and Equality" (specifically PLURALS and BALANCE) and Project Promoters, as well as verifying the systems to prepare the estimate of expenditure and calculate the advance payments*

## Objective and scope of the audit

*The auditor will review the system to determine whether it conforms to the audit criteria and covers the activities detailed in the scope of audit.*

*The general objectives are:*

- *Verify that the management and control processes applied by the Programme Operator are aligned with their own Management and Control System Manual approved by the Audit Authority and the EEA Grants Regulations*
- *Evaluate the quality of the Programme Implementation respect to the Objectives established in the Programme Agreement, carrying out the verification of quality and the costs of activities that give rise to expenses declared in 2014 and the first four-month period of 2015*
- *Management of advance payments and expenditures Methodology for each IFR*

*The following aspects has been verified:*

- *Functional Independence between the grant/Project managers and the expenditure verifier*
- *Projects are activities are those selected for the Programme*
- *Verification procedures used by the Programme Operator are appropriated*
- *Audit trail is appropriate and sufficient*
- *Appropriate IT Tool is used*
- *Horizontal and cross sectional risks and issues*
- *Appropriate procedures for drawing up an IFR*

*The auditor will interview the top Manager of the Programme Operator to determine the obligations of the Financial Mechanism are known and the auditor will use information obtained as a result of this interviews, to review the degree in which the Programme Operator has addressed the potential risk within the system, and to determine the needs for the proper achievement of the objectives of the Programme has been taken in account*

## Definitions of Grade Findings

### **Major Nonconformity**

*The absence of, or the failure to implement and maintain, one or more management system elements, or a situation which would, on the basis of the available objective evidence, raise significant doubt of the management to achieve:*

- *compliance with the applicable regulatory requirements*
- *conformance to applicable Interested Parties*
- *Conformance with the audit criteria deliverables.*

### **Minor Nonconformity**

*A finding indicative of a weakness in the implemented and maintained system, which has not significantly impacted on the capability of the management system or put at risk the system deliverables, but needs to be addressed to assure the future capability of the system.*

## Additional information

### **Isolated issues and opportunities for improvement**

*Any isolated issues identified during the assessment, which have not resulted in a nonconformity being raised, we will record in the appropriate process table in the report.*

*If we identify opportunities to improve your already compliant system, we will either record them in the process table applicable to the area being assessed or in the Executive summary of the report if they can deliver improvement at a strategic level.*

### **Confidentiality**

*We will treat the contents of this report, together with any notes made during the visit, in the strictest confidence and will not disclose them to any third party without written client consent.*

### **Sampling**

*The assessment process relies on taking a sample of the activities of the business. This is not statistically based but uses representative examples. Not all of the detailed nature of a business may be sampled so, if no issues are raised in a particular process, it does not necessarily mean that there are no issues, and if issues are raised, it does not necessarily mean that these are the only issues.*

### **Terms and conditions**

*Please note that, as detailed in the Terms and Conditions clause of the contract (1.7), clients have an obligation to advise LRQA of any breach of legal, regulatory, or statutory requirements and any pending prosecution. Although proportionality and scale of the situation should be considered, you are required to advise LRQA of any serious potential risks to our certification but not, for example, isolated cases of a minor nature.*

*“The Client is required to inform LRQA as soon as it becomes aware of any breach or pending prosecutions for the breach of any regulatory requirements relevant to the Certified Management System. LRQA will review the details of any breaches brought to its attention and may elect to perform additional verification activities chargeable to the client to ensure compliance with specified requirements. LRQA reserves the right to suspend or withdraw certificates of approval / verification statements and opinions for both failure to inform LRQA and the appropriate regulator of such breaches”.*

## 5. Executive report for Deputy General Directorate for European Territorial Cooperation and Urban Development (National Focal Point/NFP)

### Audit Result:

As a result of the audit made at the *Management Control System* applicable to control the Programme Gender Equality and Promoting work-Life ES-04 with the audit carried out at the projects PLURAL and BALANCE, we conclude that the degree of compliance with respect to the requirements established by stakeholders it is high as well as the degree of efficacy has been demonstrated, given that the results in terms of degree of compliance with Programme objectives and the results of the indicators they reveal.

### Strengths and Weaknesses

#### The identified Strengths are:

- High level of Projects Control audited by both the Programme Operator as Project Promoters
- High degree of the Programme Management team Involvement and Programme requirements and projects knowledge to comply by the Programme Management Team
- Versatility of Programme Management Team
- Communication skills with stakeholders by the Programme Director and the Management Team Programme
- Flexibility, availability and ongoing support to developers by the Programme Management Team
- Methodology Standardization for Projects monitoring and control
- Monitoring of Pre-defined Projects, Bilateral Activities and Beneficiaries of grants Programme falling under this Programme with the supporting of the Technical Assistant (Tragsatec) and PwC
- Clear focus on risk management implemented the Programme and projects

#### The identified Weakness are:

- There are no systematic processes for the formation and training of personnel coordinating the project, however the Project Operator Team with the role for coordinating and monitoring is an expert in the Projects subject.
- Programme Operator HR Management associated with the Project.
- Systematize the continuous improvement processes developed by the stakeholders: Once the problems are solved, the absence of systematic processes for managing continuous improvement, research root causes of failures and implementation of measures is found to prevent recurrence and moreover it should establish indicators of efficacy / alienated objectives with the ultimate goal of the project (effectiveness & efficiency)
- As it is noted by both the Programme Operator and the Project Promoter it has been developed in the form of "Management Delegation" directly the Technical Assistance to the Public Company Tragsatec. A selection process for technical assistance in a competitive would be more in line



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with the approach pursued for the efficiency of the projects

## 6. Audit Details

<p><b>Introduction:</b></p> <p>It was maintained opening and closing meetings with:</p> <p>Programme Operator Attendants</p> <ul style="list-style-type: none"> <li>• Begoña Suárez Suárez, Sub-Director of Entrepreneurship and Women Professional Promotion /Project Responsible</li> <li>• Ana Lite Mateo, Area Chief, SGEPPM</li> <li>• Ana Pacios, Technical Counsellor SGEPPM</li> <li>• Amaya Unzueta, Technical assistance to Programme Operator</li> </ul> <p>Project Promoters Attendants</p> <p>Paloma López Izquierdo, General Secretary IMIO Inés Palacio Campos, Sub-Direction Studies ( Balance Project) Julia Garcia, Sub-Direction Programmes (Plural- Equality Education Project)</p> <p>In the opening meeting, they were commented the relevant aspects in terms of the nature of this audit, the style of report of LRQA, including an explanation of the finding grades, confidentiality of the exercise, the opportunity of not accepting the audit team before the audit or any member thereof, as well as the right to appeal decisions of the audit team to the LRQA Management.</p>
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<p><b>Assessor:</b></p>	<p><b>Fermín Fariña</b> <b>October 23th 2015</b> State Secretariat for Social Services and Equality (Ministry of Health, Social Services and Equality). <b>Calle Alcalá 37, 6ª Planta</b> <b>October 9<sup>th</sup> 2015</b> <b>Woman and Equality Opportunities Institute, in after IMIO, based in C/ Condesa de Venadito, 34, Madrid</b></p>
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<b>Audit to:</b>	<b>TABLE 1 COMPONENTS 1 &amp; 6 Organisation Structure, risk management and cross- cutting issues</b>	<b>Auditee(s):</b>	Begoña Suárez Suárez, Sub-Director of entrepreneurship and Women Professional Promotion  Ana Lite Mateo, Area Chief, SGEPPM  Ana Pacios, Technical Counsellor SGEPPM  Amaya Unzueta, Programme Operator Technical Counsellor
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### **Audit trails and evidences assessed:**

The following aspects have been evaluated to assess whether there are measures to ensure that they are not systemic irregularities or fraud and functional independence among project managers and expenditures verifiers

- Management and Control System V2 06/12/15.
- Programme Operator Organizational Chart
- Internal meetings of Programme organization
- Staff hired: Technical Assistance company (Tragsatec) and support company for cost control and Promotor and Operator certifications, PwC.
- Personnel assigned: Rest of staff of the Sub Direction General Entrepreneurship and Women Professional Promotion assigned at this Programme
- IFR's: information on the nature of expenditure + amounts. example: IFR 5 September to December 2014 and IFR 6 from January to April , 2015
- ANNUAL REPORT 2014 Project PLURALES. IMIO Personnel expenses , invoice PP012012001 - 45,712.98€ and expenses of PwC, invoice GG012015002 - 23,398,58 €
- Application DORIS
- IFR declarations and certifications communicated to NFP

## Evaluation and conclusions:

### Strengths

Changes are managed in the organizational structure and are communicated throughout the development of the Programme: New Edition of Management and Control System 12/06/15 V2, identifying personnel changes produced. The Programme operation has been agile and the level of performance has been high.

Strengths identified are:

- Involvement team degree
- Communication skills with stakeholders by the Director and team
- Flexibility, availability and ongoing support to developers

### Areas of attention:

#### *Weakness*

- Registration/ evidence Lack of the training activities carried out by the Team
- One of the Programme objectives is to focus on effectiveness and efficiency, although there is No indicators / targets related to economic efficiency for example:
  - How many € were lost because of decertification?
  - Maximum Amount / Objective for decertification?
- There has not been presented periodic information (Trends) and associated indicators (targets) for achieving the objectives to minimize the risk of defaults

<b>Audit to:</b>	TABLE Nº 2 COMPONENTS 2, 3 Y 7 PROGRAMME MANAGEMENT	<b>Auditee(s):</b>	Begoña Suárez Suárez, Sub-Director of entrepreneurship and Women Professional Promotion  Ana Lite Mateo, Area Chief, SGEPPM  Ana Pacios, Technical Counsellor SGEPPM  Amaya Unzueta, Programme Operator Technical Counsellor
<b>Audit trails and evidences assessed</b>			
<p>The following aspects have been evaluated to assess whether the projects selected are adequate for the Programme, if verification procedures by the Operator Programme are adequate and the IFRs draw-up Procedures are adequate, the following aspects have been evaluated:</p> <ul style="list-style-type: none"> <li>• Management and Control System V2 06/12/15.</li> <li>• Procedures</li> <li>• Programme site visits</li> <li>• Check control list</li> <li>• Communication plan</li> <li>• Communications Project Promoters.</li> <li>• Incident management / faults with the Project Promoters.</li> </ul>			
<b>Evaluation and conclusions:</b>			
<p><b>Strenghts</b></p> <ul style="list-style-type: none"> <li>• Adequate definition of methodologies tasks for the Programme and Projects different phases execution and control</li> <li>• Control Unit project (technical and financial) systematic, consistent and effective.</li> </ul>			
<b>Areas of attention</b>			
<p><b>Weakness</b></p> <ul style="list-style-type: none"> <li>• Weaknesses have not been identified regarding Programme Management</li> </ul>			

<b>Audit to:</b>	<b>TABLE Nº 3 COMPONENTS 4 AND 5 DOCUMENTS AND RECORDS IT SYSTEMS</b>	<b>Auditee(s):</b>	Begoña Suárez Suárez, Sub-Director of entrepreneurship and Women Professional Promotion  Ana Lite Mateo, Area Chief, SGEPPM  Ana Pacios, Technical Counsellor SGEPPM  Amaya Unzueta, Programme Operator Technical Counsellor
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### Audit trails and evidences assessed

The following aspects have been evaluated to assess if the systems that are implemented let to access to the implementation evidences and if the IT Tools implemented are adequate for management, in order to evaluate this, several evidences and audits trails has been followed:

- Management and Control System V2 06/12/15.
- Physical and electronic projects records
- Physical and electronic Programme records
- DORIS Programme
- Peggy software used by Tragsatec
- Annual reports
- While there is no formal procedure for the management of documentation and verification of the Project documents showed, effective document management was evidenced effective by the systematic applied
- Excel spreadsheet is shown, in the case of the Technical Assistance (Tragsatec), with 100% of the meetings held in which they have participated, all of them have minutes, for example:. Meetings with the Project Promoter of Balance 11th/03 /14 and 03rd/28/14

### Evaluation and conclusions:

#### Strengths

Systematic developed to control the Programme and Projects control activities execution evidenced in the cases reviewed:

Project: Balance. Responsible Work-life  
Project: Plural Equality Education

#### Areas of attention

**Weakness**

*In the case of the Programme Operator, there are ongoing meetings for project coordination, informal in terms of editing meeting minutes for coordination activities of the audited Projects. The meetings formalization with agenda, minutes, etc. for cases that adds value (for example. Critical Path, Critical Milestones) should facilitate the monitoring of actions to improve the project.*

<b>Audit to:</b>	<b>TABLE Nº 4 PROJECTS EVALUATION IMIO</b>	<b>Auditee(s):</b>	Begoña Suárez Suárez, Sub-Director of entrepreneurship and Women Professional Promotion Ana Lite Mateo, Area Chief, SGEPPM Ana Pacios, Technical Counsellor SGEPPM Amaya Unzueta, Programme Operator Technical Counsellor
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### Audit trails and evidences assessed

It has been sampled two projects:

- Project: Balance. Responsible Work-life
- Project: Plural Equality Education

In both it has been audited;

Project Contract

Cooperation agreements

Partnership Agreement, such FEMP and KS (Norway)

Project Objectives

Monitoring progress and compliance with the project phases

Management Delegation to Tragsatec dated 30/04/2014.

Development Programme, examples:

Program: Development support Measures to Conciliation made by the 3 Town Halls from the Pilot Program to run in 2014-2015

Program: Development of equality plans in Primary School and ESO (9 centres)

Billing certifications, such invoice receipt Certification 2nd period May - October 2014, amounting € 72,279.68,

### Evaluation and conclusions:

#### Strengths

- Project Monitoring and control and the management of them.
- Very positive results in projects regarding the organization participation and continuity in time
- Information Traceability.
- Effective Document Management

### Areas of attention

#### Weakness

- *No identified in these Components*

## 4. Audit Finding Log

It has not been detected new findings in the sampling carried out during this audit; by this reason this form prepared in the report for the new findings is empty. Weaknesses are not considered audit findings, due to they are not specifically non conformities of the audit criteria

Grade 1	Status 2	Finding 3	Correction, root cause and review of the corrective action 4	Process / Aspect 5	Date 6	Reference 7	Clause 8

1. Grading of the finding *	2. New, Open, Closed	3. Description of the LRQA finding	4. Review by LRQA	5. Process, aspect, department or theme			
6. Date of the finding	7. YYYY<Initials>seq.#	8. Clause of the applicable standard					
* Major NC = Major nonconformity		Minor NC = Minor nonconformity					

## 5. Review of findings of previous visit

Grade 1	Status 2	Finding 3	Correction, root cause and review of the corrective action 4	Process / Aspect 5	Date 6	Reference 7	Clause 8
Minor NC	Open	The Government employees in the Central Administration of the State who perform tasks associated to the Programme management are subject to the rules against the incompatibilities for preventing and resolving conflicts of interests, which are followed closely by the General Inspection of the Ministry of Health, Social Services and Equality; an extreme which is considered appropriate. However, it is recommended to obtain an express written statement of Independence, which also declares there are no conflicts of interests, for	Signing document of confidentiality by staff of the Management Delegation and technical assistance is evidenced. (Tragsatec and PriceWaterhouse)  In all cases reviewed issued in the performance of their duties, Tragsatec, regardless of being minor contract or not, always three tenders are requested	Conflict of Interests (Good Governance)	09/12/14		Evaluation Component N°1

1. Grading of the finding \*

2. New, Open, Closed

3. Description of the LRQA finding

4. Review by LRQA

5. Process, aspect, department or theme

6. Date of the finding

7. YYYY<Initials>seq.#

8. Clause of the applicable standard

\* Major NC = Major nonconformity

Minor NC = Minor nonconformity



Grade 1	Status 2	Finding 3	Correction, root cause and review of the corrective action 4	Process / Aspect 5	Date 6	Reference 7	Clause 8
		each member of staff responsible for performing management duties in the activities defined in the Programme Agreement that do not belong to the public service, as well as expressly demanding the statement of independence in future recruitment procedures, if applicable.					
Minor NC	closed	Because the Programme Operator is a department of the General Administration of the State, jobs are created by taking into account the mechanisms established in the Basic Statute governing Public Employment. This implies that the suitability of the posts for managing and controlling the funds has not been analysed. As a	Job profiles of staff assigned by the OP to the Programme, are appropriate to the project approach	Hiring and selection of Human Resources	09/12/14		Evaluation Component N°1

1. Grading of the finding \*

2. New, Open, Closed

3. Description of the LRQA finding

4. Review by LRQA

5. Process, aspect, department or theme

6. Date of the finding

7. YYYY<Initials>seq.#

8. Clause of the applicable standard

\* Major NC = Major nonconformity

Minor NC = Minor nonconformity

Grade 1	Status 2	Finding 3	Correction, root cause and review of the corrective action 4	Process / Aspect 5	Date 6	Reference 7	Clause 8
		result, the Programme Operator has created the jobs in accordance with the procedures established by the General Administration of the State. Evaluate the fact that in staff transfer procedures, value is given to experience in similar posts and training.					
Minor NC	Closed	The control systems and procedures carried out on the IFRs corresponding to expenditure handled in 2013 are considered to be susceptible to improvement. However, an external auditing firm has subsequently been hired which has performed the control of the IFR#2, and a retrospective control of the IFR#1 , which substantially mitigates the risk of this incident in the future.	Contract with PriceWaterhouse for the IFRs control and to oversees the correct relation between invoices / expenditure certifications and work done	Existence of a procedure for controlling	09/12/14		Evaluation Component Nº3

1. Grading of the finding \*

2. New, Open, Closed

3. Description of the LRQA finding

4. Review by LRQA

5. Process, aspect, department or theme

6. Date of the finding

7. YYYY<Initials>seq.#

8. Clause of the applicable standard

\* Major NC = Major nonconformity

Minor NC = Minor nonconformity

Grade 1	Status 2	Finding 3	Correction, root cause and review of the corrective action 4	Process / Aspect 5	Date 6	Reference 7	Clause 8
Minor NC	Open	There is no evidence that the detected erroneous amounts have been adjusted in the IFRs that were drawn up after the errors were detected. Although it is true that the amount is minimal, it is recommended to implement a feasible procedure that can detect any discrepancy between real and declared amounts, regardless of their amount. This will prevent discrepancies from appearing in the future.	The cause of this amount included as eligible, it is due to differences between Norwegian and Spanish legislation. The was decertified in later IFR and economic gap that was assumed by the Project Promoter (IMIO):  One of the objectives of the Programme, focusing on effectiveness and efficiency. No indicators / targets present economic efficiency for example: How many € were lost because of decertifications? Maximum Amount / Objective for decertification?	Error analysis and management.	09/12/14		Evaluation Component Nº4

1. Grading of the finding *	2. New, Open, Closed	3. Description of the LRQA finding	4. Review by LRQA	5. Process, aspect, department or theme
6. Date of the finding	7. YYYY<Initials>seq.#	8. Clause of the applicable standard		
* Major NC = Major nonconformity		Minor NC = Minor nonconformity		

Grade 1	Status 2	Finding 3	Correction, root cause and review of the corrective action 4	Process / Aspect 5	Date 6	Reference 7	Clause 8
Minor NC	Closed	It is recommended to improve the guarantees that the information contained in the IT systems will be controlled. Control warnings should be introduced that automatically give information about the time elapsed and which information still has to be loaded. Likewise, it should contain marks that inform the manager that the loaded information referring to a specific project is complete to date.	During the audit it was evidenced:  0 defaults on deliveries IFR Strategic Report Information of irregularities Annual reports timely and accurately	The control systems guarantee the completeness of the information	09/12/14		Evaluation Component N°5
Minor NC	closed	The processes for loading and extracting information for analysing and preparing reports could be better. The Programme Operator is recommended to monitor the system. As regards loading and extracting the IFRs, although no files for exchanging information with the Certifying Authority will be designed until said authority has an appropriate tool , it is recommended to	In the case of the Operator of the Programme, there are ongoing meetings for project coordination, informal in terms of editing meeting minutes for coordination activities of the audited Projects. The formalization of meetings with agenda, minutes, etc. for cases that adds value (for example.	Information transmission between the application and the general systems	09/12/14		Evaluation Component N°5

1. Grading of the finding \*

2. New, Open, Closed

3. Description of the LRQA finding

4. Review by LRQA

5. Process, aspect, department or theme

6. Date of the finding

7. YYYY<Initials>seq.#

8. Clause of the applicable standard

\* Major NC = Major nonconformity

Minor NC = Minor nonconformity

Grade 1	Status 2	Finding 3	Correction, root cause and review of the corrective action 4	Process / Aspect 5	Date 6	Reference 7	Clause 8
		automatically generate it within the Programme	<p>Critical Path, Critical Milestones) should facilitate the monitoring of actions to improve the project.</p> <p>Excel spreadsheet shown in the case of the Technical Assistance (Tragsatec), with 100% of the meetings held in which they have participated, all of them have minutes, for example:. Meetings with the project promote of Equilibrio Balance 11th/03/14 and 03rd/28/14</p>				
Minor NC	closed	Although the Programme Operator has identified risks of a diverse nature, we recommended the	Risk assessment included in the Annual Report:	Programme risk assessment	09/12/14		Evaluation Component

1. Grading of the finding \*                      2. New, Open, Closed                      3. Description of the LRQA finding                      4. Review by LRQA                      5. Process, aspect, department or theme

6. Date of the finding                      7. YYYY<Initials>seq.#                      8. Clause of the applicable standard

\* Major NC = Major nonconformity                      Minor NC = Minor nonconformity

Grade 1	Status 2	Finding 3	Correction, root cause and review of the corrective action 4	Process / Aspect 5	Date 6	Reference 7	Clause 8
		running of the Programme is fully reviewed in order to identify all the possible risks that could appear during the execution of the Programme, widening the scope with respect to those identified in 2013. In respect to the risks that were identified by the Annual Report, the current situation of the previously mentioned risks is shown, as well as the actions planned for mitigating them. The risks have been quantified in those cases when, due to their nature, the possibility exists. The annual report monitors these risks, setting forth the current situation in respect to the initial situation.	Example: Annex XVII in report 26/01716.				N°6
Minor NC	closed	Although the Programme Operator, as such and as a member of the State Administration, complies with the requirements in this regard, the	The PO to manage this situation has made a contract with Tragsatec and PwC.	Implementation and execution of policies related to good	09/12/14		Evaluation Component N°6

1. Grading of the finding \*

2. New, Open, Closed

3. Description of the LRQA finding

4. Review by LRQA

5. Process, aspect, department or theme

6. Date of the finding

7. YYYY<Initials>seq.#

8. Clause of the applicable standard

\* Major NC = Major nonconformity

Minor NC = Minor nonconformity

Grade 1	Status 2	Finding 3	Correction, root cause and review of the corrective action 4	Process / Aspect 5	Date 6	Reference 7	Clause 8
		establishment of a written protocol is recommended, which should include these extremes in the Project Promoters. In the considered period and within the scope of the Project Promoters, the Operator does not provide evidence of the establishment and maintenance of the procedures for preventing, identifying and managing cases of corruption and bad management. Said procedures should offer a quick and professional response to the irregularity, bad management and corruption indicators.	They have implemented a plan for on-site monitoring visits (20 visits have been made) Manual guide for the visit of project monitoring Cost control allocation of staff to the project	governance.			
Minor NC	closed	Although during the period of study it is confirmed that the Programme Operator received the management verifications, reports and audits of the expenditure to be certified in the IFR, their	PO for the control of this issue has:  Delegated Intervention	Existence and compliance of a procedure for issuing an IFR	09/12/14		Evaluation Component Nº7

1. Grading of the finding \*

2. New, Open, Closed

3. Description of the LRQA finding

4. Review by LRQA

5. Process, aspect, department or theme

6. Date of the finding

7. YYYY<Initials>seq.#

8. Clause of the applicable standard

\* Major NC = Major nonconformity

Minor NC = Minor nonconformity

Grade 1	Status 2	Finding 3	Correction, root cause and review of the corrective action 4	Process / Aspect 5	Date 6	Reference 7	Clause 8
		review lacks the extremes mentioned in assessment components numbers 3 and 4. The human errors detected (albeit small amounts) could be avoided in the future by introducing the recommended warnings in the IT systems, which would improve the quality of the review performed by the Programme Operator.	Operator controls (PwC and Tragsatec The worst performing exercise (descertifications) was 2013 From the year 2014, The results have experienced improvement  One of the objectives of the Programme, focusing on effectiveness and efficiency. No indicators / targets present economic efficiency for example: How many € were lost because of decertifications? Maximum Amount / Objective for decertification?  General objectives are documented for				

1. Grading of the finding \*

2. New, Open, Closed

3. Description of the LRQA finding

4. Review by LRQA

5. Process, aspect, department or theme

6. Date of the finding

7. YYYY<Initials>seq.#

8. Clause of the applicable standard

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Grade 1	Status 2	Finding 3	Correction, root cause and review of the corrective action 4	Process / Aspect 5	Date 6	Reference 7	Clause 8
			<p>the Programme in Annex I of PA ESO4</p> <p>Annex I - Programme Decision 1. Expected Outcomes &amp; Indicators for Outputs No regular information (Trends) and associated indicators (goals) are presented</p>				

1. Grading of the finding *	2. New, Open, Closed	3. Description of the LRQA finding	4. Review by LRQA	5. Process, aspect, department or theme
6. Date of the finding	7. YYYY<Initials>seq.#	8. Clause of the applicable standard		
* Major NC = Major nonconformity		Minor NC = Minor nonconformity		

## 6. Check-list and evidences

Document control will be audited in each component

### Assessment Component 1: Functional Independence between the grant/Project managers and the expenditure verifier

Assessed aspect	Y/N/ N/A	Evidence
56. It is defined and organisational chart of the units of the Programme Operator that are involved in the management and control of the EEA GRANTS Financial Mechanism.	Y	MCS V 1.0 05/2104 MCS V 2,0 12/06/15
57. It is defined a work flowchart of the units of the Programme Operator that are involved in the management and control of the EEA GRANTS Financial Mechanism.	Y	MCS V 1.0 05/2104 MCS V 2,0 12/06/15
58. Is there an assignment of functions at a divisional level and, if applicable, at a work post level, defined in writing	Y	MCS V 1.0 05/2104 MCS V 2,0 12/06/15
59. Is this information published and distributed among employees?	Y	Management and Control System V2 06/12/15, Changes in positions. Effective but informal meetings
60. Is there established the appropriated policies and procedures for authorising and approving operations at an appropriate level?	Y	Information given to NFP, authorization granted to Tragsatec for access to DORIS
61. Is there a study that assesses the adequacy of the assigned human resources?	Y	Staff of the "Sub-Direction ° There is no job description defined for the staff of the Programme. The "Sub-Direction General" selects the best person. Resumes Communication to NFP, Donor and Partners of CV of all the project staff, is evidenced
62. Identify if the personnel in charge of the Programme is: <ul style="list-style-type: none"> <li>Personnel allocated (if it is the case, assess the imputation system of the allocated personnel).</li> <li>Personnel contracted</li> </ul>	Y	The staff is 100% Public Servant, except the Management Delegation to Tragsatec (Public Company) and contract with PwC
63. Are the human resources allocated enough? As a guidance, you should assess the following aspects: <ul style="list-style-type: none"> <li>Meeting deadlines in the management of the Programme.</li> <li>Volume of managed expenses.</li> </ul>	Y	The deadlines are being met in full
64. Evaluation of the qualification of the human resources allocated? <ul style="list-style-type: none"> <li>Bachelor or Ing superiors/Total of people</li> <li>Graduates or engineering technicians/Total of people</li> <li>Staff involved in the management level (range within the Organization)</li> </ul>	Y	University Graduates English Compliance dedication percentages established in the Programme.

Assessed aspect	Y/N/ N/A	Evidence
<ul style="list-style-type: none"> <li>Level and capacity in Languages/Total of people, Mandatory English</li> </ul>		
65. Are there established plans of contingencies for the assumption of tasks in case of removals of staff in charge of in personnel management and verification of the Programme?	Y	Undocumented but effective plans Example: Changing the deputy director, it managed and communicated in the Review of the Management and Control System V2 06/12/15 (responsibilities)
66. Existence of separation between the people or units in charge of Project management, expenditure verification, payment procedures, accounting? Is this supported and documented property?	Y	MCS V 1.0 05/2104 MCS V 2,0 12/06/15
67. Are the staffs involved in the Financial Mechanism management aware of this separation of functions?	Y	MCS V 1.0 05/2104 MCS V 2,0 12/06/15
68. Is it existed for the preparation and processing of IFR 2014 a separation of functions : <ul style="list-style-type: none"> <li>Project management, Unit teams in charge</li> <li>Expenditure verification,</li> <li>Payment procedures,</li> <li>Accounting</li> </ul>	Y	Examples reviewed IFR 5, SEPT - NOV de 2014 IFR 6 JAN - APR de 2015
69. Are there established policies to mitigate the risks of conflicts of interest? (a copy of the same)	N	Rules applicable to public servants , for example law 30/92, Conflict of interest of Senior Responsible 100% Tragsatec personnel associated with the project There is no additional policies specific Programme In this Programme, IMIO is OP and PP
70. Where are published these policies at organisational level?	Y	Within BOE Publication
71. Are the staffs involved in the Financial Mechanism management aware of these policies as well as the protocols for ensuring they are complied with.	Y	
72. If there are delegated functions, is there in place an appropriated supervision and monitoring of these activities? How and when are these activities monitored? Is the information flow and reporting clearly established?	Y	Tragsatec + PwC Mangement Delegation + menor contract The OP for control of this situation and has hired Tragsatec and PwC. They have implemented a plan for on-site visits (20 visits made) monitoring Manual guide for the visit of project monitoring Cost control allocation of staff to the project

Assessed aspect	Y/N/ N/A	Evidence
73. Are there regulations and procedures for hiring, training, motivation, assessment and remuneration? (Transparency)	N	FMO gave training on DORIS at the beginning of the project. New Tragsatec responsible for Tech. Assistance acquired knowledge through self-teaching there is no formal training itinerary for this position.
74. Is included the candidate adequacy evaluation to the Job Profile in the recruitment procedures? (Specifically languages and Knowledge of the Programme)?	Y	
75. Are implemented measures towards work-life balance?(Copy)	Y	Basic statute of the public function, and own general policies
76. Is it respected Gender equity in : <ul style="list-style-type: none"> <li>• Hiring</li> <li>• Staff structure</li> <li>• Specific Programme Committees</li> </ul>	N	Compliance with the basic Statute of the public servant No specific policies for the project. Reflected by the Organization in its <u>mainstreaming analysis</u>
77. ¿Is there a mechanism to measure the level of employees satisfaction related to <ul style="list-style-type: none"> <li>• Level of competence to develop the functions.</li> <li>• Workload</li> <li>• Training is reasonable to carry out the allocated tasks</li> </ul>	N	Recent Risk Assessment for jobs where aspects of ergonomics, workload, etc. are valued, pending analysis and final conclusions No specifics questions regarding employee Satisfaction
78. In the assessed period, is there a training plan? Has it been carried out additional training for complement the Programme? (Obtain details)	N	While training actions were developed at the beginning of the Programme, there is no specific training plan nowadays
79. Existence of a work conditions study?	Y	Recent Risk Assessment for jobs where aspects of ergonomics, workload, etc. are valued, pending analysis and final conclusions
80. Request a description of the technical means that are available to the Programme Operator to carry out the Programme. <ul style="list-style-type: none"> <li>• Physical Location – Location and conditions (lighting, furniture, storage...).</li> <li>• IT systems (PC, laptops, tablets, printers, scanners, mobile phones, travels..).</li> </ul>	Y	Recent Risk Assessment for jobs where aspects of ergonomics, workload, etc. are valued, pending analysis and final conclusions
81. Has implemented the Operator Programme a preventive detection system of deficiencies in respect to Technical means (personnel consultation, periodical analysis etc...)?	N	Reactively, unanticipated, these shortcomings have been identified and for their management has developed Management Commission for support and improve the control of the Programme.
82. Does it consider the involved personnel in the Programme that the Technical Means is adequate for the implementation for the Programme?	Y	

The other aspects related to IT means are assessed in the Component nº 6

## Assessment Component 2: The Projects are activities are those selected for the Programme

Assessed aspect	Y/N/ N.A	Evidence
3. Definition of controls aimed at verifying that the expenditure declared for pre-defined projects comply with the criteria approved by the Programme Agreement, or by the document of Approval	Y	PwC & Tragsatec
30. Is there a Project announcement procedure in accordance with the legislation on subventions?	Y	Example: MADRINA Foundation. Call IMIO, 35% of the amount due. Pilot Project E + E + 100 Inclusion of Social Organizations
31. Does this procedure assure the verification of project compliance of the particular and general objectives of the Programme	Y	Control of eligibility Control of critical expenses
32. If this procedure exists, it is requested a description or a reference to the document	Y	Edited material, seminars held
33. Are established verification procedures that assure that the selected projects are aligned to the grant announcement and the conditions of the Grant?	Y	
34. ¿Are available records of these verifications including specifically that the selected projects are aligned to the grant announcement and the conditions of the Grant?	Y	
35. The verification of the project announcement maintains evidences of: <ul style="list-style-type: none"> <li>• The conditions that have to be met in order to be eligible to receive funding</li> <li>• The project selection criteria that are going to be weighted.</li> <li>• The procedures and terms for evaluating projects.</li> <li>• Beneficiaries' obligations and rights</li> <li>• Description of the organs and commissions in charge of selecting the projects</li> <li>• The objective and possibilities for creating networks with entities of the donor countries.</li> <li>• Specification that the acceptance of funds implies accepting to disseminate a summary of the project and the main contact details</li> </ul>	Y	Program Records Agreements with Project Promoters (Woman Institute) Collaboration agreements, such as Federación Española de Municipios y Provincias 10.30.2013 and KS, Norwegian Association of Local and Regional Authorities
36. Is established quality procedures by the Operator Programme that assure that the declared expenditures in technical assistance are really technical assistance?	Y	Management delegation to Tragsa, reviewed by the Operator and PwC., example invoice 08/08/14
37. Are there implemented policies in the organization related to expenditures execution aligned with the economy principles assuring efficacy? (Economic sustainability)	Y	Because of the urgency of deadlines for the Tech. Assistance is chosen the figure, Management Delegation to Tragsatec for the rest of the services with 3 tenders generally under contract law.
38. Is established quality procedures by the Operator Programme that assure that the declared expenditures in bilateral activities are really expended in bilateral activities?	Y	They are controlled by means of Management delegation to Tragsatec and PwC with minor contract

Assessed aspect	Y/N/ N.A	Evidence
39. Are there implemented policies in the organization related to expenditures execution aligned with the economy principles assuring efficacy? (Economic sustainability)	Y	Insercop, , working partner within Gypsy Women and victims of Gender violence
40. Are there established reporting or results monitoring systems of the bilateral activities?	Y	December 14, seminar to promote the inclusion of <u>women affected by domestic violence</u>
41. Is a procedure established for the effective verification of principles of equality and publicity in the management of Financial Mechanism Funds?	Y	Website, webpage, link between IMIO with EEA Grants Imposition on Project Promoters about advertising
42. Is a procedure established for the effective verification of principles of equality and publicity in the management of Financial Mechanism Funds?(See requirements Annex IV Regulation)? This procedure shall include the project announcement reviews	Y	
43. Has the Operator Programme adequately meet with the transparency principles in the management of the Funds of the Financial Mechanism(See component number 6)	Y	Public information in project website

### Assessment Component 3: The verification procedures used by the Programme Operator are appropriated:

Assessed Aspect	Y/N/ N.A	Evidences
47. Are there established administrative verification procedures for 100% of the expenditure declared in the IFR(the check-list can be manual or computerised or any other system can be used)	Y	PwC reports. Example: 4th Certification costs 01/05/14 to 31/08/14
48. If that is not the case, is there a review procedure that included a report model, sampling systems which assure that a risk assesment forms the basis for selecting the expenditure If yes, check that the Programme Operator keeps evidences of the sampling method applied and the selected sampling	Y	Prior checking in invitations and then reviews payments (post-project IFR)
49. Are the evidences of these verifications kept in documents or reports? If yes, please include a copy of the report or document form	Y	PwC reports. Example: 4th Certification costs 01/05/14 to 31/08/14
50. Are the evidences of controls carried out kept, for example: record of control lists including the completing date? Are procedures established for supervision and follow-up of incidences?	Y	PwC validation of 5th IFR

Assessed Aspect	Y/N/ N.A	Evidences
51. Are recorded in the control lists or reports the detected incidences or observations?	Y	Examples: Expenditure outside the period in the 5th IFR. Expense Audit IGCP
52. Are there implemented control systems that prevent continuing with the justification and statement of expenses if the control lists have not been completed or the pending issues have been resolved?	Y	It was found in the PLURALES and BALANCE projects, errors in IFR, the amount was decertified in later IFR
53. Does the established control systems assure the verification of the following aspects: <ul style="list-style-type: none"> <li>The expense has neither been paid nor justified previously or in other projects or against other funds.</li> <li>The expense is real and has been made</li> <li>Reconciliations are made between the support documentation and the expense statement</li> <li>Conceptual eligibility of the expenditure</li> </ul>	Y	IFR, Annual Reports PwC control reports. Example: 4th Certification costs 01/05/14 to 31/08/14
54. Are there implemented retention and conservation procedures of the supporting original documentation?	Y	
55. It has been established an on-field verification programme/plan of the projects? Obtain a programme	Y	Planning for Field visits in 2015 evidenced example: ADECCO Foundation project 04/2015 Exp N° 27, 45,714.29 € Provincial Government of Teruel Exp N° 3. 3.174 755 € Project convening of the IMIO
56. Level of compliance of the plan/programme mentioned below	Y	The deadline shall be complied with 100% of the planned programme.
57. Is there established a visit report/plan which includes the verification scope and procedures?	Y	Example: Included in the document PROGRAMME "GENDER EQUALITY AND PROMOTING WORK-LIFE PROGRAMME" Guide for project monitoring on the ground, version 13 November 2013
58. Is there established a visit report/plan which includes physical and financial implementation? Obtain a copy	Y	
59. Is there a sampling systematic documented for selection the on field verification Project/activities?	Y	Reports issued after audits projects are evident; ADECCO Foundation project 04/2015 Exp N° 27, 45,714.29 € Provincial Government of Teruel Exp N° 3. 3.174 755 € Project convening of the IMIO
60. Check that the operator Programme keeps evidence of the sampling plan applied and the selection	Y	
61. Check that the sampling has been effectively implemented	Y	
62. Check that the sampling plan assure:: <ul style="list-style-type: none"> <li>Verification on field of 5% of the amount declared in the IFR for projects (defined by announcement or</li> </ul>	Y	The percentage reflected in the business plan exceeds the minimum established

Assessed Aspect	Y/N/ N.A	Evidences
predefined). <ul style="list-style-type: none"> <li>Verification of 25% of the amount declared in the IFR for concepts other than projects that have been verified in the field</li> </ul>		
63. Check that the sampling plan is representative, taking in account risk criteria and random sampling systems too	Y	
64. Check that the projects/activities verifications are included the expenditure declared in previous certifications	Y	
65. Are procedures implemented that generate evidence of the expenditure that is rejected and considered irregular?	Y	
66. Do these procedures let the identification of the root cause of expenditure rejection?	Y	In the statement of irregularities
67. Do these procedures let the identification of the root cause of each error that appears?	Y	Improvements detected in the management of irregularities as well as improvement actions to avoid de recurrence of those
68. Do these procedures establish how investigate and quantify the systematic errors?	Y	
69. Do these procedures provide reference for obtaining evidence of other irregularities apart of rejected expenditure?	Y	

### Assessment Component 4: The audit trail is appropriate and sufficient

Assessed aspect	Y/N/N.A	Evidence
27. Is there established a control and review documentation system of the implementation process of the Programme in the period?	Y	There is a documentation control system applicable to the OP, managed by the Technical Assistance contracted, Tragsatec, ISO 9001 and ISO 27001 certified
28. Is a flowchart available which included the process and verification documents?	Y	Access to all relevant documents and records of projects has been possible Although a formal process for managing the documentation and verification of project documents was not detected, effective document management was evidenced by the systematic applied
29. Is this flowchart updated when it is necessary?	Y	Although a formal process for managing the documentation and verification of project documents was not detected, effective document management was evidenced by the systematic applied
30. Is this management system known by the relevant staff?	Y	The staff of the Programme is aware on the systematic for documentation control and manage
31. Carry out a compliance test about 10 random elements	Y	Made with positive results



Assessed aspect	Y/N/N.A	Evidence
to check that all has been processed in a proper way and they are in the selected site		IFR N° 5, IF6 N° 6, PROGRAMME ON GENDER EQUALITY AND PROMOTING WORK-LIFE PROGRAMME ANNUAL REPORT 2014. Plural Project : Personal IMIO costs PP012012001 45.712,98€ and PwC costs, invoice GG012015002 23.398,58
32. Check that detailed account records are maintained that could check expenditures carried out in several stages and the agents	Y	
33. Check that the accounting system could let identify each transaction related projects/actions and identify the certified amounts and payment of the public contribution to the Project Promoter or the beneficiary.	Y	
34. Check that a proper Justification documentation retention system of all the process is implemented	Y	
35. Check that are properly retained for each Project: Technical Specifications, Financial Plan, documents relating to the approval of the concession or spending, documents relating to public administration procurement procedures, the progress reports and verification reports	Y	PLURALES and BALANCE Projects ADECCO Foundation project 04/2015 Exp N° 27, 45,714.29 € Provincial Government of Teruel Exp N° 3. 3.174 755 € Project convening of the IMIO
36. Check if the Operator Programme carries out verifications to verify if the Project Promoter meet the established requirements and that the Project Promoters has been implemented systems for the verification of the accountability of grant beneficiaries.	Y	Projects and beneficiaries on site visit plans PLURALES and BALANCE Projects ADECCO Foundation project 04/2015 Exp N° 27, 45,714.29 € Provincial Government of Teruel Exp N° 3. 3.174 755 €
37. Check if the Operator Programme assure that the Project Promoter and the beneficiaries maintain a separate accountability system for transactions related to operations subject to co-financing or account with appropriate accounting codification for clearly identifying such transactions, and the sources of project financing	Y	By establishing and approval of the agreements operator - Project Promoter Through on-site audits
38. Check that clear instructions have been communicated to the Project Promoters and beneficiaries about maintaining files administrative documentation	Y	By establishing and approval of the agreements operator - Project Promoter Through on-site audits
39. Check that the organisation meet the record retention requirements according the Regulation	Y	By establishing and approval of the agreements operator - Project Promoter Through on-site audits

### Assessment Component5: An appropriate IT Tool is used.

Assessed aspect	Y/N/N.A	Comments
27. Identify the IT systems and software used for implementation of tasks related to the Programme Operator	Y	DORYS, PEGGY Programme and IT Tools of the Programme Operator

Assessed aspect	Y/N/ N.A	Comments
28. Has the Programme Operator been externally certified (ISO, AENOR, etc...) (Include specific Certification, if any.)? If yes, is it included in the scope all the Project management activities and grants verification of EEA Financial Mechanism?.	N	The Programme Operators does not have any certified management system PO. Tragsatec, is ISO 9001, ISO 14001 and ISO 27001 certified
29. Does the involved personnel the implemented systems?.	Y	
30. Do the IT systems include financial management? ¿Or includes too document and records management?	Y	
31. How is it structured?	Y	OP Office tools and system for information file electronically.
32. Is this IT Tool integrated totally or partially en the IT Systems of the Operator Programme or it Works as an independent tool? Is it designed specifically for EEA Grants?	Y	DORYS and IT Tools of the Programme Operator
33. Is it allocated the property for each application and database in the IT infrastructure?	Y	Tragsatec and the Programme operator have access to these systems
34. Is it included all the relevant information to meet the requirements of transparency and good governance in the management Programme?	Y	
35. Does it Provide (or could provide) all the necessary information for management. Specially, statistics and outputs indicators.	Y	
36. Are the responsible persons identified?	Y	The responsibility falls on the Coordinator of the Programme Operator Responsibilities of each operation made are identified
37. Is there implemented a back-up protocol for information recovering in case of disaster or documentation loss?	Y	Daily backups
38. Are these systems appropriately updated?	Y	
39. By area? By functions? By projects? By budget headings?	Y	

## Assessment component 6: Horizontal and cross sectional risks and issues.

Assessed aspect	Y/N/N.A	Evidence
<b>Programme risk assessment</b>		
69. Has been the Programme Operator establish any risk assessment system of the functions performed?	Y	In Annual Reports
70. Is there a work Protocol that assessed the detected risks and depending on their level it contemplates the implementation of a work plan designed to overcome said risks?	Y	In Annual Reports There are action and monitoring plans of these, in annual reports ANNEX VII, example; Lack of time for implementation of the projects, with evidence of measures for management
71. Has been identified in the Annual report the main risks of the Programme Operator?	Y	In annual reports Annex VII, example; Lack of time for implementation of the projects, with evidence of measures for management
72. The indicators used for detecting risks are appropriately supported and offer guarantees that no significant risk for the Programme will be omitted	Y	
73. Is there implemented a proactive or reactive risk management culture?	Y	proactive
74. Has the Programme Operator been externally certified (ISO, AENOR, etc...) (Include specific Certification, if any.)? If yes, is it included in the scope all the Project management activities and grants verification of EEA Financial Mechanism?.	N	
<b>Advertising and communication (Transparency)</b>		
75. Is any event carried out by the Programme Operator for advertising and communication of the Financial Mechanism? What type of events?	Y	Communication Plan V9 October 2014 Disclosure Plan for Project Promoters The Communication Plan establishes a series of measures and performance indicators, both activities and assistants Compliance of the communication Plan established Evidence of monitoring indicators monitoring
76. The Grant announcements include the participation of the Financial Mechanism?	Y	
77. Has been the Transparency Principle met by announcement grants publication where relevant for the Financial Mechanism Funds?	Y	
78. Is it included in a webpage?	Y	
79. This Financial Mechanism Participation webpage is independent of the main webpage of the Programme Operator?	Y	
80. The Programme Operator Public actions refers to the participation in the Financial Mechanism Funds and redirecting to the webpage	Y	
81. The Project calls (announcement, selection and	y	

resolution processes) as well as the other Project selection processes are published on the Programme Operator website? The website acts as a platform for guaranteeing transparency in the Financial Mechanism Funds		
82. Is it considered enough the Communication team? Is it required the NFP collaboration?	Y	
83. Is it defined and implemented a communication policy with NFP? (which mails/communications is included NFP, although they were not the main recipient)	Y	
<b>Gender Equity in the Programme</b>		
84. What procedures have the Programme Operator has been established to meet the Gender equity policies? For example un project calls	Y	Report on the incorporation of Gender mainstreaming 12/2013. ES04 being valued the project with the highest score in terms of Gender Equality and Promoting work-Life Programme sensitivity
85. Analyse the systems established by the operator's Programme that will ensure compliance with the rules of the General Law on subsidies or public procurement: <ul style="list-style-type: none"> <li>• Relationships with third parties who provide services</li> <li>• Management of the expenses of the Programme.</li> <li>• Relationship and activities of project promoters.</li> </ul>	Y	Programme Operator, Technical Assistance and PwC controls
<b>Good Governance</b>		
86. Implementation of Transparency Law	S	
87. Implementation of procedures, analysing: <ul style="list-style-type: none"> <li>- Are there established</li> <li>- Right moment.</li> <li>- Content (theoretical and practical based in the users comments)</li> <li>- Diffusion Level</li> </ul>	S	
<b>Sustainability: Environment</b>		
88. Is the Programme Operator certified in ISO 14001 or equivalent standard?	N	
89. ¿Is an Environmental Manual or Policy implemented?	N	
90. Are there environmental practices implemented as; energy consumption, recycling material use, reutilised materials used or reduction of paper consumption?	Y	Imposed by the Ministry, e.g. PLAN OF SELECTIVE WASTE COLLECTION MINISTRY OF HEALTH, SOCIAL SERVICES AND EQUALTY- Green procurement plan
<b>Social Sustainability</b>		
91. Which analysis procedures have been implemented related with social sustainability?	Y	The methods of analysis for social sustainability, are in the projects themselves for example: Project Objectives "Equality Plans in School Project, a Tool for Education Based om Equality" 02/12/2013.
92. Has been designed the Programme in order that the results affect a sufficient number of people	Y	

(Because the groups are large or because they are significant in themselves)?		Example, Project Promote CEOE
93. Do the social consequences of this Programme last in the long term or even make their results have a multiplying effect? For example: To continue with this initiative other groups or companies? Would that trigger additional investigations?	Y	Given the success of participation and results in actions arising from the Programme ES04 such as: Educating for Equality (Number of Schools Participants) and Conciliation measures and actions for the promotion and Stewardship (Number of municipalities .Participants)
94. The Programme Operator itself or by NFP promotes the "lessons learnt" effect for other programmes and activities (meetings, memorandums, feed-back)	Y	
<b>Economic Sustainability</b>		
95. Are there implemented policies for analyse the economic sustainability of the Programme?	Y	
96. Has the Programme Operator implemented systems and controls for monitoring the Programme effects in terms national, regional or local economic development?	Y	
97. What positive effects had the Programme originated as regards the creation of Jobs?	Y	Program INCIDE cause female entrepreneurship, with several start-ups
98. What impact has the Programme originated in Project Promoters, partners, participants, etc...?	Y	Positive impacts such as promotion of equality measures, involvement and awareness and participation in these issues of municipalities, educational community, business community, trade unions and citizens, evidenced in actions arising from the Programme ES04 such as: Educating for Equality and Measures and Actions reconciliation and the promotion of Stewardship
99. Has created the Programme a positive environment for developing and delivery of key services?	Y	
100. Is there available a cost-benefit analysis of the Programme?	Y	At the end of the Projects in the Memories
101. Are obtained results justified, against expenditures, considering alternative solutions?	Y	
102. Once the support has of the Financial Mechanism has finalised, other supports from other entities (public or private) have been managed?	Y	There is no information

## Assessment component 7: Appropriate procedures for drawing up an IFR

Assessed aspect	Y/N/N.A	Comments
11. Check that the Operator Programme gives instructions in systematic way to the Project Promoters to make their expenditures declaration	Y	Balance and Plural Projects
12. Check that the Operator Programme has received, reviewed and the legality and regularity of expenditures declaration.	Y	Examples reviewed IFR 5 SEP – DEC de 2014 y IFR 6 JAN APR de 2015
13. Determine that they are established procedures for arithmetically check all payment requests	Y	PwC reports, such Beneficiary MADRINA Foundation, MAG Audit Report (03/18/15), advertising, graphic presentation, substantiating evidence and technical review and expenditure
14. Check that there are procedures for calculated the estimated expenditure which ensure that the calculations have not been carried out randomly	Y	
15. Check that the Programme Operator holds periodical meeting with the NFP or other Programme Operator to receive instructions and make comments about management procedures aimed at the appropriate rendering of the IFRs	Y	

## 7. Quality Audit Plan

### Centre

State Secretariat for Social Services and Equality (Ministry of Health, Social Services and Equality. **Calle Alcalá 37, 6ª Planta and IMIO. Madrid**

### Programme

- **ES-04 Gender Equality and Promoting work-Life Programme**

<p><b>Verification Type</b></p> <p><b>Quality Audit to Management and Control System and its implementation in the Programme ES 04</b></p>	<p><b>Audit Criteria</b></p> <ul style="list-style-type: none"> <li>- Financial Mechanism 2009-2014 (EEA Grants). And its annexes</li> <li>- The Memorandum of Understanding signed by Spain -Financial Mechanism on 15 November 2011</li> <li>- Rules and Procedures 2009-2014             <ul style="list-style-type: none"> <li>• Implementation of Financial Mechanism EEA</li> <li>• Protocol 38, Enlargement Agreement.</li> </ul> </li> <li>- Programme Agreement and Programme Implementation Agreement</li> <li>- Manuals and Management and Control Systems document approved in 2014</li> <li>- Instructions NFP and FMO</li> </ul>
--	--

<p><b>Team</b></p> <p><b>Fermin Fariña</b></p>	<p><b>Dates</b></p> <p><b>October 23<sup>th</sup> 2015</b> <b>October 9<sup>th</sup> 2015</b></p>	<p><b>Issue date</b></p> <p><b>18/09/2015</b></p>
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<p><b>October 23th 2015</b> State Secretariat for Social Services and Equality (Ministry of Health, Social Services and Equality <b>Calle Alcalá 37, 6ª Planta Madrid</b></p>	
8.30 h	<p>Opening meeting with the Implementation Programme Team</p> <ul style="list-style-type: none"> <li>• Presentation of the audit team, plan, methodology report</li> </ul>
09:00	<p>Review and closure of the findings of the previous audit quality</p>
10.00	<p>Management and Control Manual for EEA GRANTS 2009 2014 Programme Agreement Programme Implementation Agreement 2009 2014 Organization structure and responsibilities, Sufficiency of means and human resources good governance Delegation of functions-Subcontracting</p>

	Technical means
11.00	Communications with NFP Communication plan Annual report
11:30	Management procedures and monitoring of the Programme and projects - Monitoring of Tragsatec and PwC of the activities financed: financial terms, eligible costs, single bank account for the Programme management, accounting, payment system. Technical assistance 2014 Bilateral Agreements Advertising and Equality Administrative and field checks of IFR Process prevention, mitigation, detection and remediation information and monitoring irregularities DORIS Process for the preparation of IFRs Payment processing and verification of applications for payment Economic Management and Verification of requests for payment
12:45	Traceability and documentation control and maintenance of documentation Computer systems, backup
14:00	Lunch
16:00	Transversal aspects:  Sustainable development Gender equity: (Care and Promotion of Equity, Action Plan and Analysis on the incorporation of Gender mainstreaming in the Programme)
17:00	Report Preparation
17:30- 18:00 h	Review of the results of the day
<b>October 9<sup>th</sup> 2015</b> <b>IMIO</b> <b>C/ Condesa de Venadito, 34 Madrid</b>	
	Visiting IMIO to audit the Projects; Project: Balance. Responsible Work-life Project: Plural Equality Education <ul style="list-style-type: none"> <li>• Checking the existence of a management plan on site</li> <li>• Adequate coverage of spot checks with the completion of proceedings</li> <li>• The level of implementation and maturity of the project and the work done by the two companies contracted for audits,</li> <li>• Treatment system and monitoring irregularities</li> </ul>



Identify the personnel that have been participated in management and verification tasks declared in IFR presented in 2014-2015.

Name and Surname	Category	Department	Management (G) Verification (V)	Assigned (P) Contracted (C)	Training (*)	Languages English	Accreditation (***)	Years of work experience	Years of work experience In the entity
<b>Begoña Suárez Suárez</b>	<b>Sub director</b>	Sub-Director of entrepreneurship and Women Professional Promotion /Project Responsible (SGEPPM)	<b>G/V</b>	<b>P</b>	<b>5</b>	<ul style="list-style-type: none"> <li>• <b>English</b></li> <li>• <b>French</b></li> </ul>		<b>+ 10</b>	<b>6</b>
<b>Paloma López Izquierdo</b>	<b>Sub director Deputy</b>	<b>SGEPPM</b>	<b>G/V</b>	<b>P</b>		<ul style="list-style-type: none"> <li>• <b>English</b></li> </ul>		<b>+ 10</b>	<b>3</b>
<b>Pilar Ortiz</b>	<b>Area Chief</b>	<b>SGEPPM</b>	<b>G/V</b>	<b>P</b>		<ul style="list-style-type: none"> <li>• <b>English</b></li> <li>• <b>French</b></li> </ul>		<b>+ 10</b>	<b>4</b>
<b>Milagros García-Tenorio</b>	<b>Counsellor Technical</b>	<b>SGEPPM</b>	<b>G</b>	<b>P</b>	<b>5</b>	<ul style="list-style-type: none"> <li>• <b>English</b></li> </ul>		<b>+ 10</b>	<b>5</b>
<b>Sonsoles Samboal</b>	<b>Counsellor Technical</b>	<b>SGEPPM</b>	<b>G</b>	<b>P</b>	<b>5</b>			<b>+ 10</b>	<b>5</b>
<b>Isabel Álvarez Fernandez</b>	<b>Service Chief</b>	<b>SGEPPM</b>	<b>G/V</b>	<b>P</b>	<b>5</b>			<b>+ 10</b>	<b>5</b>
<b>Silvia Illana Ramirez</b>	<b>Service Chief</b>	<b>SGEPPM</b>	<b>G</b>	<b>P</b>	<b>5</b>	<ul style="list-style-type: none"> <li>• <b>English</b></li> </ul>		<b>+ 10</b>	<b>6</b>
<b>Gemma Matos del Barrio</b>	<b>Service Chief</b>	<b>SGEPPM</b>	<b>G</b>	<b>P</b>	<b>5</b>	<ul style="list-style-type: none"> <li>• <b>English</b></li> </ul>		<b>+ 10</b>	<b>6</b>
<b>Victor González Ortega</b>	<b>Area Chief</b>	<b>SGEPPM</b>	<b>G</b>	<b>P</b>	<b>5</b>	<ul style="list-style-type: none"> <li>• <b>English</b></li> </ul>		<b>+ 10</b>	<b>4</b>

<b>Pilar García Merino</b>	<b>Sub Direction Secretary</b>	<b>SGEPPM</b>	<b>G</b>	<b>P</b>	<b>3</b>	<b>• Portuguese</b>		<b>+ 10</b>	<b>6</b>
<b>Amaya Unzueta Niño</b>	<b>Technical Assistance</b>	<b>Tragsatec</b>	<b>G</b>	<b>C</b>	<b>5</b>	<b>• English</b> <b>• French</b>	<b>1.IELTS</b>	<b>14</b>	<b>10</b>
<b>Laura Martínez Marín</b>	<b>Technical Assistance</b>	<b>Tragsatec</b>	<b>G</b>	<b>C</b>	<b>5</b>	<b>• English</b>		<b>10</b>	<b>7</b>
<b>Jorge González Castro</b>	<b>Technical Assistance</b>	<b>Tragsatec</b>	<b>G</b>	<b>C</b>	<b>5</b>	<b>• English</b>	<b>1.First Certificate (FCE)</b>	<b>10</b>	<b>5</b>
<b>José Alejandro Vadillos Vara</b>	<b>Technical Assistance</b>	<b>Tragsatec</b>	<b>G</b>	<b>C</b>	<b>4</b>	<b>• English</b>		<b>14</b>	<b>12</b>
<b>Esther Zamora Cárdenas</b>	<b>Technical Assistance</b>	<b>Tragsatec</b>	<b>G</b>	<b>C</b>	<b>2</b>			<b>15</b>	<b>15</b>

(\*) Training:

(13)Basic General education

(14)Medium-grade professional training

(15)Premium grade vocational training.

(16) Diploma

(17)Degree

(18)Other studies (Masters, Post-grade, etc...)

(\*\*)Language accreditation

## Quality assessment of the systems and procedures for the implementation of the Programmes Financial Mechanism EEA-GRANTS 2009-2014.

### Programme and Number:

Programme for the Conservation and Revitalization of Cultural and Natural Heritage ES-05

### Programme Operator

State Secretariat of Culture (Ministry of Education, Culture and Sports)

### Intervention Mechanism:

Financial Mechanism EEA-Grants 2009-2014

### Period:

2014 and first four-month period 2015.

<b>LRQA Reference:</b>	SGI2944066/0030
<b>Audit dates:</b>	22 <sup>nd</sup> September and 14 <sup>th</sup> October 2015
<b>Location:</b>	Madrid and Granada
<b>Audit Criteria:</b>	Check-list, Management and Control System and Procedures
<b>Audit team :</b>	FERMIN FARIÑA

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## Annexes

### This report was presented to and accepted by:

Name:	Néstor Nongo (Technical Counsellor) State Secretariat of Culture (Ministry of Education, Culture and Sports) Ana Santo Tomás Valdés (Technical Assistance)
Job title:	Project Responsible



Lloyd's Register  
LRQA

## 7. Report explanation

<b>Introduction</b>
---------------------

*The Memorandum of Understanding signed by Spain with the Donor States on 15 November 2011 establishes that in Spain the Deputy General Directorate for European Territorial Cooperation and Urban Development will act as the National Focal Point (here in after, NFP) for the Programme co-funded by the EEA (European Economic Area) Financial Mechanism 2009-2014 (EEA Grants).*

*NFP's responsibilities include controlling the implementation of the Programme of Financial Mechanism and the Programme Agreement. LRQA España, SL has been hired to verify the quality of the operations and procedures in view of the objectives set by the EEA Grants in the Programme for the Conservation and Revitalization of Cultural and Natural Heritage ES-05" according to the Programme and the applicable standards.*

*The Programme Implementation Quality audit is carried out in the site of the Programme Operator and includes, if it is applicable, the quality of projects' implementation using an appropriate sample.*

*It was selected the Predefined Project "Centro Federico Garcia Lorca" which was visited on the 14<sup>th</sup> October 2015*

*The audit has been focused on:*

- The proper achievement of the objectives established in the Programme Agreement "Conservation and revitalization of cultural and natural heritage ES-05" between the FMC (Financial Mechanism Committee) and "State Secretariat of Culture (Ministry of Education, Culture and Sports)", dated 19.08.2013, based on the "Regulation on the Implementation of the European Economic Area (EEA) Financial Mechanism 2009-2014 and the Management and Control System of the PROGRAMME ES005" version 2, dated 17th.10.2014, and approved by IGAE acting as the Audit Authority and the Financial Mechanism Office, here in after (FMO) that modifies the approved on 16/05/2014*
- Quality Verification was performed on those projects and activities whose operations were carried out in year 2014 and first four-month period in 2015 presented by Programme Operator and Project Promoter (Centro Federico García Lorca), as well as verifying the systems to estimate the proposed expenditure and calculate the advance payments"*

## Objective and scope of the audit

*The auditor will review the system to determine whether it conforms to the audit criteria and covers the activities detailed in the scope of audit.*

*The general objectives are:*

- *Verify that the management and control processes applied by the Programme Operator are aligned with their own Management and Control System Manual approved by the Audit Authority and the EEA Grants Regulations*
- *Evaluate the quality of the Programme Implementation respect to the Objectives established in the Programme Agreement, carrying out the verification of quality and the costs of activities that give rise to expenses declared in 2014 and the first four-month period of 2015*
- *Management of advance payments calculation methods and expenditures methodology for each IFR*

*The following aspects has been verified:*

- *Functional Independence between the grant/Project managers and the financial controller*
- *Projects and activities are those selected for the Programme*
- *Verification procedures implemented by the Programme Operator are appropriate.*
- *Audit trail is appropriate and sufficient*
- *Appropriate IT Tool is used*
- *Cross cutting issues*
- *Appropriate procedures for drawing up an IFR*

*The auditor will interview the top Manager of the Programme Operator to determine if the obligations of the Financial Mechanism are known and the auditor will use information obtained as a result of this interviews, to review the degree in which the Programme Operator has addressed the potential risk within the system, and to determine the needs for the proper achievement of the objectives of the Programme has been taken in account*

## Definitions of Grade Findings

### **Major Nonconformity**

*The absence of, or the failure to implement and maintain, one or more management system elements, or a situation which would, on the basis of the available objective evidence, raise significant doubt of the management to achieve:*

- *compliance with the applicable regulatory requirements*
- *conformance to applicable Interested Parties*
- *Conformance with the audit criteria deliverables.*

### **Minor Nonconformity**

*A finding indicative of a weakness in the implemented and maintained system, which has not significantly impacted on the capability of the management system or put at risk the system deliverables, but needs to be addressed to assure the future capability of the system.*



## **Additional information**

### ***Isolated issues and opportunities for improvement***

*Any isolated issues identified during the assessment, which have not resulted in a nonconformity being raised, we will record in the appropriate process table in the report.*

*If we identify opportunities to improve your already compliant system, we will either record them in the process table applicable to the area being assessed or in the Executive summary of the report if they can deliver improvement at a strategic level.*

### ***Confidentiality***

*We will treat the contents of this report, together with any notes made during the visit, in the strictest confidence and will not disclose them to any third party without written client consent.*

### ***Sampling***

*The assessment process relies on taking a sample of the activities of the business. This is not statistically based but uses representative examples. Not all of the detailed nature of a business may be sampled so, if no issues are raised in a particular process, it does not necessarily mean that there are no issues, and if issues are raised, it does not necessarily mean that these are the only issues.*

## 8. Executive report for Deputy General Directorate for European Territorial Cooperation and Urban Development (National Focal Point/NFP)

### Audit Result:

As a result of the audit made at the Management and Control System applicable to the Programme for the "Conservation and Revitalization of Cultural and Natural Heritage ES-05" and the audit carried out at the project CENTRO FEDERICO GARCIA LORCA, we conclude that the degree of compliance with respect to the requirements established by stakeholders can be improved. Likewise, the degree of effectiveness has been evidenced by lower than expected, given the results in terms of degree of compliance with Programme objectives and the results of the indicators.

### Strengths and Opportunities

#### The identified Strengths are:

- The person hired as technical assistance, demonstrated an adequate knowledge level of the Programme and projects requirements
- Reactively, Programme Management Team Involvement since September 2015, once when the weaknesses of the Programme were detected. Improvements implemented in the management and control activities, hiring UNA + UNAA, BDO and new Technical Assistance
- Versatility of Programme Management Team
- Team and project management skills
- Flexibility, availability and ongoing support to developers by the Programme Management Team

#### The identified Weaknesses are:

- Due to poor planning and means to control, the need to implement, reactively, once the weaknesses of the Programme were detected, improvement actions for management and control, hiring UNA + UNA, BDO and the new Technical Assistance.
- There are no systematic processes for the education and training of Project coordination personnel
- Although the Programme Operator Technical Assistance is an expert for cultural dimension and content, there is a lack in skills for the Project construction / technical aspects monitoring
- Programme Operator Human Resources Management in order to identify needs and profiles required
- Once the problems are solved, the systematic processes absence for managing continuous improvement, research root causes of failures and implementing measures to prevent recurrence.
- Controlling the subcontracting levels carried out by Project Promoters
- The performance indicators / objectives establishment are not aligned with the ultimate goal of the project
- A proper study focused on the risks arising from the circumstances in which the Project Promoter,

- the Consortium Centro Federico Garcia Lorca, has addressed the project starting from the previous manager of the Project, Management Delegation to Federico Garcia Lorca Foundation.
- Actions arising from this study

## 9. Assessment Details

### Introduction:

It was maintained opening and closing meetings with:

Néstor Nongo (Technical Counsellor) State Secretariat of Culture (Ministry of Education, Culture and Sports)

Ana Santo Tomás Valdés (Technical assistance)

In the opening meeting, they were commented the relevant aspects in terms of the nature of this audit, the style of report of LRQA, including an explanation of the grades of the findings detected, confidentiality of the exercise, the opportunity of not accepting the audit team before the audit or any member thereof, as well as the right to appeal decisions of the audit team to the LRQA Management.

### Participants by Programme Operator:

Néstor Nongo (Technical Counsellor) State Secretariat of Culture (Ministry of Education, Culture and Sports)

Ana Santo Tomás Valdés (Technical assistance)

### Participants by the Project Promoter:

Miguel Canales Pineda (Área de Cultura del Consortium, Granada Council)

Francisco Aguilera (Controller of Granada Council assigned to the Consortium)

Fernando Romero (Company hired Ferrovial – Centro FGL maintenance)

**Assessor:** FERMIN FARIÑA

**22<sup>nd</sup> September 2015**  
State Secretariat of Culture  
**Plaza del Rey Nº 1**

<b>Audit to:</b>	<b>TABLE 1 COMPONENTS 1 &amp; 6 Organisation Structure, Risk management and cross-cutting issues</b>	<b>Auditee(s):</b>	Ana Santo Tomás Valdés (Technical Assistance)
<b>Audit trails and evidences assessed:</b>			
<p>EEA Financial Mechanism 2009 - 2014  Management and Control System  Flowchart Programme Operator.  Contract staff: Programme responsible Technical Assistance  Personnel assigned: Rest of staff reflected in the chart included in the Management and Control System  IFR's: information on the nature of expenditure and the amounts. For example IFR No. 4 Sep - December 2014, € 426,108  DORIS application</p>			

### **Evaluation and conclusions:**

There have been significant changes in the organizational structure during the development of the Programme.

Improvements in the initial project planning are evident, the Programme team has been agile in relation to changes and has responded by adapting to the needs of the project, however, the adequacy of the administrative management and control system to the new appointed responsible, it has not been effective

#### **Strengths:**

Team Involvement degree.

Flexibility.

Reactively, once the Programme weaknesses were detected, improvement actions for management and control, hiring UNA + UNA, BDO and the new Technical Assistance.

Improving skills in project management by the Technical Assistance.

Flexibility, availability and ongoing support to developers.

### **Areas of attention:**

### **Weakness**

- *Lack of Team Training activities registration / evidence carried out*
- *Due to poor planning and means to control, the need to implement, reactively, once the Programme weaknesses were detected, improvement actions for management and control, hiring UNA + UNA, BDO and the new Technical Assistance.*
- *Review performance indicators to ensure that the Programme requirements are met, both in quantitative and qualitative aspect (for example. Adequately address gender concerns)*
- *Project staff are graduates with experience in similar projects and with languages knowledge. Improvements detected regarding to the need for technical checks for the constructive execution or provision of technical team or maintenance required by Center (outsourced to Ferrovial Agroman)*
- *Lack of management changes in the project team and training routes provided by the project to acquire the necessary competence*
- *Lack of evidence / registration of findings and making relevant decision arising from the management of incidents and errors, research the root causes of problems and actions to eliminate them.*
- *There are policies to mitigate the risks of conflicts of interest, although not present supporting documentation or records to prove. These controls are not carried out in outsourced contracts beyond the enforcement of public procurement. In the case of minor contracts expressed written statement of independence and absence of conflict of interest for each contracted member (freelancers and companies) to participate in management would be an effective tool to avoid risks of conflict of interest*
- *Develop a technical instruction or procedure for document management (file, identification, coding) would be an example of continuous improvement and lessons learned for future projects*
- *For future projects, such as Bilateral Relations the development in the planning phase of a full Risk Assessment also including operational processes*

<b>Audit to:</b>	<b>TABLE Nº 2 COMPONENTS 2, 3 Y 7 PROGRAMME MANAGEMENT</b>	<b>Auditee(s):</b>	Ana Santo Tomás Valdés (Asistencia Técnica)
<b>Audit trails and evidences assessed</b>			
<p>Management and Control System Control Checklist Communications Project Promoters instructions and formats to use in the different steps of the projects. Management of incidents / faults with the Project Promoter No irregularities have been registered so far in DORIS Monitoring of projects Compliance with the specifications in the agreements</p>			
<b>Evaluation and conclusions:</b>			
<b>Strengths</b>			
<ul style="list-style-type: none"> <li>Adequate definition of methodologies tasks for the execution and control of the different Programme and projects</li> </ul>			
<b>Areas of attention</b>			
<b>Weakness</b>			
<ul style="list-style-type: none"> <li><i>Planning critical milestones prior to the control visits I is no evidence, it is reviewed reactively activities carried out on the visit days.</i></li> <li><i>Incidents are solved swiftly, but there is no formally established procedure for investigating the cause that caused the error and implementing measures to prevent recurrence and to keep records showing the actions and serve as an example of good practice for other projects</i></li> <li><i>Lack of knowledge by the PO Technical Assistance of the control criteria set out in the Control and Management System Manual Service: Check the sampling system used ensures that: 5% of the declared the IFR at the project amount (defined by call / predefined project) has been verified in the field. 25% of the IFR declared under other projects is not concepts that amount have been verified on the ground.</i></li> </ul>			

<b>Audit to:</b>	<b>TABLE Nº 3 COMPONENTS 4 AND 5 DOCUMENTS AND RECORDS IT SYSTEMS</b>	<b>Auditee(s):</b>	Ana Santo Tomás Valdés (Asistencia Técnica)
<b>Audit trails and evidences assessed</b>			
<p>Management and Control System          Process management and monitoring of the Programme and projects          Physical and electronic projects records          Physical and electronic Programme records          DORIS application          Annual report 2014</p>			
<b>Evaluation and conclusions:</b>			
<p><b>Strengths</b></p> <ul style="list-style-type: none"> <li>• The Programme and Project control and monitoring activities, systematized reactively, once Programme weaknesses were detected, improvement actions for management and control, hiring UNA + UNA, BDO and the new Technical Assistance.</li> </ul>			
<b>Areas of attention</b>			
<p><b>Weakness</b></p> <ul style="list-style-type: none"> <li>• <i>A control and review system of documents and records to Programme processes developed by the project coordinator, a formal procedure for this task has not been implemented. Systematic review and file (encoding) facilitates the search for information independently responsible for coordinating the project.</i></li> </ul>			



<b>Audit to:</b>	<b>TABLE Nº 4 PROJECTS EVALUATION</b>	<b>Auditee(s):</b>	Miguel Canales Pineda (Consortium Culture Area) Francisco Aguilera (Controller) Fernando Romero (Ferrovial – Maintenance)
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### Audit trails and evidences assessed

Project Promoter site (Centro Federico Garcia Lorca, Granada) has been visited 14/10/15

Project Contract

Project Objectives

Monitoring progress and compliance with the project phases

Functions of the CONSORTIUM

Contracting for maintenance and regulatory reviews of the Center

Development of Events in line with the requirements of the EEA Grants Project

Project performance indicators and information regarding the maintenance over time of the activity and social impact

On site Financial Mechanism audits, carried out by BDO (accounting firm hired by the PO)

Controls contracts made, as examples, are listed below:

Audio-visual Record of Literacy Meetings – Book Exhibition, 420€ + IVA, 17/04/2014

Kiko Veneno performance in Book Exhibition, 6.000€ + IVA, 13/04/2014

Exhibition "Public" currently in progress, revised hiring the Commissioner and the coordinator of the exhibition, the Artists selected and the design and editing of the advertising publication , all with evidence of review by Intervention

While the latter event does not appear within the period to evaluate and since they have not developed events previously given the state of implementation of the project, it is taken as a reference to check its current management

### Evaluation and conclusions:

#### Strengths

- Control by staff of the Consortium belonging to City Council of Granada and by the controller of contracts and expenses incurred since taking over the management of the center in 2014
- Request 3 tenders regardless of being minor contracts except Event "Public" in response to the demand for EEA Grants activity starting in July 2015 in relation to the commissioner of the exhibition and the Contents Programme. Although this event does not appear within the period to evaluate and since they have not developed events previously given the state of implementation of the project, it is taken as a reference to check its current management.

## Areas of attention

### Weakness

- *Inefficiencies have been detected in the Project Promoter document management; they did not have a copy of Annexes to the Project Contract, the basis for the allocation of expenses and investments.*
- *Existence of 3 records for recovery due the lack of justification of expenses of Commissioned Management to Foundation Garcia Lorca for the construction of the Centre prior to the takeover by the Consortium (January 2014). Absence of a prior risk assessment to mitigate as far as possible this circumstance, including Consortium image effects in Granada society and EEA Grants image.*
- *Because these records and the existence of possible irregularities arising from Commissioned Management to Foundation Garcia Lorca for the construction of the Centre prior to the creation of the Consortium, the time period available for the development of cultural Programme associated with the Predefined Project has been reduced significantly. This has led to the failure to achieve the cultural objectives set out in the Programme ES 05*
- *Weaknesses has been detected in the identification and development of regulatory maintenance activities at the Centre, for example: Equipment Review by Authorized Control Agency (OCA) of the transformer center of the building and review of BIEs (firefighting team)*

## 4. Assessment Finding Log

Grade 1	Status 2	Finding 3	Correction, root cause and review of the corrective action 4	Process / Aspect 5	Date 6	Reference 7	Clause 8
Minor NC	New	Incidents are solved in an agile way, but there is no formally established procedure for investigating the root cause that caused the error and implementing measures to prevent recurrence and to keep records showing the actions and serve as an example of good practice other projects		Irregularities and monitoring. Investigation of root causes	22/09/15		Evaluation Component N°3
Minor NC	New	Existence of 3 records for recovery due the lack of justification of expenses of Commissioned Management to Foundation Garcia Lorca for the construction of the Centre prior to the takeover by the Consortium (January 2014). Absence of a prior Risk Assessment to mitigate as far as		Project Promoter Site visit	14/10/15		Promotor Site visit

1. Grading of the finding \*

2. New, Open, Closed

3. Description of the LRQA finding

4. Review by LRQA

5. Process, aspect, department or theme

6. Date of the finding

7. YYYY<Initials>seq.#

8. Clause of the applicable standard

\* Major NC = Major nonconformity

Minor NC = Minor nonconformity

Grade 1	Status 2	Finding 3	Correction, root cause and review of the corrective action 4	Process / Aspect 5	Date 6	Reference 7	Clause 8
		<p>possible this circumstance, including Consortium image effects in Granada society and EEA Grants image.</p> <p>Because these records and the existence of possible irregularities arising from Commissioned Management to Foundation Garcia Lorca for the construction of the Centre prior to the creation of the Consortium, the time period available for the development of cultural activity plan associated with the Predefined Project has been reduced significantly. This has led to the failure to achieve the cultural objectives set out in the Programme ES 05</p>					

1. Grading of the finding *	2. New, Open, Closed	3. Description of the LRQA finding	4. Review by LRQA	5. Process, aspect, department or theme
6. Date of the finding	7. YYYY<Initials>seq.#	8. Clause of the applicable standard		
* Major NC = Major nonconformity		Minor NC = Minor nonconformity		

## 5. Review of findings from previous visit

Grade 1	Status 2	Finding 3	Correction, root cause and review of the corrective action 4	Process / Aspect 5	Date 6	Reference 7	Clause 8
Minor NC	Open	The Government employees in the Central Administration of the State who perform tasks associated to the Programme management are subject to the incompatibility rules for preventing and resolving conflicts of interests, which are followed closely by the General Inspection of the Ministry of Education, Culture and Sport; is considered appropriate. However, it is recommended to obtain an express written statement of Independence, which also declares there are no conflicts of interests, for each member of staff responsible for performing	These controls are not carried out in outsourced contracts beyond the enforcement of the law on public procurement.  In the case of minor contracts, implementing this additional measure becomes more important to be an effective tool to avoid the risk of conflict of interest	Conflict of Interests (Good Governance)	09/12/14		Evaluation Component Nº1

1. Grading of the finding \*

2. New, Open, Closed

3. Description of the LRQA finding

4. Review by LRQA

5. Process, aspect, department or theme

6. Date of the finding

7. YYYY<Initials>seq.#

8. Clause of the applicable standard

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Grade 1	Status 2	Finding 3	Correction, root cause and review of the corrective action 4	Process / Aspect 5	Date 6	Reference 7	Clause 8
		management duties in the activities defined in the Programme Agreement that do not belong to the public service, as well as expressly demanding the statement of independence in future recruitment procedures, if applicable.					
Minor NC	Open	It is observed that the regulations on the processes for hiring services/delegated tasks are complied with. In respect to the control procedures for performing delegated and decentralised tasks, a more specific and personal assignment of responsibilities is recommended, as well as a monitoring procedure with control lists of the delegated/decentralised tasks. Likewise, it is recommended to carry out regular	Set in each case, depending on the criticality of the service or task delegated, an additional control planning  Work on identifying the most suitable skills profile for projects / services / outsourced jobs  Planning critical control milestones prior	Decentralization/delegation of functions	09/12/14		Evaluation Component Nº1

1. Grading of the finding \*

2. New, Open, Closed

3. Description of the LRQA finding

4. Review by LRQA

5. Process, aspect, department or theme

6. Date of the finding

7. YYYY<Initials>seq.#

8. Clause of the applicable standard

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Grade 1	Status 2	Finding 3	Correction, root cause and review of the corrective action 4	Process / Aspect 5	Date 6	Reference 7	Clause 8
		and documented quality controls of the tasks performed by the subcontracted entities.	to the visits (on the spot control of the Project Promoter by the Programme Operator). Nowadays activities carried out on the day of the visit are reactively reviewed, adding little value to the control process.				
Major NC Minor NC	Open	Although part of the Programme management staff has been trained in Spanish regulations and legal procedures, a sole person is hired for the specific Programme management. This person is required to have proven experience in cultural management. Although this analysis refers to 2013, on the date when this report was drawn up it was evident that the person in charge of the Programme management frequently changed. Even though there has been an overlap of employees because the person leaving the post	The finding goes from Major to Minor due to the reasons written bellow  It has been assigned a new coordinator with experience in cultural and administration management associated with these activities  The team of the Programme Operator is in a moment of stability and action taking now that the project is coming to	Human resources training	09/12/14		Evaluation Component N°1

1. Grading of the finding \*

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4. Review by LRQA

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6. Date of the finding

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Grade 1	Status 2	Finding 3	Correction, root cause and review of the corrective action 4	Process / Aspect 5	Date 6	Reference 7	Clause 8
		has needed time to instruct the person who was entering, it means it is necessary to recommended a specific procedure for said changes, such as a procedures manual that contains written and detailed instructions about the process. The Programme Operator is also recommended to study measures aimed at preventing this high turnover rate from repeating . This recommendation is of particular importance because a high staff turnover could cause management problems, which would become even more serious as the Programme progressed and we neared its closure.	an end.(referring to the fourth-month period 2015)  Improve the initial planning and systematize the processes of change drives to an effective risk management.				
Minor NC	closed	During the period under study the support for the tasks carried out by the entities to which tasks have been delegated were not under the	Currently the controls of the tasks are developed by companies BDO and UNA + UNA. Responsible for the expenditure	Existence of appropriate control lists for verifying	09/12/14		Evaluation Component Nº3

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2. New, Open, Closed

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4. Review by LRQA

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6. Date of the finding

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Grade 1	Status 2	Finding 3	Correction, root cause and review of the corrective action 4	Process / Aspect 5	Date 6	Reference 7	Clause 8
		Programme Operator control. Given that for a short period of time this fact may make it difficult to access the documentary support of the completed verifications, it is recommended that the delivery of these supports is regulated so they can be studied and safeguarded by the PO	administrative and quality controls respectively There are checklists for each type of control Controls are evidenced every 4 months				
Minor NC	closed	The filing and safeguard of the documentation is intrinsic to the procedures of the Public Administration. Due to the characteristics of this Programme, it is expected that a large amount of information will be generated. During the period considered, the information was in premises other than those belonging to the PO. The PO is recommended to establish a filing and	They have the network connected with the server of the Direction General (Network Unit I)  The New Project Coordinator has established a process for documentation management based on their previous experience.	Audit trail between expenditure and controls made. Documentation filing system	09/12/14		Evaluation Component Nº4

1. Grading of the finding \*

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4. Review by LRQA

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6. Date of the finding

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8. Clause of the applicable standard

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Grade 1	Status 2	Finding 3	Correction, root cause and review of the corrective action 4	Process / Aspect 5	Date 6	Reference 7	Clause 8
		safeguarding system for all the supporting information of the Programme	Develop a technical instruction or procedure with the good practice implemented by the Project Coordinator would be an example of continuous improvement and lessons learned for future projects				
Minor NC	closed	It is recommended to improve the guarantees that the information contained in the IT systems will be controlled. Control warnings should be introduced that automatically give information about the time elapsed and which information still has to be loaded. Likewise, it should contain marks that inform the manager that the loaded information is complete.	Doris documentation management software Control system of information established by project coordinator Files on network drives I	The control systems guarantee the completeness of the information	09/12/14		Evaluation Component Nº5

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Grade 1	Status 2	Finding 3	Correction, root cause and review of the corrective action 4	Process / Aspect 5	Date 6	Reference 7	Clause 8
Minor NC	closed	It is recommended to introduce processes that systemise the processes for loading and extracting information for analysing and preparing reports.	There are processes for archiving and manage the documentation in physical and electronic support	Information transmission between the application and the genera systems	09/12/14		Evaluation Component N°5
Mayor NC	closed	No minimal practices for the security of the information have been established and recorded. There are no guarantees that the information is secure and recoverable; for example, there is no information storage system in a common server that establishes a policy for making periodical back-up copies, etc. At present, the PO has stated that, "The information related to the Programme management has been transferred to a network file on the server of the State Secretariat of Culture (Ministry of Education, Culture and	There are minimum security protocols. The information is available, integrates and confidential management on the base unit (Sub-direction General ) The backup protocols are established by the SG of IT and Communication	Back Up Protocols for the particular application	09/12/14		Evaluation Component N°5

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6. Date of the finding

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8. Clause of the applicable standard

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Grade 1	Status 2	Finding 3	Correction, root cause and review of the corrective action 4	Process / Aspect 5	Date 6	Reference 7	Clause 8
		Sports). Their IT service has established a policy for making periodical back-up copies". This does not alter our assessment of this aspect and the improvements implemented now will be assessed in subsequent Financial Mechanism periods.					
Minor NC	closed	The information security systems have not been accredited by any of the existing external accreditation standards (ISO, AENOR, etc. ). We stress that this condition would be desirable but not obligatory.	The Organization does not consider the certification of quality or information management system Use the concepts of the ISO 27001 and the control measures contained in it as a tool to improve the OP, it would be an improvement in the management system of the Organization	External accreditation certificate of the Entity's general systems	09/12/14		Evaluation Component N°5
Major NC	open	The Programme Operator has not identified any risk inherent to the programme management.	The finding goes from Mayor to Minor due to the reasons written bellow	Programme Risk Assessment. Work	09/12/14		Evaluation Component

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4. Review by LRQA

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6. Date of the finding

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Grade 1	Status 2	Finding 3	Correction, root cause and review of the corrective action 4	Process / Aspect 5	Date 6	Reference 7	Clause 8
Minor NC		It is recommended to perform a detailed analysis of the risks and the possible mitigation measures to be considered in the event of them occurring.	In the annual report, a chapter for Risk Management has been added  For future projects, the development planning phase of a comprehensive risk assessment should also include operational processes	plans to mitigate risks. Identification of Risks in the Annual Report, identification of risks measurement indicators			N°6
Minor NC	open	In 2013, the Secretary of State for Culture, like the rest of Programme Operators, was the object of an analysis for incorporating gender mainstreaming into the Programme. According to the Report provided, some weaknesses regarding gender mainstreaming (the incorporation of perspective) were detected during the execution of the Programme. The Programme Operator is	New favourable report in November 2014  There are informal initiatives with a gender perspective Bilateral activities have been proposed to this pass pending perspective	Assessment of gender equity in the Programme	09/12/14		Evaluation Component N°6

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2. New, Open, Closed

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4. Review by LRQA

5. Process, aspect, department or theme

6. Date of the finding

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8. Clause of the applicable standard

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Grade 1	Status 2	Finding 3	Correction, root cause and review of the corrective action 4	Process / Aspect 5	Date 6	Reference 7	Clause 8
		recommended to document the policies and procedures aimed at rectifying the previously mentioned weaknesses when they are carried out.	In the future and with the experience gained, evolve those initiatives to official policies  Review the performance indicators in this area to ensure that a gender perspective be met				
Minor NC	closed	It is recommended to establish and document some procedures for preventing, identifying and managing possible cases of corruption and bad management. Said procedures should offer a quick and professional response to the irregularity, bad management and corruption indicators. Although the Transparency Act affects these	There are means for this control: There is a controller appointed by the Governing Board of the Consortium named on 27/01/2014. Delegated Intervention Ministry of Culture Andalucía Government Intervention service.	Implementation and execution of policies related to good Governance.	09/12/14		Evaluation Component N°6

1. Grading of the finding \*

2. New, Open, Closed

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6. Date of the finding

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Grade 1	Status 2	Finding 3	Correction, root cause and review of the corrective action 4	Process / Aspect 5	Date 6	Reference 7	Clause 8
		aspects, measures should be established that can be applied expressly in this programme, especially in aspects related to prevention and detection					

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## 6. Check-list and evidences

Document control will be audited in each component

### Assessment Component 1: Functional Independence between the grant/Project managers and the expenditure verifier

Assessed aspect	Y/N/ N/A	Evidence
83. It is defined and organisational chart of the units of the Programme Operator that are involved in the management and control of the EEA GRANTS Financial Mechanism.	Y	Description of Management and Control System The position of the coordinator has not been updated since November 2014
84. It is defined a work flowchart of the units of the Programme Operator that are involved in the management and control of the EEA GRANTS Financial Mechanism.	N	Improve the definition of General Procedures and Technical Instructions
85. Is there an assignment of functions at a divisional level and, if applicable, at a work post level, defined in writing	N	It is included in the document "Management and Control System" however, does not update appointees evidenced after the changes in the PO
86. Is this information published and distributed among employees?	Y	
87. Is there established the appropriated policies and procedures for authorising and approving operations at an appropriate level?	Y	Coordination by Sub director Promotion and Cultural Industries However Improvements in agenda setting for relevant meetings are suggested
88. Is there a study that assesses the adequacy of the assigned human resources	Y	The initial planning has not been effective enough. It has been adapted to the needs of the Programme during the project life.
89. Identify if the personnel in charge of the Programme is: <ul style="list-style-type: none"> <li>Personnel allocated (if it is the case, assess the imputation system of the allocated personnel).</li> <li>Personnel contracted</li> </ul>	Y	Appointed Technical Advisor and contracted Coordinator and Technical Assistance (currently same person with both responsibilities)
90. Are the human resources allocated enough? As a guidance, you should assess the following aspects: <ul style="list-style-type: none"> <li>Meeting deadlines in the management of the Programme.</li> <li>Volume of managed expenses.</li> </ul>	Y	The deadlines are being met. The delays are not attributable to the Operator.
91. Evaluation of the qualification of the human resources allocated? <ul style="list-style-type: none"> <li>Bachelor or Ing superiors/Total of people</li> <li>Graduates or engineering technicians/Total of people</li> <li>Staff involved in the management level (range within the Organization)</li> <li>Level and capacity in Languages/Total of people, Mandatory English</li> </ul>	Y	Project staff is graduates with experience in similar projects and with languages knowledge. Improvements detected regarding to the need for technical checks for the constructive execution or provision of technical team or maintenance required by Center (outsourced to Ferroviario Agroman)



Assessed aspect	Y/N/ N/A	Evidence
92. Are there established plans of contingencies for the assumption of tasks in case of removals of staff in charge of in personnel management and verification of the Programme?	Y	Informal but effective example: Service chief
93. Existence of separation between the people or units in charge of Project management, expenditure verification, payment procedures, accounting? Is this supported and documented property?	Y	As it reflected in the Document Item N°5 of the "Management and Control System"
94. Are the staffs involved in the Financial Mechanism management aware of this separation of functions?	Y	
95. Is it existed for the preparation and processing of IFR 2014 a separation of functions : <ul style="list-style-type: none"> <li>• Project management, Unit teams in charge</li> <li>• Expenditure verification,</li> <li>• Payment procedures,</li> <li>• Accounting</li> </ul>	Y	The information provided by the Company BDO for the IFR,
96. Are there established policies to mitigate the risks of conflicts of interest? (a copy of the same)	Y	There are policies to mitigate the risks of conflicts of interest, although in not evidenced supporting documentation or records to prove
97. Where are published these policies at organisational level?	N	There are policies to mitigate the risks of conflicts of interest, although in not evidenced supporting documentation or records to prove
98. Are the staffs involved in the Financial Mechanism management aware of these policies as well as the protocols for ensuring they are complied with?	Y	Those interviewed expressed their knowledge to be inherent in the Public Administration, but have no supporting documentation or records to prove
99. If there are delegated functions, is there in place an appropriated supervision and monitoring of these activities? How and when are these activities monitored? Is the information flow and reporting clearly established?	Y	With the participation of the companies Una + Una and BDO. Quality control and financial. reports are issued every four months Project Promoter Annual Report
100. Are there regulations and procedures for hiring, training, motivation, assessment and remuneration? (Transparency)	N	Absence of official Itinerary training to the new coordinator (change management)
101. Is included the candidate adequacy evaluation to the Job Profile in the recruitment procedures? (Specifically languages and Knowledge of the Programme)?	Y	For Example, Coordinator and Tech Assistance Improvements to the need to complete the necessary skills profile with controls for the constructive execution or provision of technical team or maintenance required by Center (outsourced to Ferrovial Agroman)

Assessed aspect	Y/N/ N/A	Evidence
102. Are implemented measures towards work-life balance?(Copy)	N	No evidence of knowledge
103. Is it respected gender equity in : <ul style="list-style-type: none"> <li>• Hiring</li> <li>• Staff structure</li> <li>• Specific Programme Committees</li> </ul>	Y	Law 03/2007
104. Is there a mechanism to measure the level of employees satisfaction related to <ul style="list-style-type: none"> <li>• Level of competence to develop the functions.</li> <li>• Workload</li> <li>• Training is reasonable to carry out the allocated tasks?</li> </ul>	N	There are informal meetings
105. In the assessed period, is there a training plan? Has it been carried out additional training for complement the Programme? (Obtain details)	N	Nowadays, training plan is not currently being developed. For example, training in communication requested in 2015 for project coordinators
106. Existence of a work conditions study?	N	
107. Request a description of the technical means that are available to the Programme Operator to carry out the Programme. <ul style="list-style-type: none"> <li>• Physical Location – Location and conditions (lighting, furniture, storage...).</li> <li>• IT systems (PC, laptops, tablets, printers, scanners, mobile phones, travels..).</li> </ul>	Y	The coordinator does not have a budget for assistance to work (Granada) for control tasks
108. Has implemented the Operator Programme a preventive detection system of deficiencies in respect to Technical means (personnel consultation, periodical analysis etc...)?	N	There is no proactive processes for managing change
109. Does it consider the involved personnel in the Programme that the Technical Means is adequate for the implementation of the Programme?	Y	

The other aspects relater to IT means are assessed in the Component nº 6

## Assessment Component 2: The Projects are activities are those selected for the Programme

Assessed aspect	Y/N/ N.A	Evidence
4. Definition of controls aimed at verifying that the expenditure declared for pre-defined projects comply with the criteria approved by the Programme Agreement, or by the document of Approval	Y	BDO, Una + Una, + and the Ministry of ECYD Operator's own checks in the field, are not systematized
44. Is there a Project announcement procedure in accordance with the legislation on subventions?	N/A	
45. Does this procedure assure the verification of project compliance of the particular and general objectives of the Programme	N/A	
46. If this procedure exists, it is requested a description or a reference to the document	N/A	
47. Are established verification procedures that assure that the selected projects are aligned to the grant announcement and the conditions of the Grant?	N/A	
48. ¿Are available records of these verifications including specifically that the selected projects are aligned to the grant announcement and the conditions of the Grant?	N/A	
49. The verification of the project announcement maintains evidences of: <ul style="list-style-type: none"> <li>• The conditions that have to be met in order to be eligible to receive funding</li> <li>• The project selection criteria that are going to be weighted.</li> <li>• The procedures and terms for evaluating projects.</li> <li>• Beneficiaries' obligations and rights</li> <li>• Description of the organs and commissions in charge of selecting the projects</li> <li>• The objective and possibilities for creating networks with entities of the donor countries.</li> <li>• Specification that the acceptance of funds implies accepting to disseminate a summary of the project and the main contact details</li> </ul>	N/A	
50. Is established quality procedures by the Operator Programme that assure that the declared expenditures in technical assistance are really technical assistance?	Y	The coordinator also has the responsibilities of Technical Assistance. Invoices are issued only by coordination work has included travel but there is no budget for them
51. Are there implemented policies in the organization related to expenditures execution aligned with the economy principles assuring efficacy? (Economic sustainability)	Y	Austerity measures and rationalization of expenses
52. Is established quality procedures by the Operator Programme that assure that the declared expenditures in bilateral activities are really expended in bilateral	Y	Una + Una and BDO Reports

Assessed aspect	Y/N/ N.A	Evidence
activities?		
53. Are there implemented policies in the organization related to expenditures execution aligned with the economy principles assuring efficacy? (Economic sustainability)	Y	Austerity measures and rationalization of expenses
54. Are there established reporting or results monitoring systems of the bilateral activities?	Y	Una + Una and BDO Reports
55. Is a procedure established for the effective verification of principles of equality and publicity in the management of Financial Mechanism Funds?	Y	
56. Is a procedure established for the effective verification of principles of equality and publicity in the management of Financial Mechanism Funds?(See requirements Annex IV Regulation)? This procedure shall include the project announcement reviews	Y	
57. Has the Operator Programme adequately meet with the transparency principles in the management of the Funds of the Financial Mechanism(See component number 6)	Y	

### Assessment Component 3: The verification procedures used by the Programme Operator are appropriated:

Assessed Aspect	Y/N/ N.A	Evidences
70. Are there established administrative verification procedures for 100% of the expenditure declared in the IFR(the check-list can be manual or computerised or any other system can be used)	Y	Reports issued by BDO and A + A after the checks carried out in the certificates expenses IFRs later signed by the Assistant Director at the IFR or Technical Counsellor (with Sub director assistance functions )
71. If that is not the case, is there a review procedure that included a report model, sampling systems which assure that a risk assessment forms the basis for selecting the expenditure If yes, check that the Operator Programme keeps evidences of the sampling method applied and the selected sampling	Y	Reports issued by BDO and UNA +UNA after the checks carried out in certified expenditure on IFRS
72. Are the evidences of these verifications kept in documents or reports? If yes, please include a copy of the report or document form	Y	Reports issued by BDO and UNA +UNA after the checks carried out in certified expenditure on IFRS
73. Are the evidences of controls carried out kept, for example: record of control lists including the completing date? Are procedures established for supervision and	Y	Reports issued by BDO and UNA +UNA after the checks carried out in certified expenditure on IFRS IFR Reports

Assessed Aspect	Y/N/ N.A	Evidences
follow-up of incidences?		Information in DORIS
74. Are recorded in the control lists or reports the detected incidences or observations?	N	It has not been recorded into the incidents systems document management (Doris)
75. Are there implemented control systems that prevent continuing with the justification and statement of expenses if the control lists have not been completed or the pending issues have been resolved?	Y	There are Reviews by the OP prior to dump the information on the Web Application (DORIS)
76. Does the established control systems assure the verification of the following aspects: <ul style="list-style-type: none"> <li>The expense has neither been paid nor justified previously or in other projects or against other funds.</li> <li>The expense is real and has been made</li> <li>Reconciliations are made between the support documentation and the expense statement</li> <li>Conceptual eligibility of the expenditure</li> </ul>		UNA + UNA and BDO reports Improvements detected it the OP own controls processes
77. Are there implemented retention and conservation procedures of the supporting original documentation?	Y	Both, paper and digital support
78. It has been established an on-field verification Programme/plan of the projects? Obtain a Programme	N	The OP has not an alternative plan to the controls developed by UNA + UNA
79. Level of compliance of the plan/programme mentioned below	N	Controls developed by UNA + UNA The OP has not an alternative plan to the controls developed by UNA + UNA
80. Is there established a visit report/plan which includes the verification scope and procedures?	N	controls developed by UNA + UNA The OP has not an alternative plan to the controls developed by UNA + UNA
81. Is there established a visit report/plan which includes physical and financial implementation? Obtain a copy	N	Absence of Federico García Lorca Center installations execution controls by the OP
82. Is there a sampling systematic documented for selection the on field verification Project/activities?	N	Planning critical milestones prior to the visits control is no evidenced, it is reviewed reactively activities <u>carried out on the day of the visit.</u>
83. Check that the operator Programme keeps evidence of the sampling plan applied and the selection	N	Planning critical milestones prior to the visits control is no evidenced, it is reviewed reactively activities <u>carried out on the day of the visit.</u>
84. Check that the sampling has been effectively implemented	N	Planning critical milestones prior to the visits control is no evidenced, it is reviewed reactively activities <u>carried out on the day of the visit.</u>
85. Check that the sampling plan assure:: <ul style="list-style-type: none"> <li>Verification on field of 5% of the amount declared in the IFR for projects (defined by announcement or pre-defined).</li> <li>Verification of 25% of the amount declared in the IFR for concepts other than projects that have been</li> </ul>	N	Although it is satisfied in the sampling made, example:: IFR No. 4 Sep - December 2014, € 426,108 certification N°. 2 € 371 713, stage team The PO was not familiar with this requirement.

Assessed Aspect	Y/N/ N.A	Evidences
verified in the field		
86. Check that the sampling plan is representative, taking in account risk criteria and random sampling systems too	N	Planning critical milestones prior to the visits control is no evidenced, it is reviewed reactively activities carried out on the day of the visit. There is no evidence of control by the OP the constructive dimension of the project (construction and facilities of García Lorca Center)
87. Check that the projects/activities verifications are included the expenditure declared in previous certifications	Y	Evidenced in the reports issued following the checks carried out by UNA + UNA and BDO IFR reports
88. Are procedures implemented that generate evidence of the expenditure that is rejected and considered irregular?	N	Costs rejected cases are solved, but there is no procedure for the investigation of the root cause that caused the error
89. Do these procedures let the identification of the root cause of expenditure rejection?	N	Costs rejected cases are solved, but there is no procedure for the investigation of the root cause that caused the error
90. Do these procedures let the identification of the root cause of each error that appears?	N	Costs rejected cases are solved, but there is no procedure for the investigation of the root cause that caused the error
91. Do these procedures establish how investigate and quantify the systematic errors?	N	Costs rejected cases are solved, but there is no procedure for the investigation of the root cause that caused the error
92. Do these procedures provide reference for obtaining evidence of other irregularities apart of rejected expenditure?	N	Costs rejected cases are solved, but there is no procedure for the investigation of the root cause that caused the error

### Assessment Component 4: The audit trail is appropriate and sufficient

Assessed aspect	Y/N/N.A	Evidence
40. Is there established a control and review documentation system of the implementation process of the Programme in the period?	Y	There is an informal process developed by the project coordinator
41. Is a flowchart available which included the process and verification documents?	N	There is an informal process developed by the project coordinator
42. Is this flowchart updated when it is necessary?	N	There is an informal process developed by the project coordinator
43. Is this management system known by the relevant staff?	Y	There is an informal process developed by the project coordinator
44. Carry out a compliance test about 10 random elements to check that all has been processed in a proper way and they are in the selected site	Y	Made with positives results, For Example IFR Nº 3, Annual Report 26/01/15 Consejo Rector Meeting Technical Meeting with NFP 20/04/15, Una + Una Report 01/10/14
45. Check that detailed account records are maintained that could check expenditures carried out in several stages and the agents	Y	See examples reflected in the table "PROJECT EVALUATION" of this report, with examples of cases reviewed by the Intervention and BDO

Assessed aspect	Y/N/N.A	Evidence
46. Check that the accounting system could let identify each transaction related projects/actions and identify the certified amounts and payment of the public contribution to the Project Promoter or the beneficiary.	Y	See examples reflected in the table "PROJECT EVALUATION" of this report, with examples of cases reviewed by the Intervention and BDO
47. Check that a proper Justification documentation retention system of all the process is implemented	Y	
48. Check that are properly retained for each Project: Technical Specifications, Financial Plan, documents relating to the approval of the concession or spending, documents relating to public administration procurement procedures, the progress reports and verification reports	Y	Access to all information requested was granted during the visit,
49. Check if the Operator Programme carries out verifications to verify if the Project Promoter meets the established requirements and that the Project Promoters has been implemented systems for the verification of the accountability of grant beneficiaries.	Y	
50. Check if the Operator Programme assure that the Project Promoter and the beneficiaries maintain a separate accountability system for transactions related to operations subject to co-financing or account with appropriate accounting codification for clearly identifying such transactions, and the sources of project financing	Y	By establishing and approval of the operator – Project Promoter agreements Evidenced in the visits al PP and OP
51. Check that clear instructions have been communicated to the Project Promoters and beneficiaries about maintaining files administrative documentation	Y	By establishing and approval of the operator – Project Promoter agreements
52. Check that the organisation meet the record retention requirements according the Regulation	Y	By establishing and approval of the operator – Project Promoter agreements

### Assessment Component 5: An appropriate IT Tool is used.

Assessed aspect	Y/N/N.A	Comment
40. Identify the IT systems and software used for implementation of tasks related to the Programme Operator	Y	Doris and PO Office Tools The available systems are enough to manage
41. Has the Programme Operator been externally certified (ISO, AENOR, etc...) (Include specific Certification, if any.)? If yes, is it included in the scope all the Project management activities and grants verification of EEA Financial Mechanism?	N	Doris and PO Office Tools
42. Does the involved personnel the implemented systems?.	Y	Doris and PO Office Tools
43. Do the IT systems include financial management? ¿Or	Y	Doris and PO Office Tools

Assessed aspect	Y/N/ N.A	Comment
includes too document and records management?		
44. How is it structured?	Y	Doris and PO Office Tools
45. Is this IT Tool integrated totally or partially en the IT Systems of the Programme Operator it Works as an independent tool? Is it designed specifically for EEA Grants?	Y	Doris and PO Office Tools
46. Is it allocated the property for each application and database in the IT infrastructure?	Y	Doris and PO Office Tools and access passwords
47. Is it included all the relevant information to meet the requirements of transparency and good governance in the management Programme?	Y	
48. Does it Provide (or could provide) all the necessary information for management. Specially, statistics and outputs indicators.	Y	
49. Are the responsible persons identified?	Y	
50. Is there implemented a back-up protocol for information recovering in case of disaster or documentation loss? .	Y	Copies on server "I" of the PO office documents
51. Are these systems appropriately updated? .	Y	
52. By area? By functions? By projects? By budget headings?	Y	



## Assessment component 6: Horizontal and cross sectional risks and issues.

Assessed aspect	Y/N/ N.A	Evidence
<b>Programme risk assessment</b>		
103. Has been the Programme Operator establish any risk assessment system of the functions performed?	N	The OP has implemented a Risk Management process. reactively, once the project had initiated Improvements are detected in the initial planning, Risk management is now identified in the annual reports, no risk management information presented at the operational level
104. Is there a work Protocol that assessed the detected risks and depending on their level it contemplates the implementation of a work plan designed to overcome said risks?	N	The OP has implemented a Risk Management process. reactively, once the project had initiated
105. Has been identified in the Annual report the main risks of the Programme Operator?	Y	It is identified, although it is a process with improvements so new Minor Non Conformities are documented in this report
106. The indicators used for detecting risks are appropriately supported and offer guarantees that no significant risk for the programme will be omitted	N	The OP has implemented a Risk Management process. reactively, once the project had initiated Risk control upstream minimizes the occurrence of them
107. Is there implemented a proactive or reactive risk management culture?	N	The PO has implemented a Risk Management process. reactively, once the project had initiated
108. Has the Programme Operator been externally certified (ISO, AENOR, etc...) (Include specific Certification, if any.)? If yes, is it included in the scope all the Project management activities and grants verification of EEA Financial Mechanism?.	N	
<b>Advertising and communication (Transparency)</b>		
109. Is any event carried out by the Programme Operator for advertising and communication of the Financial Mechanism? What type of events?	Y	Madrid and Granada releases Events, press, WEB, playbills, inaugural events.
110. The Grant announcements include the participation of the Financial Mechanism?	NA	
111. Has been the Transparency Principle met by announcement grants publication where relevant for the Financial Mechanism Funds?	NA	
112. Is it included in a webpage?	Y	
113. This Financial Mechanism Participation webpage is independent of the main webpage of the Programme Operator?	Y	
114. The Programme Operator Public actions refers to the participation in the Financial Mechanism	Y	There is a Link joining one page to another (Operator Programme)

Assessed aspect	Y/N/ N.A	Evidence
Funds and redirecting to the webpage		
115. The Project calls (announcement, selection and resolution processes) as well as the other Project selection processes are published on the Programme Operator website? The website acts as a platform for guaranteeing transparency in the Financial Mechanism Funds	N	Pre-defined Project information is on the website No information on contracts, procurement, etc.
116. Is it considered enough the Communication team? Is it required the NFP collaboration?	Y	It has not been required up till now the cooperation of NFP
117. Is it defined and implemented a communication policy with NFP? (which mails/communications is included NFP, although they were not the main recipient)	N	Lack of information, formally demanded by the DG Commoners Funds Corrected from August 2015 with new team.. From this moment there is no formal implementation but the NFP is reported steady manner.
<b>Gender Equity in the Programme</b>		
118. What procedures have the Programme Operator has been established to meet the gender equity policies? For example un project calls	N	No projects are held. There is no record of them in the Bilateral Activities.
119. Analyse the systems established by Programme Operator that will ensure compliance with the rules of the General Law on subsidies or public procurement: <ul style="list-style-type: none"> <li>Relationships with third parties who provide services</li> <li>Management of the expenses of the Programme Operator.</li> <li>Relationship and activities of project Project Promoters.</li> </ul>	Y	For nominative subsidies
<b>Good Governance</b>		
120. Implementation of Transparency Law	Y	
121. Implementation of procedures, analysing: <ul style="list-style-type: none"> <li>Are there established</li> <li>Right moment.</li> <li>Content (theoretical and practical based in the users comments)</li> <li>Diffusion Level</li> </ul>	Y	
<b>Sustainability: Environment</b>		
122. Is the Programme Operator certified in ISO 14001 or equivalent standard?	N	
123. ¿Is an Environmental Manual or Policy implemented?	N	Good Practices and Recommendations
124. Are there environmental practices implemented as; energy consumption, recycling material use, reutilised materials used or reduction of paper consumption?	Y	
<b>Social Sustainability</b>		

Assessed aspect	Y/N/ N.A	Evidence
125. Which analysis procedures have been implemented related with social sustainability?	Y	Quality Plan, indicators of effectiveness, own project proposal: a research Center of the figure of Lorca and to become a Center for the generation of ideas
126. Has been designed the Programme in order that the results affect a sufficient number of people (Because the groups are large or because they are significant in themselves)?	Y	
127. Do the social consequences of this Programme last in the long term or even make their results have a multiplying effect? For example: To continue with this initiative other groups or companies? Would that trigger additional investigations?	Y	Quality Plan, indicators of effectiveness, own project proposal: a research Center of the figure of Lorca and to become a Center for the generation of ideas While the Centre FGL is not yet equipped with the materials and planned contents, efor example: Original Author Bibliography for the library and be attractor studies
128. The Programme Operator itselfs or by NFP promotes the "lessons learnt" effect for other Programme and activities (meetings, memorandums, feed-back)	N	
<b>Economic Sustainability</b>		
129. Are there implemented policies for analyse the economic sustainability of the Programme?	Y	
130. Has the Programme Operator implemented systems and controls for monitoring the Programme effects in terms national, regional or local economic development?	N	Currently, in the Governing Council are 2 representatives of the Operator. Management team selection of the Centre will be held at the end of the Project. The OP in relation to pre-defined project has not submitted results. Control of the effects of the impact will be collected with the progress and the end of it
131. What positive effects had the Programme originated as regards the creation of Jobs?	N	During the project and in the future, Consortium/Management The impact on jobs and sustainability will be assessed at the end of it
132. What impact has the Programme originated in Project Promoters, partners, participants, etc...?	N	The potential positive impact of the project cannot be assessed yet, given the state of development. This report mention adverse impacts example: Existence of 3 records for recovery due the lack of justification of expenses of Commissioned Management to Foundation Garcia Lorca for the construction of the Centre Prior to the takeover of the Consortium (January 2014) (January 2014). Absence of a prior risk assessment to mitigate as far as possible this circumstance, including Consortium image effects in Granada society and EEA Grants
133. Has created the Programme a positive environment for developing and delivery of key services?	N	Press appearances in the months of July and August 2015
134. Is there available a cost-benefit analysis of the Programme?	N	There is no formal analytical system for the future cost-benefit study
135. Are obtained results justified, against expenditures, considering alternative solutions?	N	Still too early to evaluate the results
136. Once the support has of the Financial Mechanism has finalised, other supports from other entities (public or private) have been	Y	There are actions to generate business reactively, such application potential users of the services of FGL Centre observed the day of the audit

Assessed aspect	Y/N/ N.A	Evidence
managed?		

## Assessment component 7: Appropriate procedures for drawing up an IFR

Assessed aspect	Y/N/N.A	Comment
16. Check that the Operator Programme gives instructions in systematic way to the Project Promoters to make their expenditures declaration	N	It was proved with the Consortium and Gamelab, Project Promoters of the only bilateral activity undertaken  No systematic instructions for pre-defined project promoter
17. Check that the Operator Programme has received, reviewed and the legality and regularity of expenditures declaration.	Y	BDO audits and Intervention
18. Determine that they are established procedures for arithmetically check all payment requests	Y	
19. Check that there are procedures for calculated the estimated expenditure which ensure that the calculations have not been carried out randomly	Y	
20. Check that the Programme Operator holds periodical meeting with the NFP or other Programme Operator to receive instructions and make comments about management procedures aimed at the appropriate rendering of the IFRs	Y	

Identify the personnel that have been participated in management and verification tasks declared in IFR presented in 2014-2015.

Name and Surname	Category	Department	Management (G) Verification (V)	Assigned (P) Contracted (C)	Training (*)	Languages English	Accreditation (***)	Years of work experience	Years of work experience In the entity
Lizaranzu Perinat, Teresa	30	Direction of Policies, Cultural Industries and Book	G	P	6				
Díaz Fortuny, Faustino	30	SG Promotion of Cultural Industries and Patronage	G	P	6				
Tobes Alonso, Darío		SG Promotion of Cultural Industries and Patronage	G	C	6	2 English Italian	Certificate English Italian		
Laforga Marcos, Dieg		SG Promotion of Cultural Industries and Patronage	G	C	6	3 English Italian French	Certificate English Italian		
Santo Tomás Valdés, Ana		SG Promotion of Cultural Industries and Patronage	G	c	6	5 German English Italian French Dutch	Certificate German English Italian French Dutch	11	
María Bonacasa Martín		BDO Auditores, S.L		c	6	English Portuguese	Certificate English	11	
Marta Stoyanova		BDO Auditores, S.L		C	6	Bulgarian			

Carlos de Corral Gargallo		BDO Auditores, S.L		c	6	English		25	
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Mar Arcos Setien	De		BDO Auditores, S.L		c	5			12	
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(\*) Training:

- (19) Basic General education
  - (20) medium-grade professional training
  - (21) premium grade vocational training.
  - (22) Diploma
  - (23) Degree
  - (24) Other studies (Masters, Post-grade, etc...)
- (\*\*) Language accreditation





## 7. Audit Programme

### Centre

- State Secretariat of Culture (Ministry of Education, Culture and Sports)
- **Centro Federico Garcia Lorca**

### Programme

- **Programme for the Conservation and revitalization of cultural and natural heritage ES-05**

<p><b>Verification Type</b></p> <p><b>Quality Audit to Management and Control System and its implementation in the Centre Federico Garcia Lorca</b></p>	<p><b>Audit Criteria</b></p> <ul style="list-style-type: none"> <li>- <b>Financial Mechanism 2009-2014 (EEA Grants) and its annexes</b></li> <li>- <b>The Memorandum of Understanding signed by Spain -Financial Mechanism on 15 November 2011</b></li> <li>- <b>Rules and Procedures 2009-2014</b> <ul style="list-style-type: none"> <li>• <b>For the implementation of Financial Mechanism EEA</b></li> <li>• <b>Protocol 38, Enlargement Agreement.</b></li> </ul> </li> <li>- <b>Programme Agreement and Programme Implementation Agreement</b></li> <li>- <b>Manuals and Management and Control Systems document approved in 2014</b></li> <li>- <b>Instructions NFP and FMO</b></li> </ul>
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<p><b>Team</b> <b>Fermin Fariña</b></p>	<p><b>Dates</b> <b>22<sup>nd</sup> September 2015</b> <b>14<sup>th</sup> October de 2015</b></p>	<p><b>Issue date</b> <b>18/09/2015</b></p>
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<p><b>22<sup>nd</sup> September 2015</b> State Secretariat of Culture (Ministry of Education, Culture and Sports) <b>Plaza del Rey Nº 1</b></p>	
<p>8.30 h</p>	<p>Opening meeting with people responsible for implementation of the Programme.</p> <ul style="list-style-type: none"> <li>• Presentation of the audit team, plan, methodology report</li> </ul>
<p>09.00</p>	<p>Management and Control Manual for EEA GRANTS 2009 2014 Programme Agreement Programme Implementation Agreement 2009 2014 Organization structure and responsibilities, Sufficiency of means and human resources Good governance Delegation of functions-Subcontracting Technical means</p>
<p>11.00</p>	<p>Communications with NFP Communication plan Annual report</p>
<p>11:30</p>	<p>Management procedures and monitoring of the Programme and projects</p> <ul style="list-style-type: none"> <li>- Monitoring of BDO and UNA mas UNA of the activities financed: financial terms, eligible costs, single bank account for the Programme management, accounting, and payment system.</li> </ul>



	Technical assistance 2014 Bilateral Agreements Advertising and Equality Administrative and field checks of IFR Process prevention, mitigation, detection and remediation information and monitoring irregularities DORIS Process for the preparation of IFRs Payment processing and verification of applications for payment Economic Management and Verification of requests for payment
12:45	Traceability and documentation control and maintenance of documentation Computer systems, backup
14:00	Lunch
16:00	Cross Cutting Issues  Sustainable development Gender equality: (Care and Promotion of Equality, Action Plan and Analysis on the incorporation of gender mainstreaming in the Programme)
17:00	Preparation of the Report
17:30- 18:00 h	Review of the results of the day
<b>14th October 2015</b> <b>Granada al Centro Federico Garcia Lorca</b>	
	Visit Granada Federico Garcia Lorca Center <ul style="list-style-type: none"><li>• Checking the existence of a management plan on site</li><li>• Adequate coverage of spot checks with the completion of proceedings</li><li>• The level of implementation and maturity of the project and the work done by the two companies contracted for audits,</li><li>• treatment system and monitoring irregularities</li></ul>



## Quality assessment of the systems and procedures for the implementation of the Programmes Financial Mechanism EEA-GRANTS 2009-2014.

Programme and Number: ES07-Scholarship Programme

Intervention Mechanism:  
EEA-GRANTS 2009-2014.

Programme Operator:

Complutense University of Madrid-UCM  
Avenida de Seneca,2, 28040 Madrid

Period :

2014 and First four month period 2015.

**LRQA Reference:** SGI2944066/0030  
**Audit dates:** 22<sup>nd</sup> & 23<sup>th</sup> September 2015  
**Location:** MADRID.



**Audit Criteria:**

Check list. Management and Control System

**Audit team :**

AURORA GIL

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Annex
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<b>This report was presented to and accepted by:</b>	
Name:	Marta Arregui
Job title:	Nil S. Science and Sustainability Director Madrid Complutense University

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## Report explanation

### Introduction

*The Memorandum of Understanding signed by Spain with the Donor States on 15 November 2011 establishes that in Spain the Deputy General Directorate for European Territorial Cooperation and Urban Development shall act as the National Focal Point (hereinafter NFP) for the Programme co-funded by the EEA (European Economic Area) Financial Mechanism 2009-2014 (EEA Grants).*

*Its responsibilities include ensuring the previously named programmes are controlled properly. It was with this objective that an external Monitoring Agent was hired, for this reason LRQA España, SL has been hired to verify the quality of the operations and procedures in view of the objectives set by the EEA Grants in relation to the Programme and the applicable standards.*

*The audit shall be carried out in the site of the Operator Programme and assess the Project implementation on the Project Promoters sites*

*The audit has been focused on:*

- *Implementation of procedures and documents of management and control systems of Programme Operator called "SISTEMA DE GESTIÓN Y CONTROL y PROGRAMA ES07, NILS SCHOLARSHIPS Complutense University of Madrid, (here after UCM)" version 4, dated 14.02.2015, approved by the Audit Authority and the "Finacial Mechanism Office", (here in after FMO)*
- *Quality verification was performed on those projects and activities whose operations are contained in Interim Financial Report (here in after IFR) for year 2014 and first quarter 2015 presented by UCM, as well as verifying the systems to prepare the estimate of expenditure and calculate the advance payments.*
- *It was selected in the projects list provided by UCM, projects that are a high level of implementation and significant expenditure in order to verify the implementation of the projects.*

### Objective and scope of the audit

*The auditor will review the system to determine whether it conforms to the audit criteria and covers the activities detailed in the scope of audit.*

*The general objectives are:*

- *Verify that the management and control processes applied by the Programme Operator are aligned with their own Management and Control System Manual approved by the Audit Authority and the EEA Grants Regulations*
- *Evaluate the quality of the Programme Implementation respect to the Objectives established in the Programme Agreement, carrying out the verification of quality and the costs of activities that give rise to expenses declared in 2014 and the first four-month period of 2015*
- *Management of advance payments and expenditures Methodology for each IFR*

*The following aspects has been verified:*

- *Functional Independence between the grant/Project managers and the expenditure verifier*
- *Projects are activities are those selected for the Programme*
- *Verification procedures used by the Programme Operator are appropriated*
- *Audit trail is appropriate and sufficient*
- *Appropriate IT Tool is used*
- *Horizontal and cross sectional risks and issues*
- *Appropriate procedures for drawing up an IFR*

*The auditor will interview the top Manager of the Programme Operator to determine the obligations of the Financial Mechanism are known and the auditor will use information obtained as a result of this interviews, to review the degree in which the Programme Operator has addressed the potential risk within the system, and to determine the needs for the proper achievement of the objectives of the Programme has been taken in account*

## **Definitions of Grade Findings**

### **Major Nonconformity**

*The absence of, or the failure to implement and maintain, one or more management system elements, or a situation which would, on the basis of the available objective evidence, raise significant doubt of the management to achieve:*

- *compliance with the applicable regulatory requirements*
- *conformance to applicable Interested Parties*
- *Conformance with the audit criteria deliverables.*

### **Minor Nonconformity**

*A finding indicative of a weakness in the implemented and maintained system, which has not significantly impacted on the capability of the management system or put at risk the system deliverables, but needs to be addressed to assure the future capability of the system.*



## Additional information

### **Confidentiality**

*We will treat the contents of this report, together with any notes made during the visit, in the strictest confidence and will not disclose them to any third party without written client consent.*

### **Sampling**

*The assessment process relies on taking a sample of the activities of the business. This is not statistically based but uses representative examples. Not all of the detailed nature of a business may be sampled so, if no issues are raised in a particular process, it does not necessarily mean that there are no issues, and if issues are raised, it does not necessarily mean that these are the only issues.*

## 2. Executive report to the Deputy General Directorate for European Territorial Cooperation and Urban Development (National Focal Point/NFP)

### Assessment results:

As a result of the assessment of the Management and Control system applicable to the Programme ES07 NILS Science and Sustainability and the sampling of projects undertaken, we conclude that the degree of compliance with respect to the requirements established by interested parties is high. Also the degree of effectiveness has been demonstrated high, given that the results in terms of degree of compliance with Programme objectives and the indicators' results they reveal it.

### Strengths and Opportunities

It has been identified the following aspects:

#### Strengths:

- High degree of the Programme Management Team Involvement
- High degree of the Programme and projects requirements knowledge to comply with, by the Programme Management Team
- Versatility of Programme Management Team
- Team and project management skills of the Programme Operator Manager
- Communication skills with stakeholders by the Programme Operator Director and the Management Team Programme
- Flexibility, availability and ongoing support to developers by the Programme Management Team
- Standardization detailed methodology for monitoring and control of projects
- Development of a manual for the production of intermediate and final financial report V2. and communication method defined for justification and calculation of indirect costs to the Projects Promoters
- Projects Promoters technical report form Development
- Clear focus on risk management implemented at the Programme and projects
- Use of structures, administrative and accounting existing UCM methodologies as Programme and projects support

#### Weaknesses:

- Project management software lack
- Mechanism / computer tool lack to exploit in an effectiveness way the project performance data (deadlines for completing tasks, internal quality control results, irregularities in each project phase)
- Mechanisms and tools lack to exploit the quantitative and / or qualitative information on impact of the Programme and projects (social impact / sustainability)
- Mechanisms and tools Lack to highlight and exploit information on the training activities undertaken for the Programme Management Team.
- Inability to exploit from the DORIS software by Programme operators of the submitted information for statistical purposes.
- High level of bureaucracy in the Technical economic Programme and Projects control Process
- Double-input at DORIS and at the internal control software data

### 3. Assessment details

<b>Introduction:</b>
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It was maintained opening and closing meetings with Marta Arregui. In the opening meeting, they were commented the relevant aspects in terms of the nature of this audit, the style of report of LRQA, including an explanation of the grades of the findings detected, confidentiality of the exercise, the opportunity of not accepting the audit team before the audit or any member thereof, as well as the right to appeal decisions of the audit team to the LRQA Management.
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<b>Assessor:</b> AURORA GIL
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22 & 23.09.15
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<b>Assessment to:</b>	TABLE 1 COMPONENTS 1 & 6 Organisation Structure and risk management and cross cutting issues	<b>Auditee(s):</b>	Marta Arregui
<b>Audit trails and evidences assessed:</b>			
<p>Management System Manual v3. Flowchart Programme Operator. Steering Committee Internal meetings of Programme organization Contract staff: Programme Director and 3 technical supports. Personnel assigned: Rest of staff UCM organization IFR's: information on the nature of expenditure + amounts. e.g.IFR 01.27.2015 (fourth quarter 2014). Economic Affairs sends a summary of expenses incurred by the UCM as Programme operator (NILS Science expenses certifications and sustainability in the Complutense University of Madrid: bilateral relations + projects payments + complementary actions. DORIS software IFR Communications + certifications UCM's to NFP.</p>			
<b>Evaluation and conclusions:</b>			
<p>No significant changes in the organizational structure during the development of the Programme The operation of the Programme has been streamlined and the level of performance has been high. The minutes of the Steering Committee did not show reflections on resource requirements or the beginning of the Programme or during execution.</p> <p><b>Strengths:</b></p> <ul style="list-style-type: none"> <li>• Team involvement degree</li> <li>• Flexible hours evidenced (staff which is unwell and has gone home)</li> <li>• Participation in conferences NFC, Brussels, NILS and self-education and training staff.</li> <li>• Management skills and team projects by the Programme Director</li> <li>• Team and Director Communication skills with interested parties</li> <li>• Flexibility, availability and ongoing support to Projects Promoters</li> <li>• Manual to make the intermediate and final financial report V2. + Communication justification calculation method indirect costs to Projects Promoters</li> <li>• Form Projects Promoters technical report.</li> </ul>			
<b>Areas for attention:</b>			
<p><b>Weaknesses:</b></p> <ul style="list-style-type: none"> <li>• <b>Lack of Training activities registration / evidence carried out with the Programme Team</b></li> <li>• <b>Lack of findings and relevant internal team meetings outputs decision evidence / registration</b></li> </ul>			

<b>Assessment to:</b>	<b>COMPONENTS 2, 3 Y 7 PROGRAMME MANAGEMENT</b>	<b>Auditee(s):</b>	Marta Arregui
<b>Audit trails and evidences assessed:</b>			
<p>Management Control System Manual v3.  Procedures:  E.1 process of selection and approval of project.  E.2 Procedure management and monitoring of the Programme and projects  E.3 Expenditure verification procedure (technical monitoring and financial verification)  E.3.2 Monitoring and financial / field verification checks  E.4 Registration procedures and accounting of project expenditure.  Check control list  Call STUD-INSTIT-2013. 05/05/2014 UV call.  System Evaluation and Selection Committee ABEL  File folder general resolution calls + minutes + minutes of the Steering Committee approval.  Web: <a href="http://www.nilsmobilityproject.es">www.nilsmobilityproject.es</a>  NILS advertising brochures (Individual Mobility Abel, Abel Coordinated Mobility, Preparatory visits, bilateral relations, STUDD Programme)  Communications Projects Promoters instructions and formats to use in the different steps of the projects.  Management of incidents / faults with the Projects Promoters.  No irregularities have been reported so far in DORIS</p>			
<b>Evaluation and conclusions:</b>			
<p>Strengths:</p> <ul style="list-style-type: none"> <li>• Adequate methodologies tasks execution definition and different Programme and Project Phases control</li> <li>• One on One project control method (technical and financial) systematic, consistent and effective implemented</li> </ul>			
<b>Areas for attention</b>			
<p><b>Weaknesses:</b></p> <ul style="list-style-type: none"> <li>• <b><i>With regard to the control activities "on the spot verifications", the Programme Manager should document a report in which it will evaluate the need to implement this control (by project, for example) and the additional controls to be applied instead of the "on site" control required.</i></b></li> </ul>			

<b>Assessment to:</b>	TABLE Nº 3 COMPONENTS 4 AND 5 DOCUMENTS AND RECORDS IT SYSTEMS	<b>Auditee(s):</b>	Marta Arregui
<b>Audit trails and evidences assessed:</b>			
Management Control System Manual v3 E2 Procedure management and monitoring of the Programme and projects Physical and electronic records projects Physical and electronic records Programme DORIS software Excel sheets (internal) Database (internal) 2013 and 2014 annual reports			
<b>Evaluation and conclusions:</b>			
Strengths: <ul style="list-style-type: none"> <li>• Own software developed to control the Programme and Projects execution and monitoring activities</li> </ul>			
<b>Areas for attention:</b>			
<b>Weaknesses:</b> <i>Not identify at these components</i>			

<b>Assessment to:</b>	TABLE Nº 4 PROJECTS EVALUATION	<b>Auditee(s):</b>	Marta Arregui
<b>Audit trails and evidences assessed:</b>			
<p>It has been sampled two projects:</p> <p><u>005-STUD-INSTITU-2013 project (University of Valencia)</u>          Status: grant allocated 100%, 85% implementation          Step 1: Request 005-STUD-INSTIT-2013 + 15.10.2013 checklist          Step 2: Evaluation. Evaluation report of the proposal (including risk assessment) + verification dated 10.10.2013 inequality. Assessment Report of the Director of NILS Programme dated 27/10/2013. Check list verification / evaluation / selection / award-STUD 05/12/2013.          Step 3: Selection Committee. Minutes of meeting with prioritized proposed allocation / funding dated 29/10/2013          Step 4: Management Committee. Act proposed resolution dated 21/11/2013. Final decision dated 12/04/2013 of the Management Committee NILS          Step 5: Communications Projects Promoters. Communication provisional resolution to the Univ. of Valencia dated 11.25.2013 and definitive resolution dated 12/04/2013. Checklist verification / communication / acceptance / final resolution dated 19/12/2013.          Step 6: Submissions and acceptance of the Projects Promoters. Mail acceptance of the Univ. of Valencia.          Step 7: Signing of an agreement with the Projects Promoters. Agreement UV (Projects Promoters) with the Vice President of the UCM (operator) February 2014          Step 8: Document proposed transfer in advance. First advance of 12.02.2014, 14.06.2014 and the second advance payment of 01/27/2015 third.          Management and control activities of the project. Check list proposed allocation of grants dated 16/06/2014.          Project Documentation + IFR's (eg IFR # 3 corresponding to Q1 2015). Detailed report by the Projects Promoters activities of information and publicity Programme and project in the period justified.          Step 9: IFR verification by the intervention area UCM. Abel IFR check-list.</p> <p>ABEL Project 005 IM 2013 (IM. Polytechnic University of Valencia. One researcher moved to Norway two months) (Status: closed)          Step 1: Application. Application form dated 15/10/2013. ABEL IM checklist dated 10/17/2013          Step 2: Evaluation. Reports of the evaluator 1 and 2 with risk assessment in November 2013 + registration completed conflict of interest. Checklist evaluation / selection / award 22.01.2014.          Step 3: Communication and acceptance. Steering Committee resolution dated 02/14/2014. Resolution communications researcher and developer and researcher acceptance of 02.2014. Checklist communication / acceptance / ABEL resolution dated 02/24/2014          Step 4: ABEL Association Agreement. UPV Association Agreement (Projects Promoters), Operator and Norwegian Research Centre (receiver). Checklist LC10 dated 03/04/2014. UPV According to UCM. Checklist dated 04/04/2014.          Step 5: Payment Advance. Payment Advance record.          Step 6: Control during the project. ABEL activity report dated 17/11/2014, certificates of stay of the researcher, publications of the works.          Step 7: IFR's. Document the intervention area of the UCM dated 01/06/2015</p>			
<b>Evaluation and conclusions</b>			
<p>Strengths:</p> <ul style="list-style-type: none"> <li>• Clear focus on risk in the Project evaluation, selection and management processes</li> <li>• Agreement form designed to operator- Projects Promoters contract clear and precise.</li> <li>• Standardized and specific formats designed to be fulfilled by the Projects Promoters (eg M3 model IFR)</li> </ul>			
<b>Areas of attention:</b>			

**Weaknesses:**

- ***Data Double-input into the DORIS software and to the internal control software defined (excel sheets and internal database)***



## Assessment finding log

It has not been detected new findings in the sampling carried out during this audit; by this reason this form prepared in the report for the new findings is empty. Weaknesses are not considered audit findings, due to they are not specifically non conformities of the audit criteria

Grade 1	Status 2	Finding 3	Correction, root cause and review of the corrective action 4	Proces / Aspect 5	Date 6	Reference 7	Cláusule 8
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1. Grading of the finding \*      2. New, Open, Closed      3. Description of the LRQA finding      4. Review by LRQA      5. Process, aspect, department or theme

6. Date of the finding      7. YYYY<Initials>seq.#      8. Clause of the applicable standard

\* Major NC = Major nonconformity      Minor NC = Minor nonconformity

## Review of findings from previous visit

Grade 1	Status 2	Finding 3	Correction, root cause and review of the corrective action 4	Process / Aspect 5	Date 6	Reference 7	Clause 8
Minor NC	Closed	The incorporation of the human resources that make up the team expected to execute the management and control tasks of the EEA Financial Mechanism Funds had not been completed in 2013, although the team was completed during 2014.	23.09.2015 AG: 4 employees conforms the Programme Management Team	Adequacy of human resources	09/12/2014		Evaluation component 1
Minor NC	Closed	The control system and procedures performed on the IFRs corresponding to expenditure handled in 2013 adapted to the standards of the UCM as regards expenditure management. However, these expenditure control systems and procedures have subsequently been adapted to the Programme's specific nature in the been reserved. Management and Control Systems document, approved by the IGAE in 2014. Taking into account that the expenses correspond to the Programme management, the amount is not high and the Programme is at its initial stage, the fact the control aspects: is not perfect does not imply a high risk. As a result, the University has. its own expenditure control system, like any other public organism. The IGAE, acting as the Audit Authority, reviewed and authorised the control lists in 2014. The Programme Operator has not performed a retrospective review of the IFRs corresponding to 2013 with the new lists implemented.	23.09.2015 AG: From the beginning Checklists providing coverage control Programme from the start. Formalizing management system was post-Programme startup See screenshots for documentation updates / formats.	Existence of appropriate control lists for verifying expenditure	09/12/2014		Evaluation component 3
Minor NC	Open	The information security systems have not been accredited by any of the existing external accreditation standards (ISO, AENOR, etc.). We stress that this condition would be desirable but not obligatory.	23.09.2015 AG: UCM IT infrastructure	External accreditation certificate of the Entity's general systems	09/12/2014		Evaluation component 5
Minor NC	Closed	It is recommended to implement reviews with the aim of identifying additional risks (to the ones already identified) that could occur during the execution of the Programme. In respect to the risks that were identified by the Annual Report, the current situation of the previously mentioned risks is shown, as well as the actions planned for mitigating them. The risks have been quantified in those cases when, due to their nature, the possibility exists. The annual report monitors these risks, setting forth the current situation in respect to the initial situation.	23.09.2015 AG: It were highlighted the performance of risk assessment in the proposed Programme which was approved by the NFP and FMO Progress reports on the Programme steering committee meetings Review of progress and implementation of the Programme in 2013 annual activity report-annual 2014	Programme risk assessment	09/12/2014		Evaluation component 6
Minor NC	Closed	According to the Gender Report provided, some weaknesses regarding gender mainstreaming (the incorporation of perspective) were detected during the	23.09.2015 AG: Equality Plan Programme Statistical treatment that breaks down gender	Assessment of gender equity in the Programme	09/12/2014		Evaluation component 6

Grade 1	Status 2	Finding 3	Correction, root cause and review of the corrective action 4	Process / Aspect 5	Date 6	Reference 7	Clause 8
		execution of the Programme. There is no confirmation that the Programme Operator had established policies and procedures aimed at rectifying the previously mentioned weaknesses in 2013.	Use of expert evaluators Prioritization of beneficiaries (PROJECT STUD) Promoting equality (course in July 2015 at El Escorial).				
Minor NC	Closed	Throughout 2013, the Operator provides no evidence of the establishment and maintenance of procedures for preventing, identifying and managing cases of corruption and bad management in the projects. Said procedures should offer a quick and professional response to the irregularity, bad management and corruption indicators.	23.09.2015 AG ES07 management control system Manual v3 E.8 process of prevention, detection, reporting and correction of irregularities implemented	Implementation and execution of policies related to good governance.	09/12/2014		Evaluation component 6
Minor NC	Closed	The lack of control staff and the limited definition of the lists to be used mean that the audit trail of the controls of the expenditure declared in the IFRs for 2013 could be improved.	23.09.2015 AG ES07 management control system Manual v3 Projects evaluated 2013-2014.	Existence and compliance of a procedure for issuing an IFR	09/12/2014		Evaluation component 7
Minor NC	Closed	Although the estimates are not made randomly, there have been significant deviations between the sum of estimated expenditure and the expenses that really incurred. This is mainly due to the donor partner's failure to comply with the obligation to provide technical assessments (remunerated). It is recommended that the estimates include the concepts in such a way it identifies the pertinent deviations.	23.09.2015 AG Rejected recommendation by the Programme Manager	Established actions for calculating the estimated expenditure	09/12/2014		Evaluation component 7

## Check-list and evidences

Document control will be audited in each component

### Assessment Component 1: Functional Independence between the grant/Project managers and the expenditure verifier:

Assessed aspect	Y/N/ N.A		Evidence
<b>Definition of the structure</b>			
110. It is defined and organisational chart of the units of the Programme Operator that are involved in the management and control of the EEA GRANTS Financial Mechanism.	Y		Management and control System Manual v3.
111. It is defined a work flowchart of the units of the Programme Operator that are involved in the management and control of the EEA GRANTS Financial Mechanism.	N		There is a workflow, but not formally documented in the form of workflow. In the Management and Control System Manual v3 tasks to be performed are defined. The sampling of the projects has shown the existence and knowledge by the team of the task sequence.
<b>Definition of functions</b>			
112. Is there an assignment of functions at a divisional level and, if applicable, at a work post level, defined in writing	Y		Management and control System Manual v3.
113. Is this information published and distributed among employees?	Y		Internal weekly team meetings. There is no evidence in the form of minutes of meeting. Interview team staff Ok.
114. Is there established the appropriated policies and procedures for authorising and approving operations at an appropriate level?	Y		Management and control System Manual v3. Using methods and procedures of the UCM
<b>Adequacy of human resources</b>			
115. Is there a study that assesses the adequacy of the assigned human resources?	Y		Made meetings UCM Management Committee. There is no evidence in meeting minutes.
116. Identify if the personnel in charge of the Programme is: - Personnel allocated (if it is the case, assess the imputation system of the allocated personnel). - Personnel contracted	Y		Management and control System Manual v3.
117. Are the human resources allocated enough? As a guidance, you should assess the following aspects: • Meeting deadlines in the management of the	Y		Made meetings UCM Management Committee. There is no evidence in meeting

Assessed aspect	Y/N/ N.A		Evidence
Programme. • Volume of managed expenses.			minutes. The sample project demonstrates the adequacy of human resources allocated.
118. Evaluation of the qualification of the human resources allocated? • Bachelor or Ing superiors/Total of people • Graduates or engineering technicians/Total of people • Staff involved in the management level (range within the Organization) • Level and capacity in Languages/Total of people, Mandatory English	Y		The sample project demonstrates the adequacy of human resources allocated.
119. Are there established plans of contingencies for the assumption of tasks in case of removals of staff in charge of in personnel management and verification of the Programme?	Y		There is a method but not formally documented. Internal weekly team meetings. There is no evidence in the form of minutes of meeting Basic tasks: - Technical verification - Verification IFR's - Bilateral agreements control
120. Existence of separation between the people or units in charge of Project management, expenditure verification, payment procedures, accounting? Is this supported and documented property?			
121. Are the staffs involved in the Financial Mechanism management aware of this separation of functions?	Y		Organization chart defined at the Management and control System Manual v3.
122. Is it existed for the preparation and processing of IFR 2014 a separation of functions : • Project management, Unit teams in charge • Expenditure verification, • Payment procedures, • Accounting	Y		Internal weekly team meetings. There is no evidence in the form of minutes of meeting. Interview team staff Ok.
123. Are there established policies to mitigate the risks of conflicts of interest? (a copy of the same)	Y		Organization chart at Management and Control System Manual v3 - Development: Programme Manager - Approval: Management UCM - Verification: NILS Control Unit / UCM - Processing of payments: NILS Management Unit / UCM - Processing accounting: UCM
<b>Conflict of Interests (Good Governance)</b>			
124. Are there established policies to mitigate the risks of conflicts of interest? (a copy of the same)	Y		Management and Control System Manual v3 Transparency International report 9/14/2014
125. Where are published these policies at	Y		Management and Control System

Assessed aspect	Y/N/ N.A		Evidence
organisational level?			Manual v3
126. Are the staffs involved in the Financial Mechanism management aware of these policies as well as the protocols for ensuring they are complied with	Y		Management and Control System Manual v3
<b>Decentralization/delegation of functions</b>			
127. If there are delegated functions, is there in place an appropriated supervision and monitoring of these activities? - How and when are these activities monitored? - Is the information flow and reporting clearly established?	N/A		They have not been carried out or outsourcing activities by the Programme Operator or by Projects Projects Promoters.
<b>Hiring and selection of Human Resources</b>			
128. Are there regulations and procedures for hiring, training, motivation, assessment and remuneration? (Transparency)	Y		3 Technical contracted by the Programme Manager UCM recruitment procedures
129. Is included the candidate adequacy evaluation to the Job Profile in the recruitment procedures? (Specifically languages and Knowledge of the Programme)?	Y		There is a method but not formally documented. The Programme Manager defined the technical profile required and the Commission on Selection and Employment of UCM drove the selection and hiring.
130. Are implemented measures towards work-life balance?(Copy)	Y		There is a method but not formally documented. Main action: flexitime
131. Is it respected gender equity in : • Hiring • Staff structure • Specific Programme Committees	Y		There is a method but not formally documented. The Programme Manager defined the technical profile and the Commission on Selection and Employment of UCM drove the selection and hiring. The team involve 3 women and 1 man.
132. ¿Is there a mechanism to measure the level of employees satisfaction related to • Level of competence to develop the functions. • Workload • Training is reasonable to carry out the allocated tasks	Y		There is a method but not formally documented. Meetings Programme Manager with each team member + supervising work continuously. Workload controlled through internal planning and control tools: excell sheets and internal databases.
133. In the assessed period, is there a training plan? Has it been carried out additional training for complement the Programme? (Obtain details)	N Y		There is a method but not formally documented. Activities: • Self-training • Internal Weekly meetings • Participation in events
<b>Provision of Technical Means</b>			
134. Existence of a work conditions study?	Y		Service provided by the UCM H&S

Assessed aspect	Y/N/ N.A		Evidence
135. Request a description of the technical means that are available to the Programme Operator to carry out the Programme. <ul style="list-style-type: none"> <li>• Physical Location – Location and conditions (lighting, furniture, storage...).</li> <li>• IT systems (PC, laptops, tablets, printers, scanners, mobile phones, travels..).</li> </ul>	Y		Department Infrastructure: 49 m2 + 27 m2 with office furniture. Computer equipment: 3 PC's + 1 laptop + 3 printer / scanner + fixed-network and mobile data. Travel: IFR's justified
136. Has implemented the Operator Programme a preventive detection system of deficiencies in respect to Technical means (personnel consultation, periodical analysis etc...)?	Y		There is a method but not formally documented. Made meetings UCM Management Committee. There is no evidence in meeting minutes.
137. Does it consider the involved personnel in the Programme that the Technical Means is adequate for the implementation for the Programme?	y		There is a method but not formally documented. Made meetings UCM Management Committee. There is no evidence in meeting minutes.

The other aspects related to IT means are assessed in the Component n° 6

## Assessment Component 2: The Projects activities are those selected for the Programme

Assessed aspect	Y/N/ N.A		Evidence
<b>Pre-defined Projects</b>			
5. Definition of controls aimed at verifying that the expenditure declared for pre-defined projects comply with the criteria approved by the Programme Agreement, or by the document of Approval	N/A		No Pre-defined Projects NILS
<b>Projects defined by calls</b>			
58. Is there a Project announcement procedure in accordance with the legislation on subventions?	Y		Management and Control System Manual v3
59. Does this procedure assure the verification of project compliance of the particular and general objectives of the programme	Y		Calls restrictive Criteria adjustment Programme. ABEL System Evaluation and Selection Committee Proceedings of draft resolution published on the web. File folder general calls + resolution minutes + minutes of the Steering Committee approval.
60. If this procedure exists, it is requested a description or a reference to the document	Y		E.1 process of selection and approval of project.
61. Are established verification procedures that assure that the selected projects are aligned to the grant announcement and the conditions of the Grant?	Y		E.2 Procedure for management and monitoring of the Programme and projects
62. ¿Are available records of these verifications including specifically that the selected projects are aligned to the grant announcement and the conditions of the Grant?	Y		E.3 expenditure verification procedure (technical monitoring and financial verification)
63. The verification of the project announcement maintains evidences of: <ul style="list-style-type: none"> <li>The conditions that have to be met in order to be eligible to receive funding</li> <li>The project selection criteria that are going to be weighted.</li> <li>The procedures and terms for evaluating projects.</li> <li>Beneficiaries' obligations and rights</li> <li>Description of the organs and commissions in charge of selecting the projects</li> <li>The objective and possibilities for creating networks with entities of the donor countries.</li> <li>Specification that the acceptance of funds implies accepting to disseminate a summary of the project and the main contact details</li> </ul>	Y		Use of Check list FMO (internal) (includes reviewing data: deadline & submission + eligibility + selection criteria & procedures, financial conditions, additional information other requirements) The calls were in all cases with 4 weeks before the FMO and the NFP for verification & approval
<b>Technical Assistance</b>			
64. Is established quality procedures by the Operator Programme that assure that the declared expenditures in technical assistance are really technical assistance?	N/A		
65. Are there implemented policies in the organization related to expenditures execution aligned with the economy principles assuring efficacy? (Economic	N/A		



Assessed aspect	Y/N/ N.A	Evidence
sustainability)		
<b>Bilateral Activities</b>		
66. Is established quality procedures by the Operator Programme that assure that the declared expenditures in bilateral activities are really expended in bilateral activities?	Y	Call projects method implemented
67. Are there implemented policies in the organization related to expenditures execution aligned with the economy principles assuring efficacy? (Economic sustainability)	Y	Call projects method implemented Calls for projects Project selection system in Selection Committee E.1 process of selection and approval of project.
68. Are there established reporting or results monitoring systems of the bilateral activities?	Y	Reporting Methodology Technical report + financial report
69. Is a procedure established for the effective verification of principles of equality and publicity in the management of Financial Mechanism Funds?	Y	Approval system calls Calls for projects System control of projects implemented by the Programme Management team during project execution. Evidences checked at project files (advertising, use NILS logos, publications)
70. Is a procedure established for the effective verification of principles of equality and publicity in the management of Financial Mechanism Funds?(See requirements Annex IV Regulation)? This procedure shall include the project announcement reviews	Y	<ul style="list-style-type: none"> <li>• Signed agreement with each Project Projects Promoters.</li> <li>• System control of projects by the Programme Management team during project execution. Evidences checked in project files (advertising, use NILS logos, publications)</li> <li>• Projects Promoters have reported the media, dissemination and publicity of the project activity at every quarterly report.</li> </ul>
71. Has the Operator Programme adequately meet with the transparency principles in the management of the Funds of the Financial Mechanism(See component number 6)	Y	<ul style="list-style-type: none"> <li>• Web: <a href="http://www.nilsmobilityproject.es">www.nilsmobilityproject.es</a></li> <li>• Calls evaluation and approval method implemented</li> <li>• Internal control system of the Project Projects Promoters activity reports</li> <li>• There have been no "on site" visits</li> </ul>

### Assessment Component 3: The verification procedures used by the Programme Operator are appropriated:

Assessed Aspect	Y/N/ N.A	Ref. WP	Evidences
<b>Admin. Controls</b>			
93. Are there established administrative verification procedures for 100% of the expenditure declared in the IFR(the check-list can be manual or computerised or any other system can be used)	S		E.3 procedures for verification of expenditure (technical monitoring and financial verification)
94. If that is not the case, is there a review procedure that included a report model, sampling systems which assure that a risk assessment forms the basis for selecting the expenditure If yes, check that the Programme Operator keeps evidences of the sampling method applied and the selected sampling	N/A		
95. Are the evidences of these verifications kept in documents or reports? If yes, please include a copy of the report or document form	Y		Checklists filed in project folders See list of checklists forms
96. Are the evidences of controls carried out kept, for example: record of control lists including the completing date? Are procedures established for supervision and follow-up of incidences?	Y		Checklists filed in project folders E.2 Procedure for management and monitoring of the Programme and projects
97. Are recorded in the control lists or reports the detected incidences or observations?	Y		Checklists filed in project folders
98. Are there implemented control systems that prevent continuing with the justification and statement of expenses if the control lists have not been completed or the pending issues have been resolved?	Y		<ul style="list-style-type: none"> <li>specified in the agreements with the Projects Promoters (ex: clauses retaining 20% of the project financing)</li> <li>communications file to Projects Promoters in physical and electronic folders</li> </ul>
99. Does the established control systems assure the verification of the following aspects: <ul style="list-style-type: none"> <li>The expense has neither been paid nor justified previously or in other projects or against other funds.</li> <li>The expense is real and has been made</li> <li>Reconciliations are made between the support documentation and the expense statement</li> <li>Conceptual eligibility of the expenditure</li> </ul>	Y		Financial verification is done by the intervention area of the UCM. The method is robust and consistent. It is evidenced by records of the monitoring results in project folders.
100. Are there implemented retention and conservation procedures of the supporting original documentation?	Y		E.4 Registration procedures and accounting of project expenditure.
<b>On site control</b>			
101. It has been established an on-field verification programme/plan of the projects? Obtain a programme	Y		E.3 expenditure verification procedure E.3.2 Monitoring and financial /

Assessed Aspect	Y/N/ N.A	Ref. WP	Evidences
			field verification checks E.2 Procedure management and monitoring of the Programme and projects. Internal document control 100% of projects.
102. Level of compliance of the plan/programme mentioned below	N/A		Internal document control 100% of projects. They have completed control requirements of each step specified in the applicable procedures. Evidences filed in the project files.
103. Is there established a visit report/plan which includes the verification scope and procedures?	Y		There have been no "on site" visits so far
104. Is there established a visit report/plan which includes physical and financial implementation? Obtain a copy	N/A		N/A
105. Is there a sampling systematic documented for selection the on field verification Project/activities?	Y		E.3.2 Monitoring and financial / field verification checks
106. Check that the operator Programme keeps evidence of the sampling plan applied and the selection	N		See opportunity for improvement recorded in table n° 2 of the report
107. Check that the sampling has been effectively implemented	Y		Fully internal document control of projects. Coherent, robust and effective project control.
108. Check that the sampling plan assure:: <ul style="list-style-type: none"> <li>• Verification on field of 5% of the amount declared in the IFR for projects (defined by announcement or predefined).</li> <li>• Verification of 25% of the amount declared in the IFR for concepts other than projects that have been verified in the field</li> </ul>	Y		It has not been used a sampling method. Made 100% control checks of projects Fully internal document control of projects. Coherent, robust and effective project control.
109. Check that the sampling plan is representative, taking in account risk criteria and random sampling systems too	N/A		It has not been used a sampling method. Made 100% control checks of projects Fully internal document control of projects. Coherent, robust and effective project control.
110. Check that the projects/activities verifications are included the expenditure declared in previous certifications	N/A		It has not been used a sampling method. Made 100% control checks of projects Fully internal document control of projects. Coherent, robust and effective project control.
<b>Irregularities Monitoring:</b>			
111. Are procedures implemented that generate evidence of the expenditure that is rejected and considered irregular?	Y		See table n° 4 this report

Assessed Aspect	Y/N/ N.A	Ref. WP	Evidences
112. Do these procedures let the identification of the root cause of expenditure rejection?	Y		E.3 expenditure verification procedure E.3.2 Monitoring and financial / field verification checks E.4 accounting and spending procedures for the projects E.6 procedures to ensure an adequate audit trail. E.8 Procedures on prevention, detection, reporting and correction of irregularities Checklists: LC12 check advances to project developers form LC 13 Check-certification report financial costs of Projects Promoters form
113. Do these procedures let the identification of the root cause of each error that appears?	Y		Evidence discrepancies records, communications with developers and evidence of resolution project files
114. Do these procedures establish how investigate and quantify the systematic errors?	Y		Evidence discrepancies records, communications with developers and evidence of resolution project files
115. Do these procedures provide reference for obtaining evidence of other irregularities apart of rejected expenditure?	Y		E.8 Procedures on prevention, detection, reporting and correction of irregularities (technical and administrative) Evidence discrepancies records, communications with developers and evidence of resolution at project files.

#### Assessment Component 4: The audit trail is appropriate and sufficient

Assessed aspect	Y/N/N.A	Evidence
53. Is there established a control and review documentation system of the implementation process of the Programme in the period?	Y	Management and Control System Manual v3 E2 Procedure management and monitoring of the Programme and projects (Evidence in physical and electronic records)
54. Is a flowchart available which included the process and verification documents?	N	There is a workflow, but not formally documented Management and Control System Manual v3 cover and define the tasks to be performed

Assessed aspect	Y/N/N.A	Evidence
		The sampling of the projects has shown the existence and knowledge by the team of the task sequence.
55. Is this flowchart updated when it is necessary?	Y	Management and Control System Manual v3
56. Is this management system known by the relevant staff?	Y	Internal weekly team meetings. There is no evidence in the form of minutes of meeting. Interview team staff Ok.
57. Carry out a compliance test about 10 random elements to check that all has been processed in a proper way and they are in the selected site	Y	See table n° 4 this report
58. Check that detailed account records are maintained that could check expenditures carried out in several stages and the agents	Y	See table n° 4 this report
59. Check that the accounting system could let identify each transaction related projects/actions and identify the certified amounts and payment of the public contribution to the Projects Promoters or the beneficiary.	Y	See table n° 4 this report
60. Check that a proper Justification documentation retention system of all the process is implemented	Y	See table n° 4 this report
61. Check that are properly retained for each Project: Technical Specifications, Financial Plan, documents relating to the approval of the concession or spending, documents relating to public administration procurement procedures, the progress reports and verification reports	Y	See table n° 4 this report
62. Check if the Operator Programme carries out verifications to verify if the Project Projects Promoters meets the established requirements and that the Project Projects Promoters has been implemented systems for the verification of the accountability of grant beneficiaries.	Y	See table n° 4 this report
63. Check if the Operator Programme assure that the Project Projects Promoters and the beneficiaries maintain a separate accountability system for transactions related to operations subject to co-financing or account with appropriate accounting codification for clearly identifying such transactions, and the sources of project financing	Y	See table n° 4 this report
64. Check that clear instructions have been communicated to the Projects Promoters and beneficiaries about maintaining files administrative documentation	Y	See table n° 4 this report
65. Check that the organisation meet the record retention requirements according the Regulation	Y	5 years of file documentation and records, both to the Programme Manager and Projects Promoters

## Assessment Component 5: An appropriate IT Tool is used

Assessed aspect	Y/N/ N.A	Evidence
53. Identify the IT systems and software used for implementation of tasks related to the Programme Operator	Y	<ul style="list-style-type: none"> <li>Application DORIS</li> <li>Excel sheets (internal)</li> <li>Database (internal)</li> </ul>
54. Has the Programme Operator been externally certified (ISO, AENOR, etc...) (Include specific Certification, if any.)? If yes, is it included in the scope all the Project management activities and grants verification of EEA Financial Mechanism?	N	
55. Does the involved personnel the implemented systems?.	Y	The Management Programme Team is versatile in the tasks to be done
56. Do the IT systems include financial management? ¿Or includes too document and records management?	N	Programme Manager has access an electronic site in the UCM server for electronic filing of project files The email accounts are managed by the UCM
57. How is it structured?		See below
58. Is this IT Tool integrated totally or partially en the IT Systems of the Operator Programme or it Works as an independent tool? Is it designed specifically for EEA Grants?	N  N	<p>Financial control systems (SAP) of the UCM are independent of the control tools and project Programme used by the Programme Manager.</p> <p>The Programme Manager not use or have access to the tools of financial / accounting control of the Programme or projects.</p> <p>Control tools and project program used by the team from the Programme has been designed by the team itself.</p>
59. Is it allocated the property for each application and database in the IT infrastructure?	Y	Access permissions are clear and established
60. Is it included all the relevant information to meet the requirements of transparency and good governance in the management Programme?	Y	Annual reports 2013 & 2014
61. Does it Provide (or could provide) all the necessary information for management. Specially, statistics and outputs indicators.	Y	Annual reports 2013 & 2014
62. Are the responsible persons identified?	Y	Management and Control System Manual v3
63. Is there implemented a back-up protocol for information recovering in case of disaster or documentation loss? .	Y	IT procedures UCM.
64. Are these systems appropriately updated?	Y	IT procedures UCM
65. By area?	Y	By project

Assessed aspect	Y/N/ N.A		Evidence
By functions? By projects? By budget headings?			

## Assessment component 6: Horizontal and cross sectional risks and issues.

Assessed aspect	Y/N/N.A	Evidence
<b>Programme risk assessment</b>		
137. Has been the Programme Operator establish any risk assessment system of the functions performed?	Y	<ul style="list-style-type: none"> <li>Applied risk assessment methodology in program design (proposal of December program 2012)</li> <li>Applied risk analysis assessment approach at 100% calls evaluation for all projects</li> <li>Communications to all Projects Promoters in order to implement actions to drive identified risks</li> <li>Control implemented by the Management Program Team to the Projects Promoters about their actions implemented</li> </ul>
138. Is there a work Protocol that assessed the detected risks and depending on their level it contemplates the implementation of a work plan designed to overcome said risks?	Y	Management and Control System Manual v3
139. Has been identified in the Annual report the main risks of the Programme Operator?	Y	Paragraph 11 Annex 1 to the 2014 annual report covering the 3 vector program
140. The indicators used for detecting risks are appropriately supported and offer guarantees that no significant risk for the Programme will be omitted	Y	Risk scenarios and assessment of probability and consequence / impact clear and consistent defined and implemented
141. Is there implemented a proactive or reactive risk management culture?		Proactive
142. Has the Programme Operator been externally certified (ISO, AENOR, etc...) (Include specific Certification, if any.)? If yes, is it included in the scope all the Project management activities and grants verification of EEA Financial Mechanism?.	N	
<b>Advertising and communication (Transparency)</b>		
143. Is any event carried out by the Programme Operator for advertising and communication of the Financial Mechanism? What type of events?	Y	Campaign first trimester 2014: <ul style="list-style-type: none"> <li>Brochures</li> <li>Web: <a href="http://www.nilsmobilityproject.es">www.nilsmobilityproject.es</a></li> </ul>



Assessed aspect	Y/N/N.A	Evidence
		• Events: presentation of the NLS program Universities Conference
144. The Grant announcements include the participation of the Financial Mechanism?	Y	100% of the calls clearly indicate the basis of NLS participation requirements
145. Has been the Transparency Principle met by announcement grants publication where relevant for the Financial Mechanism Funds?	Y	100% calls published on the web Dissemination: Vice-Chancellors of public and private universities, research departments, project of Spanish and foreign research.
146. Is it included in a webpage?	Y	Web: <a href="http://www.nilsmobilityproject.es">www.nilsmobilityproject.es</a>
147. This Financial Mechanism Participation webpage is independent of the main webpage of the Programme Operator?	Y	<a href="http://www.nilsmobilityproject.es">www.nilsmobilityproject.es</a>
148. The Programme Operator Public actions refers to the participation in the Financial Mechanism Funds and redirecting to the webpage	Y	<a href="http://www.nilsmobilityproject.es">www.nilsmobilityproject.es</a>
149. The Grant announcements include the participation of the Financial Mechanism?	Y	Communication files
150. Is it considered enough the Communication team? Is it required the NFP collaboration?	Y	It has collaborated with the NLS program NFP- mention on the website of the Ministry of Finance and Public Administrations
151. Is it defined and implemented a communication policy with NFP? (which mails/communications is included NFP, although they were not the main recipient)	Y	There is a methodology, but not formally documented. Communications to FMO cc the NFP
<b>Gender Equity in the Programme</b>		
152. What procedures have the Programme Operator has been established to meet the gender equity policies? For example un project calls	Y	E.1 process of selection and approval of project. It has been applied the principle of gender equality in projects STUD
153. Analyse the systems established by the operator's program that will ensure compliance with the rules of the General Law on subsidies or public procurement: <ul style="list-style-type: none"> <li>Relationships with third parties who provide services</li> <li>Management of the expenses of the program.</li> <li>Relationship and activities of Projects Promoters.</li> </ul>	Y	Procedures UCM A.1 Procedures for selecting and approving projects M1 model project agreement-STUD M2 model project agreement ABEL E.5 Procedures issuing reports + reporting models Checklists LC13 and LC 14 for certification of expenditure by the Projects Promoters and program expenditures

Assessed aspect	Y/N/N.A	Evidence
respectively.		
<b>Good Governance</b>		
154. Implementation of Transparency Law	Y	UCM transparency portal Web: <a href="http://www.nilsmobilityproject.es">www.nilsmobilityproject.es</a>
155. Implementation of procedures, analysing: <ul style="list-style-type: none"> <li>- Are there established</li> <li>- Right moment.</li> <li>- Content (theoretical and practical based in the users comments)</li> <li>- Diffusion Level</li> </ul>	Y	Control procedures at Management and Control System Manual v3.
<b>Sustainability: Environment</b>		
156. Is the Programme Operator certified in ISO 14001 or equivalent standard?	Y	
157. ¿Is an Environmental Manual or Policy implemented?	Y	UCM environmental policies
158. Are there environmental practices implemented as; energy consumption, recycling material use, reutilised materials used or reduction of paper consumption?	Y	UCM environmental policies
<b>Social Sustainability</b>		
159. Which analysis procedures have been implemented related with social sustainability?	Y	Activity Report Projects Promoters Information gathered from participants (students / researchers) (eg student satisfaction survey conducted by the University Ramón Llull) Information on agreements and established relationships between institutions, research programs, research and publications.
160. Has been designed the Programme in order that the results affect a sufficient number of people (Because the groups are large or because they are significant in themselves)?	Y	See above
161. Do the social consequences of this Programme last in the long term or even make their results have a multiplying effect? For example: To continue with this initiative other groups or companies? Would that trigger additional investigations?	Y	See above
162. The Programme Operators itself or by NFP promotes the "lessons learnt" effect for other Programme and activities (meetings, memorandums, feed-back)	Y	Meetings scholarship (4 made in the period) + minutes with recommendations and best practices to be implemented (ex: minute meeting dated 22/10/2014)
<b>Economic Sustainability</b>		
163. Are there implemented policies for analyse the economic sustainability of the Programme?	N	Not formally documented

Assessed aspect	Y/N/N.A		Evidence
164. Has the Programme Operator implemented systems and controls for monitoring the Programme effects in terms national, regional or local economic development?	N		Not formally documented
165. What positive effects had the Programme originated as regards the creation of Jobs?			The staff hired to the Management Programme (4 people)
166. What impact has the Programme originated in Projects Project Promoters, partners, participants, etc...?			Positive High degree of participation and interest Positive experience for beneficiaries (personal and professional), increasing their employability Establishing relationships between institutions and research projects The Erasmus project has considered and positively taken into account the NILS project
167. Has created the Programme a positive environment for developing and delivery of key services?	Y		High level of support from the Management Program team to the Projects Promoters involved
168. Is there available a cost-benefit analysis of the Programme?	N		Not formally documented
169. Are obtained results justified, against expenditures, considering alternative solutions?	Y		Steering Committee / Selection Committee
170. Once the support has of the Financial Mechanism has finalised, other supports from other entities (public or private) have been managed?	N/A		

## Assessment component 7: Appropriate procedures for drawing up an IFR

Assessed aspect	Y/N/N.A	Evidence
21. Check that the Operator Programme gives instructions in systematic way to the Projects Project Promoters to make their expenditures declaration	Y	Communications to Projects Promoters about instructions and forms to use Agreements with Projects Promoters
22. Check that the Operator Programme has received, reviewed and the legality and regularity of expenditures declaration.	Y	Project files Verification: NILS Control Unit / UCM
23. Determine that they are established procedures for arithmetically check all payment requests	Y	UCM Procedures Project files Verification: NILS Control Unit / UCM
24. Check that there are procedures for calculated the estimated expenditure which ensure that the calculations have not been carried out randomly	Y	UCM Procedures Project files Verification: NILS Control Unit / UCM
25. Check that the Programme Operator holds periodical meeting with the NFP or other Programme Operator to receive instructions and make comments about management procedures aimed at the appropriate rendering of the IFRs	Y	Presence during the audit how the Program Manager support the phone calls from the Projects Promoters

Identify the personnel that have been participated in management and verification tasks declared in IFR presented in 2014-2015.

Name and Surname	Category	Department	Management (G) Verification (V)	Assigned (P) Contracted (C)	Training (*)	Languages English	Accreditation (***)	Years of work experience	Years of work experience In the entity
Marta Arregui	Programme Manager		Manager/Coordination/ Programme technical management	C	6	3	Y	22	8
Isabel Sánchez	Programme Technical staff		Programme technical management	C	6	1	Y	16	1,5
Alberto Casal	Programme Technical staff		Programme technical management	C	6	1	Y	16	3
Rebeca Bello	Programme Technical staff		Programme technical management	C	6	2	Y	14	1

(\*) Training:

(25)Basic General education

(26)medium-grade professional training

(27)premium grade vocational training.

(28)Diploma

(29)Degree

(30)Other studies (Masters, Post-grade, etc...)

(\*\*)Language accreditation



## 7. Quality Audit Plan EAA Grants ES07

**Site**

- MADRID COMPLUTENSE UNIVERSITY

**Programme**

- PROGRAMME ES07 - SCOLLARSHIPS

<p><b>Verification type</b> Quality Audit to Management and Control System and its implementation in 2 projects</p>	<p><b>Audit criteria</b></p> <ul style="list-style-type: none"> <li>- Financial Mechanism 2009-2014 (EEA Grants) and its annexes</li> <li>- The Memorandum of Understanding signed by Spain -Financial Mechanism on 15 November 2011</li> <li>- Rules and Procedures 2009-2014             <ul style="list-style-type: none"> <li>• For the implementation of Financial Mechanism EEA</li> <li>• Protocol 38, Enlargement Agreement.</li> </ul> </li> <li>- Programme Agreement and Programme Implementation Agreement</li> <li>- Manuals and Management and Control Systems document approved in 2014</li> <li>- Instructions NFP and FMO</li> </ul>
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<p><b>Audit Team</b> Aurora Gil</p>	<p><b>Audit dates</b> 22nd and 23th of September 2015</p>	<p><b>Issue date</b> 21/09/2015</p>
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<p><b>22nd September 2015</b> UCM</p>	
<p>8.30 h</p>	<p>Opening meeting with implementation Programme Team: Presentation of the audit team, plan, methodology report</p>
<p>09.00</p>	<p>Management and Control System Manual for EEA GRANTS 2009 2014 Programme Agreement Programme Implementation Agreement 2009 2014 Organization structure and responsibilities, Sufficiency of means and human resources Good governance, Horizontal concerns and cutting-cross Issues Delegation of functions-Subcontracting Technical means</p>
<p>11:00</p>	<p>Procedures of Projects management and monitoring (financial terms, eligible costs, ....)  <ul style="list-style-type: none"> <li>• System of Reports</li> </ul>           Procedure of Project Expenditure Accountability and Record            Procedure of Programme Operator Expenditure Accountability and Record            Procedure IFRs Elaboration            Procedure Expenditure Verification            Economical Management and Payment request Verification            Technical Assistance. Bilateral Activities</p>
<p>12:00</p>	<p>Project Monitoring Procedures  <ul style="list-style-type: none"> <li>- Monitoring Plan and modification</li> </ul> </p>



	<ul style="list-style-type: none"><li>- Report Emmissions Procedure</li><li>- Programme Audits</li><li>- Verifications</li><li>- On site Verifications</li><li>- Irregularities/desviations and monitoring (DORIS)</li></ul>
13.00-14.00	Documentation Control and Project records retention. Data and IT Security
15.00-17:00	Report Preparation

**22 September 2015.**

**UCM**

8.30-13.00	2 Projects Evaluation Control and Planning Programme Progress Irregularities
13.00-14.00	Closing meeting
15.00-17:00	Report



## Quality assessment of the systems and procedures for the implementation of the Programmes Financial Mechanism EEA-GRANTS 2009-2014.

### Ex- ante analysis

#### Programme Numbers:

ES02, ES03, ES04, ES05 & ES07

#### Intervention Mechanism:

Financial Mechanism EEA-GRANTS 2009-2014.

#### Programme Operators

CDTI, Center for Technological Industrial Development

POAS, NGO Platform of Social Action (POAS)

State Secretariat for Social Services and Equality (Ministry of Health, Social Services and Equality)

State Secretariat of Culture (Ministry of Education, Culture and Sports)

Madrid Complutense University

#### Period:

2014 and first four-month period 2015.

**Referencia LRQA:** SGI2944066/0030  
Form. MS83F43006/13 - L113 Report - **¡Error! Nombre desconocido de propiedad de documento. ¡Error! Nombre desconocido de propiedad de documento. ¡Error! Nombre desconocido de propiedad de documento. - 5-**



**Fechas de auditoría:** September and October 2015  
**Localización:** MADRID.  
**Norma de auditoría:** Check-list, Procedures and Management System Control  
**Equipo auditor :** OLGA RIVAS , FERMIN FARIÑA Y AURORA GIL

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## Annexes

### This report was presented to and accepted by:

Name:	Pilar Soler Moisés Blanco
Job title:	National Focal Point



Lloyd's Register  
LRQA

## 10. Report explanation

### Introduction

*The Memorandum of Understanding signed by Spain with the Donor States on 15 November 2011 establishes that in Spain the Deputy General Directorate for European Territorial Cooperation and Urban Development will act as the National Focal Point (hereinafter, NFP) for the Programme co-funded by the EEA (European Economic Area) Financial Mechanism 2009-2014 (EEA Grants).*

*NFP's responsibilities include controlling the implementation of the Regulation of Financial Mechanism and the Programme Agreement. LRQA España, SL has been hired to verify the quality of the operations and procedures in view of the objectives set by the EEA Grants according the Programme and the applicable standards.*

*The Programme Implementation Quality audit was carried out on the site of the Programme Operator and includes, if it is applicable, the quality of implementation in an adequately sampling of projects*

*The quality audit has been focused on:*

- *The proper achievement of the objectives established in the Programme Agreements between the FMC (Financial Mechanism Committee) and Programme Operators, based in the "Regulation on the Implementation of the European Economic Area (EEA) Financial Mechanism 2009-2014 and the Management and Control System of each Programme Operator approved by the "Intervention General del Estado, here in after IGAE acting as Audit Authority and the Financial Mechanism Office, here in after (FMO)*
- *Quality Verification was performed on those projects and activities whose operations were carried out in year 2014 and first four month period 2015 presented by Programme Operators and Projects Promoters, as well as verifying the systems to prepare the estimate of expenditure and calculate the advance payments.*
- *It was requested to each Programme Operator a list projects in order to select that with a high level of implementation and significant expenditure in order to verify the implementation of the projects.*

*This report contains the initial state "ex-ante" of each EEA Grants Programme It was taken from the report of the previous auditor report and the findings were literally classified using the LRQA definitions fo Major and Minor Non conformity included in the last clause*

### Definitions of Grade Findings

#### **Major Nonconformity**

*The absence of, or the failure to implement and maintain, one or more management system elements, or a situation which would, on the basis of the available objective evidence, raise significant doubt of the management to achieve:*

- *compliance with the applicable regulatory requirements*

- *conformance to applicable Interested Parties*
- *Conformance with the audit criteria deliverables.*

**Minor Nonconformity**

*A finding indicative of a weakness in the implemented and maintained system, which has not significantly impacted on the capability of the management system or put at risk the system deliverables, but needs to be addressed to assure the future capability of the system.*

**Additional information**

**Confidentiality**

*We will treat the contents of this report, together with any notes made during the visit, in the strictest confidence and will not disclose them to any third party without written client consent.*

## 11. Executive report for Deputy General Directorate for European Territorial Cooperation and Urban Development (National Focal Point/NFP)

### Audit Result:

As result of the evaluation of the management and control system applicable to the Programme ES02 Programme Environmental Change and Climate Change related Research and Technology, Programme ES-03 Funds for non-Governmental Organisations, ES-04 Gender Equality and Promoting work-Life Programme, ES-05 Programme for the Conservation and Revitalization of Cultural and Natural Heritage and ES07, Scholarship Programme in 09.12.2014 about the Programmes in 2013, it was concluded that were not available Management Control System approved by IGAE in order to achieve the Programme objectives.

In that moment the audit was more focused to check that the quality defined criteria had been incorporated in the Programme Operator systematic than in the evaluation of Programmes and its objectives efficacy or risk management

There were detected a significant number of Major and Minor Non conformities, that were documented in the attached tables

### 3. Review of findings from previous quality audits to the Programme ES-02

Grade 1	Status 2	Finding 3	Correction, root cause and review of the corrective action 4	Process / Aspect 5	Date 6	Reference 7	Clause 8
Minor NC	New	The control systems and procedures carried out on the IFRs corresponding to expenditure handled in 2013 are considered to be susceptible of improvement. Taking in account that the expenditures are of Programme Management and that the amount is not high and that the Programme is at its initial stage for verification of expenditure and for ex-ante control procedures, the fact of the control is not perfect does not imply a high risk. The IGAE acting as the audit authority, reviewed and authorised the control lists in 2014		Existence of a procedure for controlling expenditure	09/12/2014		Component assessment 3
Minor NC	New	In the analysed period 2013 the control list were considered susceptible of improvement. It was modified in 2014		Existence of appropriate control lists for verifying expenditure Existence of a control procedure prior to the expenses statement Existence of control procedure prior to the expense statement	09/12/2014		Component assessment t 3  Component assessment 7

Grade 1	Status 2	Finding 3	Correction, root cause and review of the corrective action 4	Process / Aspect 5	Date 6	Reference 7	Clause 8
Minor NC	New	The Programme Operator has performed retrospective controls of the expenditure declared in 2013 and has adjusted a declared amount in the IFR1 and IFR2 that had been wrongly calculate (Staff expenditure). However the origin of the error is not clearly documented. The documentation of the calculation process shows certain deficiencies in the verified error. An improvement is recommended in future financials periods. The time-card system is currently under-going modification, which, according to the Programme Operator, will reduce the risk of error in future Statements		Identification and classification of irregular expenditure Monitoring of incidents and irregularities Mistake analysis and management	09/12/2014		Component assessment 4
Minor NC	New	The deficiencies mentioned in the previous aspects do not guarantee the effectiveness of the system for monitoring errors and preventing future weakness. According to the Programme Operator, the improvements to the IT application implemented in 2014 will represent a sufficient prevention system.		Monitoring of Incidences and Irregularities	09/12/2014		
Minor NC	New	The entity's general system possess some type of external accreditation (ISO, AENOR, etc..)		External certificate of general management systems of the entities	09/12/2014		Component assessment 5



#### 4. Review of findings from previous quality audits to the Programme ES-03

Grade 1	Status 2	Finding 3	Correction, root cause and review of the corrective action 4	Process / Aspect 5	Date 6	Reference 7	Clause 8
Minor NC	New	At the start of the period no training plan had been formalised. The training plan must identify the training needs and actions that cover said deficiencies, as well obtained from them POAS has taken this recommendation into account and is currently preparing supporting documents that mention these needs, in order to start applying it.		Human Resources Training	09/12/2014		Evaluation component 1
Minor NC	New	The control systems and procedures carried out on the IFRs corresponding to expenditure handled in 2013 are considered to be susceptible to improvement. Taking into account that the expenses correspond to the Programme management, the amount is not high and the Programme is at its initial stage, the fact the control is not perfect does not imply a high risk. The IGAE, acting as the Audit Authority, reviewed and authorised the control lists in 2014. The control carried out by the POAS for the moment in time stated herein was based on the procedures established in the Platform itself, and the checklist provided by the Certifying Authority was added (included in the Management and Control System as Annex 8: Programme Operator checklist). The Platform has undertaken to perform the review in question in a retrospective manner and it will complete the previously mentioned checklist.		Existence of a procedure for controlling expenditure Existence of appropriate control lists for verifying expenditure Existence of a control procedure prior to the expense statement	09/12/2014		Evaluation component 3  Evaluation component 7

Grade 1	Status 2	Finding 3	Correction, root cause and review of the corrective action 4	Process / Aspect 5	Date 6	Reference 7	Clause 8
Minor NC	New	As mentioned in the first evaluated aspect of the previous assessment component, the Programme Operator has not performed a retrospective review of the IFRs corresponding to 2013 with the new lists implemented, meaning it is not possible to assess these aspects. It is recommended that this process is carried out. POAS has undertaken to perform the retrospective review of these aspects, in order to verify that the procedure was the appropriate one.		Identification and classification of irregular expenditure Error analysis and management.	09/12/2014		Evaluation component 4
Minor NC	New	The information security systems have not been accredited by any of the existing external accreditation standards (ISO, AENOR, etc.). We stress that this condition would be desirable but not obligatory.		External accreditation certificate of the Entity's general systems	09/12/2014		Evaluation component 5

## 5. Review of findings from previous quality audits to the Programme ES-04

Grade 1	Status 2	Finding 3	Correction, root cause and review of the corrective action 4	Process / Aspect 5	Date 6	Referenc e 7	Clause 8
Minor NC	New	The Government employees in the Central Administration of the State who perform tasks associated to the Programme management are subject to the rules against the incompatibilities for preventing and resolving conflicts of interests, which are followed closely by the General Inspection of the Ministry of Health, Social Services and Equality; an extreme which is considered appropriate. However, it is recommended to obtain an express written statement of Independence, which also declares there are no conflicts of interests, for each member of staff responsible for performing management duties in the activities defined in the Programme Agreement that do not belong to the public service, as well as expressly demanding the statement of independence in future recruitment procedures, if applicable.		Conflict of Interests (Good Governance)	09/12/14		Evaluation Component Nº1

Grade 1	Status 2	Finding 3	Correction, root cause and review of the corrective action 4	Process / Aspect 5	Date 6	Referenc e 7	Clause 8
Minor NC	New	Because the Programme Operator is a department of the General Administration of the State, jobs are created by taking into account the mechanisms established in the Basic Statute governing Public Employment. This implies that the suitability of the posts for managing and controlling the funds has not been analysed. As a result, the Programme Operator has created the jobs in accordance with the procedures established by the General Administration of the State. Evaluate the fact that in staff transfer procedures, value is given to experience in similar posts and training.		Hiring and selection of Human Resources	09/12/14		Evaluation Component N°1
Minor NC	New	The control systems and procedures carried out on the IFRs corresponding to expenditure handled in 2013 are considered to be susceptible to improvement. However, an external auditing firm has subsequently been hired which has performed the control of the IFR#2, and a retrospective control of the IFR#1, which substantially mitigates the risk of this incident in the future.		Existence of a procedure for controlling expenditure	09/12/14		Evaluation Component N°3
Minor NC	New	There is no evidence that the detected erroneous amounts have been adjusted in the IFRs that were drawn up after the errors were detected. Although it is true that the amount is minimal, it is recommended to implement a feasible procedure that can detect any discrepancy between real and declared amounts, regardless of their amount. This will prevent discrepancies from appearing in the future.		Error analysis and management.	09/12/14		Evaluation Component N°4
Minor NC	New	It is recommended to improve the guarantees that the information contained in the IT systems will be controlled. Control warnings should be introduced that automatically give information about the time elapsed and which information still has to be loaded. Likewise, it should contain marks that inform the manager that the loaded information referring to a specific project is complete to date.		The control systems guarantee the completeness of the information	09/12/14		Evaluation Component N°5
Minor NC	New	The processes for loading and extracting information for analysing and preparing reports could be better. The Programme Operator is recommended to monitor the system. As regards loading and extracting the IFRs, although no files for exchanging information with the Certifying Authority will be designed until said authority has an appropriate tool, it is recommended to automatically generate it within the Programme		Information transmission between the application and the general systems	09/12/14		Evaluation Component N°5

Grade 1	Status 2	Finding 3	Correction, root cause and review of the corrective action 4	Process / Aspect 5	Date 6	Referenc e 7	Clause 8
Minor NC	New	Although the Programme Operator has identified risks of a diverse nature, we recommended the running of the Programme is fully reviewed in order to identify all the possible risks that could appear during the execution of the Programme, widening the scope with respect to those identified in 2013. In respect to the risks that were identified by the Annual Report, the current situation of the previously mentioned risks is shown, as well as the actions planned for mitigating them. The risks have been quantified in those cases when, due to their nature, the possibility exists. The annual report monitors these risks, setting forth the current situation in respect to the initial situation.		Programme risk assesment	09/12/14		Evaluation Component N°6
Minor NC	New	Although the Programme Operator, as such and as a member of the State Administration, complies with the requirements in this regard, the establishment of a written protocol is recommended, which should include these extremes in the Project Promoters. In the considered period and within the scope of the Project Promoters, the Operator does not provide evidence of the establishment and maintenance of the procedures for preventing, identifying and managing cases of corruption and bad management. Said procedures should offer a quick and professional response to the irregularity, bad management and corruption indicators.		Implementation and execution of policies related to good governance.	09/12/14		Evaluation Component N°6

## 6. Review of findings from previous quality audits to the Programme ES-05

Grade 1	Status 2	Finding 3	Correction, root cause and review of the corrective action 4	Process / Aspect 5	Date 6	Referenc e 7	Clause 8
Minor NC	New	The Government employees in the Central Administration of the State who perform tasks associated to the Programme management are subject to the incompatibility rules for preventing and resolving conflicts of interests, which are followed closely by the General Inspection of the Ministry of Education, Culture and Sport; is considered appropriate. However, it is recommended to obtain an express written statement of Independence, which also declares there are no conflicts of interests, for each member of staff responsible for performing management duties in the activities defined in the Programme Agreement that do not belong to the public service, as well as expressly demanding the statement of independence in future recruitment procedures, if applicable.		Conflict of Interests (Good Governance)	09/12/14		Evaluation Component Nº1
Minor NC	New	It is observed that the regulations on the processes for hiring services/delegated tasks are complied with. In respect to the control procedures for performing delegated and decentralised tasks, a more specific and personal assignment of responsibilities is recommended, as well as a monitoring procedure with control lists of the delegated/decentralised tasks. Likewise, it is recommended to carry out regular and documented quality controls of the tasks performed by the subcontracted entities.		Decentralization/delegation of functions	09/12/14		Evaluation Component Nº1
Major NC	New	Although part of the Programme management staff has been trained in Spanish regulations and legal procedures, a sole person is hired for the specific Programme management. This person is required to have proven experience in cultural management. Although this analysis refers to 2013, on the date when this report was drawn up it was evident that the person in charge of the Programme management frequently changed. Even though there has been an overlap of employees because the person leaving the post has needed time to instruct the person who was entering, it means it is necessary to recommend a specific procedure for said changes, such as a procedures manual that contains written and detailed instructions about the process. The Programme Operator is also recommended to		Human resources training	09/12/14		Evaluation Component Nº1

Grade 1	Status 2	Finding 3	Correction, root cause and review of the corrective action 4	Process / Aspect 5	Date 6	Referenc e 7	Clause 8
		study measures aimed at preventing this high turnover rate from repeating . This recommendation is of particular importance because a high staff turnover could cause management problems, which would become even more serious as the Programme progressed and we neared its closure.					
Minor NC	New	During the period under study the support for the tasks carried out by the entities to which tasks have been delegated were not under the Programme Operator control. Given that for a short period of time this fact may make it difficult to access the documentary support of the completed verifications, it is recommended that the delivery of these supports is regulated so they can be studied and safeguarded by the PO		Existence of appropriate control lists for verifying expenditure	09/12/14		Evaluation Component N°3
Minor NC	New	The filing and safeguard of the documentation is intrinsic to the procedures of the Public Administration. Due to the characteristics of this Programme, it is expected that a large amount of information will be generated. During the period considered, the information was in premises other than those belonging to the PO. The PO is recommended to establish a filing and safeguarding system for all the supporting information of the Programme		Audit trail between expenditure and controls made. Documentation filing system	09/12/14		Evaluation Component N°4
Minor NC	New	It is recommended to improve the guarantees that the information contained in the IT systems will be controlled. Control warnings should be introduced that automatically give information about the time elapsed and which information still has to be loaded. Likewise, it should contain marks that inform the manager that the loaded information is complete.		The control systems guarantee the completeness of the information	09/12/14		Evaluation Component N°5
Minor NC	New	It is recommended to introduce processes that systemise the processes for loading and extracting information for analysing and preparing reports.		Information transmission between the application and the genera systems	09/12/14		Evaluation Component N°5
Mayor NC	New	No minimal practices for the security of the information have been established and recorded. There are no guarantees that the information is secure and recoverable; for example, there is no information storage system in a common server that establishes a		Back Up Protocols for the particular application	09/12/14		Evaluation Component N°5

Grade 1	Status 2	Finding 3	Correction, root cause and review of the corrective action 4	Process / Aspect 5	Date 6	Referenc e 7	Clause 8
		<p>policy for making periodical back-up copies, etc.</p> <p>At present, the PO has stated that, "The information related to the Programme management has been transferred to a network file on the server of the State Secretariat of Culture (Ministry of Education, Culture and Sports). Their IT service has established a policy for making periodical back-up copies". This does not alter our assessment of this aspect and the improvements implemented now will be assessed in subsequent Financial Mechanism periods.</p>					
Minor NC	New	The information security systems have not been accredited by any of the existing external accreditation standards (ISO, AENOR, etc. ). We stress that this condition would be desirable but not obligatory.		External accreditation certificate of the Entity's general systems	09/12/14		Evaluation Component N°5
Major NC	New	The Programme Operator has not identified any risk inherent to the programme management. It is recommended to perform a detailed analysis of the risks and the possible mitigation measures to be considered in the event of them occurring.		Programme Risk Assessment. Work plans to mitigate risks. Identification of Risks in the Annual Report, identification of risks measurement indicators	09/12/14		Evaluation Component N°6
Minor NC	New	In 2013, the Secretary of State for Culture, like the rest of Programme Operators, was the object of an analysis for incorporating gender mainstreaming into the Programme. According to the Report provided, some weaknesses regarding gender mainstreaming (the incorporation of perspective) were detected during the execution of the Programme. The Programme Operator is recommended to document the policies and procedures aimed at rectifying the previously mentioned weaknesses when they are carried out.		Assessment of gender equity in the Programme	09/12/14		Evaluation Component N°6
Minor NC	New	It is recommended to establish and document some procedures for preventing, identifying and managing possible cases of corruption and bad management. Said procedures should offer a quick and professional response to the irregularity, bad management and corruption indicators. Although the Transparency Act affects these aspects, measures should be established that can be applied expressly in this programme, especially in aspects related to prevention and detection		Implementation and execution of policies related to good Governance.	09/12/14		Evaluation Component N°6

## 7. Review of findings from previous quality audits to the Programme ES-07

Grade 1	Status 2	Finding 3	Correction, root cause and review of the corrective action 4	Process / Aspect 5	Date 6	Reference 7	Clause 8
Minor NC	New	The incorporation of the human resources that make up the team expected to execute the management and control tasks of the EEA Financial Mechanism Funds had not been completed in 2013, although the team was completed during 2014.		Adequacy of human resources	09/12/2014		Evaluation component 1
Minor NC	New	The control system and procedures performed on the IFRs corresponding to expenditure handled in 2013 adapted to the standards of the UCM as regards expenditure management. However, these expenditure control systems and procedures have subsequently been adapted to the Programme's specific nature in the been reserved. Management and Control Systems document, approved by the IGAE in 2014. Taking into account that the expenses correspond to the Programme management, the amount is not high and the Programme is at its initial stage, the fact the control aspects: is not perfect does not imply a high risk. As a result, the University has its own expenditure control system, like any other public organism. The IGAE, acting as the Audit Authority, reviewed and authorised the control lists in 2014. The Programme Operator has not performed a retrospective review of the IFRs corresponding to 2013 with the new lists implemented.		Existence of appropriate control lists for verifying expenditure	09/12/2014		Evaluation component 3
Minor NC	New	The information security systems have not been accredited by any of the existing external accreditation standards (ISO, AENOR, etc.). We stress that this condition would be desirable but not obligatory.		External accreditation certificate of the Entity's general systems	09/12/2014		Evaluation component 5
Minor NC	New	It is recommended to implement reviews with the aim of identifying additional risks (to the ones already identified) that could occur during the execution of the Programme. In respect to the risks that were identified by the Annual Report, the current situation of the previously mentioned risks is shown, as well as the actions planned for mitigating them. The risks have been quantified in those cases when, due to their nature, the possibility exists. The annual report monitors these risks, setting forth the current situation in respect to the initial situation.		Programme risk assessment	09/12/2014		Evaluation component 6



Grade 1	Status 2	Finding 3	Correction, root cause and review of the corrective action 4	Process / Aspect 5	Date 6	Reference 7	Clause 8
Minor NC	New	According to the Gender Report provided, some weaknesses regarding gender mainstreaming (the incorporation of perspective) were detected during the execution of the Programme. There is no confirmation that the Programme Operator had established policies and procedures aimed at rectifying the previously mentioned weaknesses in 2013.		Assessment of gender equity in the Programme	09/12/2014		Evaluation component 6
Minor NC	New	Throughout 2013, the Operator provides no evidence of the establishment and maintenance of procedures for preventing, identifying and managing cases of corruption and bad management in the projects. Said procedures should offer a quick and professional response to the irregularity, bad management and corruption indicators.		Implementation and execution of policies related to good governance.	09/12/2014		Evaluation component 6
Minor NC	New	The lack of control staff and the limited definition of the lists to be used mean that the audit trail of the controls of the expenditure declared in the IFRs for 2013 could be improved.		Existence and compliance of a procedure for issuing an IFR	09/12/2014		Evaluation component 7
Minor NC	New	Although the estimates are not made randomly, there have been significant deviations between the sum of estimated expenditure and the expenses that really incurred. This is mainly due to the donor partner's failure to comply with the obligation to provide technical assessments (remunerated). It is recommended that the estimates include the concepts in such a way it identifies the pertinent deviations.		Established actions for calculating the estimated expenditure	09/12/2014		Evaluation component 7

## Quality assessment of the systems and procedures for the implementation of the Programmes Financial Mechanism EEA-GRANTS 2009-2014.

### Ex-post Analysis

#### Programme Numbers:

ES02, ES03, ES04, ES05 & ES07

#### Intervention Mechanism:

Financial Mechanism EEA-GRANTS 2009-2014.

#### Programme Operators

CDTI, Center for Technological Industrial Development

POAS, NGO Platform of Social Action (POAS)

State Secretariat for Social Services and Equality (Ministry of Health, Social Services and Equality)

State Secretariat of Culture (Ministry of Education, Culture and Sports)

Madrid Complutense University

#### Period:

2014 and first four-month period 2015.

<b>Reference LRQA:</b>	SGI2944066/0030
<b>Audit Dates:</b>	September and October 2015
<b>Site:</b>	MADRID.
<b>Standard:</b>	Check-list, Procedures and Management System Control
<b>Audit Team :</b>	OLGA RIVAS , FERMIN FARIÑA Y AURORA GIL

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Annexes

<b>This report was presented to and accepted by:</b>	
<b>Name:</b>	Pilar Soler
	Moisés Blanco
<b>Job title:</b>	National Focal Point

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## 12. Report explanation

Introduction
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*The Memorandum of Understanding signed by Spain with the Donor States on 15 November 2011 establishes that in Spain the Deputy General Directorate for European Territorial Cooperation and Urban Development will act as the National Focal Point (hereinafter, NFP) for the Programme co-funded by the EEA (European Economic Area) Financial Mechanism 2009-2014 (EEA Grants).*

*NFP's responsibilities include controlling the implementation of the Regulation of Financial Mechanism and the Programme Agreement. LRQA España, SL has been hired to verify the quality of the operations and procedures in view of the objectives set by the EEA Grants according the Programme and the applicable standards.*

*The Programme Implementation Quality audit was carried out on the site of the Programme Operator and includes, if it is applicable, the quality of implementation in an adequately sampling of projects*

*The quality audit has been focused on:*

- The proper achievement of the objectives established in the Programme Agreements between the FMC (Financial Mechanism Committee) and Programme Operators, based in the "Regulation on the Implementation of the European Economic Area (EEA) Financial Mechanism 2009-2014 and the Management and Control System of each Programme Operator approved by the "Intervention General del Estado, here in after IGAE acting as Audit Authority and the Financial Mechanism Office, here in after (FMO)*
- Quality Verification was performed on those projects and activities whose operations were carried out in year 2014 and first four month period 2015 presented by Programme Operators and Projects Promoters, as well as verifying the systems to prepare the estimate of expenditure and calculate the advance payments.*
- It was requested to each Programme Operator a list projects in order to select that with a high level of implementation and significant expenditure in order to verify the implementation of the projects.*

## Objective and scope of the audit

The auditor will review the system to determine whether it conforms to the audit criteria and covers the activities detailed in the scope of audit.

The general objectives are:

- Verify that the management and control processes applied by the Programme Operator are aligned with their own Management and Control System Manual approved by the Audit Authority and the EEA Grants Regulations
- Evaluate the quality of the Programme Implementation respect to the Objectives established in the Programme Agreement, carrying out the verification of quality and the costs of activities that give rise to expenses declared in 2014 and the first four-month period of 2015
- Management of advance payments and expenditures Methodology for each IFR

The following aspects has been verified:

- Functional Independence between the grant/Project managers and the expenditure verifier
- Projects are activities are those selected for the Programme
- Verification procedures used by the Programme Operator are appropriated
- Audit trail is appropriate and sufficient
- Appropriate IT Tool is used
- Horizontal and cross sectional risks and issues
- Appropriate procedures for drawing up an IFR

The auditor will interview the top Manager of the Programme Operator to determine the obligations of the Financial Mechanism are known and the auditor will use information obtained as a result of this interviews, to review the degree in which the Programme Operator has addressed the potential risk within the system, and to determine the needs for the proper achievement of the objectives of the Programme has been taken in account

## Definitions of Grade Findings

### Major Nonconformity

The absence of, or the failure to implement and maintain, one or more management system elements, or a situation which would, on the basis of the available objective evidence, raise significant doubt of the management to achieve:

- compliance with the applicable regulatory requirements
- conformance to applicable Interested Parties
- Conformance with the audit criteria deliverables.

### Minor Nonconformity

A finding indicative of a weakness in the implemented and maintained system, which has not significantly impacted on the capability of the management system or put at risk the system deliverables, but needs to be addressed to assure the future capability of the system.

## Additional information

### **Confidentiality**

We will treat the contents of this report, together with any notes made during the visit, in the strictest confidence and will not disclose them to any third party without written client consent.

### **Sampling**

The assessment process relies on taking a sample of the activities of the business. This is not statistically based but uses representative examples. Not all of the detailed nature of a business may be sampled so, if no issues are raised in a particular process, it does not necessarily mean that there are no issues, and if issues are raised, it does not necessarily mean that these are the only issues.

## 13. Executive report for Deputy General Directorate for European Territorial Cooperation and Urban Development (National Focal Point/NFP)

### **Audit Result:**

As result of the evaluation of the Management and Control System applicable to the Programme ES02 Environmental Change and Climate Change related Research and Technology, Programme ES-03 Funds for non-Governmental Organisations, Programme ES-04 Gender Equality and Promoting work-Life and ES07, Scholarship Programme, and the sampling of projects undertaken, we conclude that the degree of compliance with respect to the requirements established by interested parties is high. Also the degree of effectiveness has been demonstrated high, given that the results in terms of degree of compliance with Programme objectives and the indicators' results they reveal it.

Although in the ES-05 Natural and Cultural Heritage Programme, it is considered that the objectives of the Programme have not been achieved.

Specifically, regarding the general risk identified by Programme Operators we found the following situation:

- No total EAA Grants funds allocation of the calls in all the Programmes. In a general way the Funds have been allocated, it is necessary to point out that in ES-02, although the activities carried out by CDTI were appropriated, due to the CDTI systematic and the deadlines required by the Programme was not possible the complete fund allocation
- Programme objectives Compliance: It has been achieved in all the Programmes except in ES-05. It was been identified as a root cause: lack of updating of Programme Risk Analysis, after the deviation produced in 2014, so the actions taken were not enough to mitigate the impact
- Related to the risk: "Not identify bilateral activities partners": Partners have been identified in all



the Programmes except ES05

- Related to the risk: “Not sustainable relationship from bilateral activities ”: After the projects sampling, it has been concluded that long-term relationships have been established, although there was big differences in the Programmes depending on project number and type. Obviously, in ES-05, there are not long-term relationships

It has been closed the majority of previous audit findings of Programmes ES-02, ES-03, ES-04 and ES-07, except the ones related with the external Certification of management system, that has been agreed with NFP

On the other hand, new findings were detected in ES-05. They are detailed in the attached tables

As we considered, that the Programme ES-02. ES-03, ES-04 & ES-07 audit results has been similar; we will present the weaknesses and strengths in a common way. The audit results of ES-.5 require an individual reporting.

### **Weaknesses and Strengths Programmes ES02, ES03, ES04 & ES07**

It has been identified the following aspects:

#### **Strengths:**

- High degree of the Programme Management Team Involvement and High degree of the Programme and projects requirements knowledge to comply with, by the Programme Management Team
- Use of structures, administrative and accounting existing Programme Operator methodologies as Programme and projects support
- Detailed Standardization methodology for monitoring and control of projects
- Flexibility, availability and ongoing support to Project Promoters by the Programme Management Team
- Clear focus on risk management implemented at the Programme and projects

#### **Weaknesses:**

- Need of continuous improvement process systematisation by the Programme Operators: Once the problems are solved, there is a lack of continuous improvement systematic process , e.g: Root cause investigation and implementation of measures to avoid recurrence or in a more proactive way the establishment of efficacy indicators or aligned objectives with the Project aim (efficiency & efficacy)
- In ES-03 and ES-07 there was found a lack of project management software.

### **Strengths and Opportunities ES-05**

**The identified Strengths** ( all related to new management team Sep'15) **are:**

- The person hired as technical assistance, demonstrated an adequate knowledge level of the Programme and projects requirements
- Reactively, Programme Management Team Involvement since September 2015, once when the weaknesses of the Programme were detected. Improvements implemented in the management and control activities, hiring UNA + UNA, BDO and new Technical Assistance
- Versatility of Programme Management Team
- Team and project management skills
- Flexibility, availability and ongoing support to Project Promoters by the Programme Management Team

**The identified Weaknesses are:**

- Due to poor planning and means to control, the need to implement, reactively, once the weaknesses of the Programme were detected, improvement actions for management and control, hiring UNA + UNA, BDO and the new Technical Assistance.
- There are no systematic processes for the education and training of Project coordination personnel
- Although the Programme Operator Technical Assistance is an expert for cultural dimension and content, there is a lack in skills for the Project construction / technical aspects monitoring
- Programme Operator Human Resources Management in order to identify needs and profiles required
- Once the problems are solved, the systematic processes absence for managing continuous improvement, research root causes of failures and implementing measures to prevent recurrence.
- Controlling the subcontracting levels carried out by Project Promoters
- The performance indicators / objectives establishment are not aligned with the ultimate goal of the project
- A proper study focused on the risks arising from the circumstances in which the Project Promoter, the Consortium Centro Federico Garcia Lorca, has addressed the project starting from the previous manager of the Project, Management Delegation to Federico Garcia Lorca Foundation.
- Actions arising from this study

## 14. Specific Weaknesses and Strengths ES02

### Audit Result:

As result of the evaluation of the management and control system applicable to the Programme ES02 Programme Environmental Change and Climate Change related Research and Technology and the projects sampling carried out, it is concluded that the level of compliance respect to the requirements to the Interested Parts is high

Also, the efficiency achieved is high, given that the results in terms of degree of compliance with the objectives of the Programme and the results of the indicators can demonstrate this.

### Weakness and Strengths

#### The identified Strengths are:

- High degree of involvement of Programme Manager and Representative and high degree of knowledge of the requirements of the Programme and the requirements by the management team of Programme
- CDTI is an organization that is professionally engaged in the management of grants and funds, has integrated into its procedures, tools, processes and Systems the specific requirements of EEA Grants
- Adaptation of the specific CDTI project management software to the requirements of the EEA GRANTS
- Use of the structures and methodologies administrative, accounting, communications and Informatics of the CDTI
- Detailed standardization methodology for monitoring and control of projects
- Programme Promotion, both in as disclosure through INFO DAYS Conference and website to reach a large number of participants
- Flexibility, availability, and ongoing support to Project Promoters by the Programme Operator team
- Capability of CDTI of saving bureaucratic burdens related to the double imputation of data at DORIS and internal applications

#### The identified Weaknesses are:

- Deadlines required by the Programme and the Systematic implemented in CDTI are not adjusted, so it has not been possible the total allocation of funds.
- Management tools implementation could be improved for example: solving problems system that eliminate the cause root with a focus on lessons learned from the different Programme could be help to CDTI
- Although CDTI widely meets Communications established for the Programme with the NFP or IN, the organisation, in a general way and for each Fund, is more focused on a proper execution of the procedures, than in the analysis or communication of the obtained results or the impact of the Programme to the Society, environment or economy and the competence and capability of CDTI to manage these funds or grants.

## 15. Specific Weaknesses and Strengths ES03

### Audit results:

As a result of the assessment carried out to the Management and Control System applicable to the program and the ES03 "Funds for Non-Governmental Organisations" as well as the Projects sampling made, we conclude that the level of compliance with respect to the requirements established by the interested parties is high. It also has been demonstrated a high level of effectiveness, regarding the results in terms of level of compliance with the objectives of the program and the results of the indicators highlights.

### Strengths and Weaknesses

It has been identified the following aspects:

#### Strengths:

- High level of the Programme Operator Management team Involvement
- High level of the Programme requirements and the Projects' requirements knowledge to fulfil by the OP team
- Versatility of the Programme Operator team
- Communication Skills with the interested parties on the part of the Programme Manager and her team
- Flexibility, availability and ongoing support to developers by the Programme Operator Team
- Detailed Standardization methodology for monitoring and control of Projects
- Development of an specific Project management software
- Clear focus on risk management implemented in the Programme and Projects
- Use structures and administrative, accounting, communications and computing methodologies of POAS

#### Weaknesses:

- Lack of Programme management software to connect Projects with DORIS
- Lack of information mechanism to exploit the performance data of the Projects (deadlines for completing tasks , resulting from internal quality control of each phase of the Project, dealt with such incidents and resolution)
- Lack of mechanisms and tools to exploit the quantitative and / or qualitative information on impact of the Programme and Projects (social impact / sustainability)
- Inability to exploit the application DORIS by POAS of the contested information for statistical purposes
- High level of bureaucracy in the process of activation of Projects and processes in technical / economic control of the Programme and Projects
- Double-counting DORIS data and the internal control software/data base tools

## 16. Specific Weaknesses and Strengths ES04

### Audit Result:

As a result of the audit made at the *Management Control System* applicable to control the Programme Gender Equality and Promoting work-Life ES-04 with the audit carried out at the projects PLURAL and BALANCE, we conclude that the degree of compliance with respect to the requirements established by stakeholders it is high as well as the degree of efficacy has been demonstrated, given that the results in terms of degree of compliance with Programme objectives and the results of the indicators they reveal.

### Strengths and Weaknesses

#### The identified Strengths are:

- High level of Projects Control audited by both the Programme Operator as Project Promoters
- High degree of the Programme Management team Involvement and Programme requirements and projects knowledge to comply by the Programme Management Team
- Versatility of Programme Management Team
- Communication skills with stakeholders by the Programme Director and the Management Team Programme
- Flexibility, availability and ongoing support to developers by the Programme Management Team
- Methodology Standardization for Projects monitoring and control
- Monitoring of Pre-defined Projects, Bilateral Activities and Beneficiaries of grants Programme falling under this Programme with the supporting of the Technical Assistant (Tragsatec) and PwC
- Clear focus on risk management implemented the Programme and projects

#### The identified Weaknesses are:

- There are no systematic processes for the formation and training of personnel coordinating the project, however the Project Operator Team with the role for coordinating and monitoring is an expert in the Projects subject.
- Programme Operator HR Management associated with the Project.
- Systematize the continuous improvement processes developed by the stakeholders: Once the problems are solved, the absence of systematic processes for managing continuous improvement, research root causes of failures and implementation of measures is found to prevent recurrence and moreover it should establish indicators of efficacy / alienated objectives with the ultimate goal of the project (effectiveness & efficiency)
- As it is noted by both the Programme Operator and the Project Promoter it has been developed in the form of "Management Delegation" directly the Technical Assistance to the Public Company Tragsatec. A selection process for technical assistance in a competitive would be more in line with the approach pursued for the efficiency of the projects

## 17. Specific Weaknesses and Strengths ES07

### Assessment results:

As a result of the assessment of the Management and Control system applicable to the Programme ES07 NILS Science and Sustainability and the sampling of projects undertaken, we conclude that the degree of compliance with respect to the requirements established by interested parties is high. Also the degree of effectiveness has been demonstrated high, given that the results in terms of degree of compliance with Programme objectives and the indicators' results they reveal it.

### Strengths and Weaknesses

It has been identified the following aspects:

#### Strengths:

- High degree of the Programme Management Team Involvement
- High degree of the Programme and projects requirements knowledge to comply with, by the Programme Management Team
- Versatility of Programme Management Team
- Team and project management skills of the Programme Operator Manager
- Communication skills with stakeholders by the Programme Operator Director and the Management Team Programme
- Flexibility, availability and ongoing support to developers by the Programme Management Team
- Standardization detailed methodology for monitoring and control of projects
- Development of a manual for the production of Interim and Final Financial report V2. and communication method defined for justification and calculation of indirect costs to the Projects Promoters
- Projects Promoters technical report form Development
- Clear focus on risk management implemented at the Programme and projects
- Use of structures, administrative and accounting existing UCM methodologies as Programme and projects support

#### Weaknesses:

- Project management software lack
- Mechanism / computer tool lack to exploit in an effective way the project performance data (deadlines for completing tasks, internal quality control results, irregularities in each project phase)
- Mechanisms and tools lack to exploit the quantitative and / or qualitative information on impact of the Programme and projects (social impact / sustainability)
- Mechanisms and tools Lack to highlight and exploit information on the training activities undertaken for the Programme Management Team.
- Inability to exploit from the DORIS software by Programme operators of the submitted information for statistical purposes.
- High level of bureaucracy in the Technical economic Programme and Projects control Process
- Double-input at DORIS and at the internal control software data

## 8. Audit Finding Log new or open in previous quality audit

Grade 1	Status 2	Finding 3	Correction, root cause and review of the corrective action 4	Process / Aspect 5	Date 6	Referenc e 7	Clause 8
Minor NC	Open	<b>ES02</b> The entity's general system possess some type of external accreditation (ISO, AENOR, etc.)	<u>LRQA</u> Comment: There has been no action by CDTI regarding this aspect. CDTI have procedures to manage and control the IT issues. We stress that this condition would be desirable but not obligatory.	External certificate of general management systems of the entities	09/12/2014		Component assessment 5
Minor NC	Open	<b>ES03</b> The information security systems have not been accredited by any of the existing external accreditation standards (ISO, AENOR, etc.).	<u>LRQA</u> Comment: There has been no action by POAS regarding this aspect. POAS have procedures to manage and control the IT issues. We stress that this condition would be desirable but not obligatory.	External accreditation certificate of the Entity's general systems	09/12/2014		Evaluation component 5
Minor NC	Open	<b>ES04</b> The Government employees in the Central Administration of the State who perform tasks associated to the Programme management are subject to the rules against the incompatibilities for preventing and resolving conflicts of interests, which are followed closely by the General Inspection of the Ministry of Health, Social Services and Equality; an extreme which is considered appropriate. However, it is recommended to obtain an express written statement of Independence, which also declares there are no conflicts of interests, for each member of staff responsible for performing management duties in the activities defined in the Programme Agreement that do not belong to the public service, as well as expressly demanding the statement of independence in future recruitment procedures, if applicable.	Signing document of confidentiality by staff of the Management Delegation and technical assistance is evidenced. (Tragsatec and PriceWaterhouse)  In all cases reviewed issued in the performance of their duties, Tragsatec, regardless of being minor contract or not, always three tenders are requested	Conflict of Interests (Good Governance)	09/12/2014		Evaluation Component N°1
Minor NC	Open	<b>ES04</b> There is no evidence that the detected erroneous amounts have been adjusted in the IFRs that were drawn up after the errors were detected. Although it is true that the amount is minimal, it is recommended to implement a feasible procedure that can detect any discrepancy between real and declared amounts, regardless of their amount. This will prevent discrepancies from appearing in the future.	The cause of this amount included as eligible, it is due to differences between Norwegian and Spanish legislation. The was decertified in later IFR and economic gap that was assumed by the Project Promoter (IMIO):  One of the objectives of the Programme, focusing on effectiveness and efficiency. No indicators / targets present economic efficiency for example: How many € were lost because of decertifications? Maximum Amount / Objective for decertification?	Error analysis and management.	09/12/14		Evaluation Component N°4

Implementation of the EEA Financial Mechanism 2009-14  
Spain – Strategic Report 2015 (Covering 1<sup>st</sup> January 2015- 31<sup>st</sup> December 2015)

Minor NC	Open	<b>ES05</b> The Government employees in the Central Administration of the State who perform tasks associated to the Programme management are subject to the incompatibility rules for preventing and resolving conflicts of interests, which are followed closely by the General Inspection of the Ministry of Education, Culture and Sport; is considered appropriate. However, it is recommended to obtain an express written statement of Independence, which also declares there are no conflicts of interests, for each member of staff responsible for performing management duties in the activities defined in the Programme Agreement that do not belong to the public service, as well as expressly demanding the statement of independence in future recruitment procedures, if applicable.	These controls are not carried out in outsourced contracts beyond the enforcement of the law on public procurement.  In the case of minor contracts, implementing this additional measure becomes more important to be an effective tool to avoid the risk of conflict of interest	Conflict of Interests (Good Governance)	09/12/14	Evaluation Component N°1
Minor NC	Open	<b>ES05</b> It is observed that the regulations on the processes for hiring services/delegated tasks are complied with. In respect to the control procedures for performing delegated and decentralised tasks, a more specific and personal assignment of responsibilities is recommended, as well as a monitoring procedure with control lists of the delegated/decentralised tasks. Likewise, it is recommended to carry out regular and documented quality controls of the tasks performed by the subcontracted entities.	Set in each case, depending on the criticality of the service or task delegated, an additional control planning  Work on identifying the most suitable skills profile for projects / services / outsourced jobs  Planning critical control milestones prior to the visits (on the spot control of the Project Promoter by the Programme Operator). Nowadays activities carried out on the day of the visit are reactively reviewed, adding little value to the control process.	Decentralization/delegation of functions	09/12/14	Evaluation Component N°1
Major NC Minor NC	Open	<b>ES05</b> Although part of the Programme management staff has been trained in Spanish regulations and legal procedures, a sole person is hired for the specific Programme management. This person is required to have proven experience in cultural management. Although this analysis refers to 2013, on the date when this report was drawn up it was evident that the person in charge of the Programme management frequently changed. Even though there has been an overlap of employees because the person leaving the post has needed time to instruct the person who was entering, it means it is necessary to recommend a specific procedure for said changes, such as a procedures manual that contains written and detailed instructions about the process. The Programme Operator is also recommended to study measures aimed at preventing this high turnover rate from repeating . This recommendation is of particular importance because a high staff turnover could cause management problems, which would become even more serious as the Programme progressed and we neared its closure.	The finding goes from Mayor to Minor due to the reasons written below  It has been assigned a new coordinator with experience in cultural and administration management associated with these activities  The team of the Programme Operator is in a moment of stability and action taking now that the project is coming to an end.(referring to the fourth-month period 2015)  Improve the initial planning and systematize the processes of change drives to an effective risk management.	Human resources training	09/12/14	Evaluation Component N°1
Minor NC	New	<b>ES05</b> Incidents are solved in an agile way, but there is no formally established procedure for investigating the root cause that caused the error and implementing measures to prevent recurrence and to keep records showing the actions and serve as an example of good practice other projects		Irregularities and monitoring. Investigation of root causes	22/09/15	Evaluation Component N°3



Implementation of the EEA Financial Mechanism 2009-14  
Spain – Strategic Report 2015 (Covering 1<sup>st</sup> January 2015- 31<sup>st</sup> December 2015)

Minor NC	New	<p><b>ES05</b> Existence of 3 records for recovery due the lack of justification of expenses of Commissioned Management to Foundation Garcia Lorca for the construction of the Centre prior to the takeover by the Consortium (January 2014). Absence of a prior Risk Assessment to mitigate as far as possible this circumstance, including Consortium image effects in Granada society and EEA Grants image.</p> <p>Because these records and the existence of possible irregularities arising from Commissioned Management to Foundation Garcia Lorca for the construction of the Centre prior to the creation of the Consortium, the time period available for the development of cultural activity plan associated with the Predefined Project has been reduced significantly. This has led to the failure to achieve the cultural objectives set out in the Programme ES 05</p>	Project Promoter Site visit	14/10/15	Promotor Site visit	
Major NC Minor NC	open	<p><b>ES05</b> The Programme Operator has not identified any risk inherent to the programme management. It is recommended to perform a detailed analysis of the risks and the possible mitigation measures to be considered in the event of them occurring.</p>	<p>The finding goes from Mayor to Minor due to the reasons written bellow</p> <p>In the annual report, a chapter for Risk Management has been added</p> <p>For future projects, the development planning phase of a comprehensive risk assessment should also include operational processes</p>	Programme Risk Assessment. Work plans to mitigate risks. Identification of Risks in the Annual Report, identification of risks measurement indicators	09/12/14	Evaluation Component N°6
Minor NC	open	<p><b>ES05</b> In 2013, the Secretary of State for Culture, like the rest of Programme Operators, was the object of an analysis for incorporating gender mainstreaming into the Programme. According to the Report provided, some weaknesses regarding gender mainstreaming (the incorporation of perspective) were detected during the execution of the Programme. The Programme Operator is recommended to document the policies and procedures aimed at rectifying the previously mentioned weaknesses when they are carried out.</p>	<p>New favourable report in November 2014</p> <p>There are informal initiatives with a gender perspective. Bilateral activities have been proposed to this pass pending perspective</p> <p>In the future and with the experience gained, evolve those initiatives to official policies</p> <p>Review the performance indicators in this area to ensure that a gender perspective be met</p>	Assessment of gender equity in the Programme	09/12/14	Evaluation Component N°6
Minor NC	Open	<p><b>ES07</b> The information security systems have not been accredited by any of the existing external accreditation standards (ISO, AENOR, etc.).</p>	We stress that this condition would be desirable but not obligatory.	External accreditation certificate of the Entity's general systems	09/12/2014	Evaluation component 5

## **Annex 3 - Strategic Report 2015**

### **Bilateral relations Funds at National level – Spain Work Plan 2016**

*Bilateral Relations fund at National Level - Spain  
 Work Plan 2016 (Version March 2016)*

EVENTS PROPOSED	YEAR	BUDGET
	2016	
1	<b>Total remaining at 01 January 2015</b>	95.107,21
2	<b>Total allocated 2015</b>	35,221.18
3	<b>ACTIVITIES PROPOSED 2016</b>	
5	<b>Embassy + NFP – EEA Grants Spain Closing Ceremony and Publication about EEA Grant Spain (Postponed to 2016)</b>	30.000,00
6	<b>ES07-Study Trip. Building Sustainable Cooperation. June 2015 (Postponed to 2016)</b>	5,000.00
7	<b>ES03- Digital presentation and infographic Active Citizenship Programme. (2016)</b>	8,000.00
	<b>Total allocated 2016</b>	<b>43,000.00</b>
	<b>Total allocated 2015/2016</b>	<b>78,221.18</b>
8	<b>Closing events and other activities 2015/2016</b>	16.886,03
	<b>Total 2015/2016</b>	<b>95.107,21</b>

Note: "Closing events and other activities" are not yet defined

## Annex 3: Norwegian Embassy and NFP: EEA Grants Spain: Closing Ceremony and Final Report

### *Bilateral relations at National level - Activity 2016*

#### 1. General information

Activities: **EEA Grants Spain: Closing Ceremony and Final Report**  
Date: Madrid, tentatively April or May 2016  
Responsible: Norwegian Embassy in Madrid  
Requested amount: EUR 30 000

#### 2.

##### a) EEA Grants Spain: Closing Ceremony

For the period 2009-2014, Spain has been allocated €45.9 million; the implementation period for the projects will expire by end of December 2015 and the Embassy together with the National Focal Point will organise a Closing Ceremony for the Programmes early in 2016.

The aim of the seminar will not only be to mark the end of the EEA Grant scheme in Spain, but also to look at possibilities for future cooperation and how to continue strengthening bilateral relations between Spain and Iceland, Liechtenstein and Norway. The objectives are both to celebrate the implementation of the funded projects, and to engage Programme Operators, Donor State representatives and other stakeholders in active dialogue.

##### **Description**

A one-day Closing Ceremony including Programme Operators, Donor State Partners, some Project Promoters representatives and other stakeholders from Spain and the Donor States. The Final Report will be launched during this Ceremony. The Ceremony will be divided into two parts:

##### 1) Achievements and lessons learned

This part of the seminar will be dedicated to what we have achieved and to receiving feedback from the National Focal Point, the Programme Operators and the Donor State Partners concerning the experiences of the implementation processes.

##### 2) Future collaboration

During the implementation of the EEA programmes in Spain, we have seen a high degree of bilateral cooperation in various depths and levels. As the EEA Grants are phasing out in Spain, an expected result of the bilateral cooperation is that these various forms of Spanish-Donor State countries partnerships will continue to develop beyond the EEA Grants Scheme.

##### b) EEA Grants Spain: Final Report 1994 – 2014

The history of the EEA Grants in Spain goes back to 1994 when the EEA Agreement entered into force. Spain has received funding since the very beginning. In the period 1994-1998, the allocation for Spain was €227 million. For the period 2009-2014, €45.9 million has been allocated to Spain; equal to the previous five-year period.

The Embassy will commission a Final Report of the EEA funds in Spain with emphasis on the bilateral perspective, and sharing the story of the EEA Grants in Spain.

### **Description**

During the twenty years of EEA funds in Spain many programmes have come to life and been transformed into projects stories. With the aim of sharing some of these stories, the Embassy will commission a Final Report that will focus on a selection of projects that illustrate the impact of the large number of projects that have been implemented, the innovative forms of cooperation and the creation of networks that continues to be useful for the bilateral relationship with Spain. Particular emphasis will be put on projects where Spain and Norway, Iceland or Liechtenstein have been able to share experiences of mutual interest. The report will thus not aim to give an exhaustive description of all the projects, but rather present an appealing narrative of some of the best experiences in a media-friendly language.

Two versions of the Final Report will be made:

- 1) An electronic version of which can be read on a computer or a handheld device that will include project stories, media gallery and videos of some of the projects. This version will be available in Spanish and English.
- 2) A printed version of the Final Report, only available in English.

### **3. Expenditures**

We hereby apply for support from the Bilateral Fund at National Level for the purpose of covering the expenses related to the above-mentioned Closing Ceremony and Final Report.

Some of the costs that have to be covered are:

*(This is not an exhaustive list and it may be added to over time or reallocated between the two activities. However, the total allocation will not be exceeded)*

- Closing Ceremony, tentatively EURO 10.000:
  - venue
  - hotel room for the first 15 Donor State participants that sign up for the seminar
  - Lunch and coffee break during the seminar
  - Cocktail
  
- Final Report, tentatively EURO 20.000:
  - Journalist / writer
  - Translation cost
  - Photographer / videographer
  - Subtitles for the video
  - Travel expenses
  - Design (both for the electronic and the printed version)
  - Printing costs

### **Definition of the bilateral activity. 22 July 2015**

This activity was designed after the proposal made by the Norwegian Ministry of Foreign Affairs in the Annual Meeting held on November 2014. The proposal consisted of the publication of a book about 20 years of EEA Grants in Spain (1994-2014) as well as a closing event. The activity was drawn up in January 2015. At that time, an estimate of the cost was made based on the book made by the Norwegian Embassy

for the ES06 Programme closing. Since the book wasn't completely defined, the text of the proposal included this sentence: *"This is not an exhaustive list and it may be added to over time or reallocated between the two activities. However, the total allocation will not be exceeded"*.

In June-July 2015 the final product has been defined and the results of calls for tenders show that the estimated total budget (20,000 euros) was not enough. So, a decision is made to redirect 10,000 euros originally intended for the closing event to the book. The National Focal Point will cover the closing event, coinciding with the presentation of the book and foreseen in the Communication Strategy EEA Grants Spain, from the Management budget.

In the description of the activity included in the proposal, two versions of the book were initially envisaged (a printed version in English and an electronic version available in English and Spanish). Following an assessment, a decision is made to produce both versions (printed and electronic) in both languages (English and Spanish) with the aim of increasing the outreach.

The estimated cost of the publication will be around 45,000 euros. The gap between the foreseen 30,000 euros of the bilateral activity and the final cost will be borne by the Norwegian Embassy in Spain.

The headings of the publication budget remain the same as in the initial proposal.

The first part of this activity EEA Grants Spain: Closing Ceremony and launching of the 20 years Final Report is removed from this bilateral activity, and will be financed with NFP's Management Budget in 2016.

### **Annex 3: ES07 Study Tour – Building Sustainable Cooperation**

#### ***Bilateral relations at National level - Activity 2016***

#### **1. General information**

Programme Area: EEA Scholarship Programme  
Activity: ***Study- Trip. Building Sustainable Cooperation in Higher Education and Research***  
Date: 2015, autumn; or 2016, March (4 days)  
Place: Bergen and Oslo (Norway)  
Responsible: Complutense University of Madrid (UCM)  
Requested amount: EUR 5.000  
Number of participants from UCM: 5 people (maximum)

#### **2. Objective**

The objective of this activity, “Building Sustainable Cooperation in Higher Education and Research”, is to promote the bilateral relations within the Higher education and Research systems through the exchange of experiences and gain competence in the field of scholarship schemes and higher education system and research system cooperation schemes. The aim of this field trip consists on exploring future cooperation opportunities, schemes and resources so to be able to build on the gains of NILS programme after its completion.

#### **3. Description of the activity**

The Study- Trip Building Sustainable Cooperation in Higher Education and Research consists in a field trip to Norway by relevant people from UCM (responsible from the Programme Operator) and eventually from Spanish Ministries involved, to meet relevant personnel from the Norwegian Centre for International Cooperation in Higher Education – SIU (Norway) and other institutions in Norway such as the Norwegian Research Council in order to exchange knowledge regarding International mobility financing programmes and policies at National, European and International level with the goal to build competence, share best practices and improve the cooperation between the public agencies from Spain and Norway.

The field trip will include meetings with representatives from some Higher Education Institutions having participated within projects financed by the EEA Grants Programme 2009-2014.

It is foreseen to carry out the following activities:

- Visit to **SIU - Norwegian Center for Internationalization of Education**, Bergen  
Topics of interest:

- Norwegian strategy and priorities on Higher Education and research cooperation, on scholarship schemes.
  - Cooperation opportunities, funding schemes and resources to explore and exploit to build such cooperation between Spain and Norway. How to use existing programmes such as Erasmus Mundus or others from EU, Norway and Spain.
  - Eventual cooperation schemes with third countries. Possibilities of multilateral cooperation through Spanish relations and networks in Latin American countries.
- Meeting with the **Research Council of Norway, Oslo (?)**  
Topics of interest:
    - Knowledge about RCN functioning, strategy and national programmes
    - Higher education and research cooperation schemes in Norway and Spain.
    - How to improve the Spanish-Norwegian cooperation using European Programmes.
    - UCM's potential and relations, Spanish research system and its relation with the higher education system.
  - Meeting with representatives from **higher education and research institutions** participating within NILS programme (University of Oslo, NTNU?)  
Topics of interest:
    - Identifying common interests and goals
    - Identifying cooperation schemes and people involved.
    - Identifying how to implement such cooperation within the existing funding schemes.

#### 4. Description of the participants

A university's international profile is always shaped by a complex and oscillating net of relationships onto which various inside and outside actors exert influence. Universidad Complutense de Madrid is a public institution with a long history and wide social recognition aspiring to be among the top European higher education institutions and to consolidate as a reference for the Latin American continent.

UCM has a large number of cooperation agreements with numerous foreign universities allowing to carry out students and academic and research staff exchanges. It has agreements with institutions in Europe, America, Asia, Middle East, and Africa, as well as cooperation agreements of different nature with a great variety of institutions cooperation with this university in international and research activities. UCM is awarded with "Campus de Excelencia Internacional" recognition by the Spanish government.

SIU is a knowledge- and service organisation with the mission of promoting and facilitating cooperation, standardisation, mobility, and the overcoming of cultural barriers to communication and exchange within the realm of education on an international level. The centre is charged with the important task of coordinating national measures according to official Norwegian policy within the field of internationalisation.

The centre is Norway's official agency for international programmes and measures related to education. It is commissioned by several national and international public organisations to administer programmes within all levels of education.



In addition to programme administration, SIU is responsible for promoting Norway as an education and research destination, as well as providing information and advisory services within the field of internationalisation in education.

The Research Council of Norway (RCN) is a national strategic and funding agency for research activities, and a chief source of advice on and input into research policy for the Norwegian Government, the central government administration and the overall research community. The RCN manages support schemes for individual researcher mobility to pave the way for a more strategic, targeted use of mobility funding instruments both National and International, being the Norwegian representative of the EU R&D Programmes such as Horizon 2020, Eureka and others. In this capacity UCM and RCN shares similar competences and the possibility to exchange views and practices could doubtless contribute to the reinforcement of the bilateral relations.

**Annex 3: ES03- Digital presentation and infographic Active Citizenship Programme.**

***Bilateral relations at National level - Activity 2016***

**1. General information**

Programme Area 10: Funds for Non-Governmental Organisations

Activity: ***Digital presentation and infographic ES03 – Active Citizenship***

***Programme***

Date: Madrid, February/March 2016

Responsible: NGOs Platform for Social Action

Requested amount: EUR 8.000

***2. Digital presentation and infographic ES03 – Active Citizenship Programme – Active Citizenship Programme***

The Programme ES03 Active Citizenship Programme has received a total grant amount of € 4,585,000 through the EEA Grants to manage the Programme of which €3,853,100 are aimed at project promoters, including the pre-defined project. The projects implementation and reporting period is expected to finish at the end of 2015.

Once the results of projects implemented under our Programme are analysed, the NGO Platform for Social Action will prepare its final Programme Report. This report will comprise a programme impact analysis on the base of the programme indicators evolution. This evaluation will shed light to the programme results, contextualize the NGOs work in Spain (taking into account the results of the third sector of social action study) and what they have learnt from the programme including testimonies from Donor Countries NGOs that have collaborated in the programme implementation such as Margrét Jónsdóttir Njarðvík who has helped in the gender mainstreaming. This will be presented in a digital format with an infographic, a video pill and will be presented in the final programme closing event.

The overall aim is to communicate and disseminate the programme outcomes in a quick and visual manner, including an explanation of the context in which they operate and the view from the Donor Countries on it such as the Social Research Institute from Norway. This will contribute to better understand the Spanish society, the current evolving framework and how the NGOs are contributing to its progress.

The proposed set of products (digital presentation, infographic and video) will be translated into English, together with the testimonies some non-governmental from the Donor Countries that have collaborated in the programme, in order to make the contents accessible for all the involved countries.

The proposed turn in date will be February/March 2016. The budget will be available from January 2016 on.

Please accept this application to the National Bilateral Funds in order to cover this activity expenses.

### **3. Description**

We consider that it is necessary to make an effort to communicate the work done during these two years of implementation of the Programme. 38 projects have been implemented with a total of 160 organizations involved, a predefined study has been elaborated and numerous complementary and bilateral activities have been developed.

The objective of this work is to add value to the Programme and make it known in our country and in Donor Countries through text, graphics and images that summarize the results and achievements of the Programme in an easier visual communication.

For content development will count with the participation of the EEA Platform team, project promoters, Donor Countries NGOs, as well as the advice of the Head of Communication and of the Director of the NGO Platform for Social Action.

Once the content has been defined, we will hire the appropriate company to design the digital presentation and the infographic. It will be translated into English, printed, presented in the final programme closing event and sent to the countries. In addition, there will be an online version to share Web pages, Social Networks, etc.

### **4. Expenditures:**

This activity will have the following costs:

1. Technical Assistance: the digital and computer graphics presentation with the content developed in the Platform will be commissioned.
2. Translation: It will be translated into English.
3. Printing Services (infographic): copies will be printed in Spanish, English.
4. Shipping services to send the infographics to the Donor Countries and Spain, as well as any other EEA Grants countries.