

# **FMO**

# **External Monitoring Manual**

**The EEA Financial Mechanism  
&  
The Norwegian Financial Mechanism**

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As amended: [17 December 2008]

# 1 Introduction

The beneficiary states are responsible for reporting and monitoring of projects<sup>1</sup>. In addition to the monitoring and reporting that is the responsibility of the focal point, the Financial Mechanism Office (FMO) has an obligation to monitor the project progress in accordance with Article 5.2 of the Rules and Procedures for the implementation of the EEA Financial Mechanism and the Rules and Procedures for the implementation of the Norwegian Financial Mechanism. This monitoring under the responsibility of FMO, is referred to as external monitoring.

The external monitoring will in general be carried out in accordance with a monitoring plan drawn up annually by the FMO for each beneficiary state. The monitoring plan outlines regular, external monitoring to be carried out by the FMO in the beneficiary state in question during a 12-month period. FMO may at any time during the 12 month period add monitoring tasks to the monitoring plan.

## 2 Objective

External monitoring comprises individual projects as well as the programmes and block grants. The main purpose of the monitoring is to verify that the project is proceeding according to the grant agreement. This may cover all aspects of the grant agreement. In case any problems are identified, the main focus shall be on how they can be rectified in a way that benefits the project implementation.

The monitoring will have one, or both of the following focuses:

1. Overall monitoring of project development, see appendix 1
2. Verification of a payment claim, see appendix 2

The basis for external monitoring are mainly the grant agreement, the application and the appraisal report and all previous project interim reports and annual progress reports by the time the monitoring begins. The monitoring shall, as far as practicable, be coordinated with the project reporting and monitoring activities already taking place under the Beneficiary State reporting and monitoring guideline.

## 3 The monitoring plan

The monitoring plan shall be developed for each beneficiary state for each calendar year and presented to the national focal point before the year starts. For the case that the first planned monitoring will take place within an ongoing calendar year, FMO shall present the focal point with a monitoring plan for the remaining part of the year.

The monitoring plan shall include the selection of projects to be monitored according to four principles, see also section 5:

1. All programmes and block grants equal to or above 2.5 million Euro in total grant support (combined grants from EEA and Norwegian Financial Mechanisms)

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<sup>1</sup> See Beneficiary State Reporting and Monitoring Guideline ([link](#))

2. Individual projects equal to or above 2.5 million Euro in total grant support (combined grants from EEA and Norwegian Financial Mechanisms)
3. Random selection of up to 5% (by number of projects approved and in implementation) of the remaining individual projects and funds (programmes, block grants and seed money), below 2.5 million Euro in total grant support (combined grants from EEA and Norwegian Financial Mechanisms).
4. Whenever the FMO has information about possible problems or misconduct; or at such times when the reports/payment claims indicate significant deviations from plans and the project appears to be at risk.

Regarding any specific monitoring needs under point 4 above, they may be included in the monitoring plan from the start of a particular year, or they may be selected for monitoring at any time.

The way the monitoring is carried out may vary, but the standardised forms in appendix 1 and/or appendix 2 shall in any case be completed. The following main alternative monitoring scopes exists:

- overall monitoring using the checklist in appendix 1
- overall monitoring including a verification of a payment claim using both checklists in appendix 1 and appendix 2
- a payment claim verification, using only appendix 2

Each of these three alternatives may be the scope for a single on the spot monitoring check. All three alternatives may be used in any monitoring schedule over the implementation period of programmes and block grants as well as for large projects.

## **4 The monitoring process**

### **4.1 General**

The monitoring will normally be carried out by an independent monitoring agent working on behalf of FMO. Representatives of the FMO may participate in the external monitoring. The FMO may alternatively decide to carry out the monitoring itself.

Normally the external monitoring will take place as an on the spot check. Such site visits shall, whenever practicable, be announced at least two weeks in advance in order to allow for the project promoter to be prepared and to make all relevant personnel and documentation available. If assistance from the focal point is required, such a request shall be included in the notification of the planned visit.

During the external monitoring activities, the project promoter shall make reasonable efforts to make any required information and personnel available that may be relevant to the monitoring.

In some cases it may also be necessary to visit stakeholders other than the project promoter, such as partners, target groups, or others in order to cover all relevant aspects of the situation. The monitoring agent must consider the need and relevance of such information sources throughout the monitoring process.

## **4.2 The scope and content**

The scope and content of the monitoring visit are presented as checklists and reporting standards in appendix 1 and appendix 2. These documents are not meant to include all topics that may be relevant for the monitoring. The FMO may adjust the topics for each monitoring activity, as appropriate. It is up to the professional judgement of the monitoring personnel to decide when other topics are relevant, and to include them in the report.

If necessary, the FMO will make additional inquiries regarding information given in the report. The FMO shall then send copies of the monitoring report for information to the focal point who is expected to pass it on to the project promoter. The focal point may give its comments in writing within two weeks to FMO.

## **4.3 Reporting**

The completed statements in the format given in appendix 1 and appendix 2 should normally be sufficient information for the monitoring report. The format in appendix 1 in particular is meant to indicate the structure and the relevant topics.

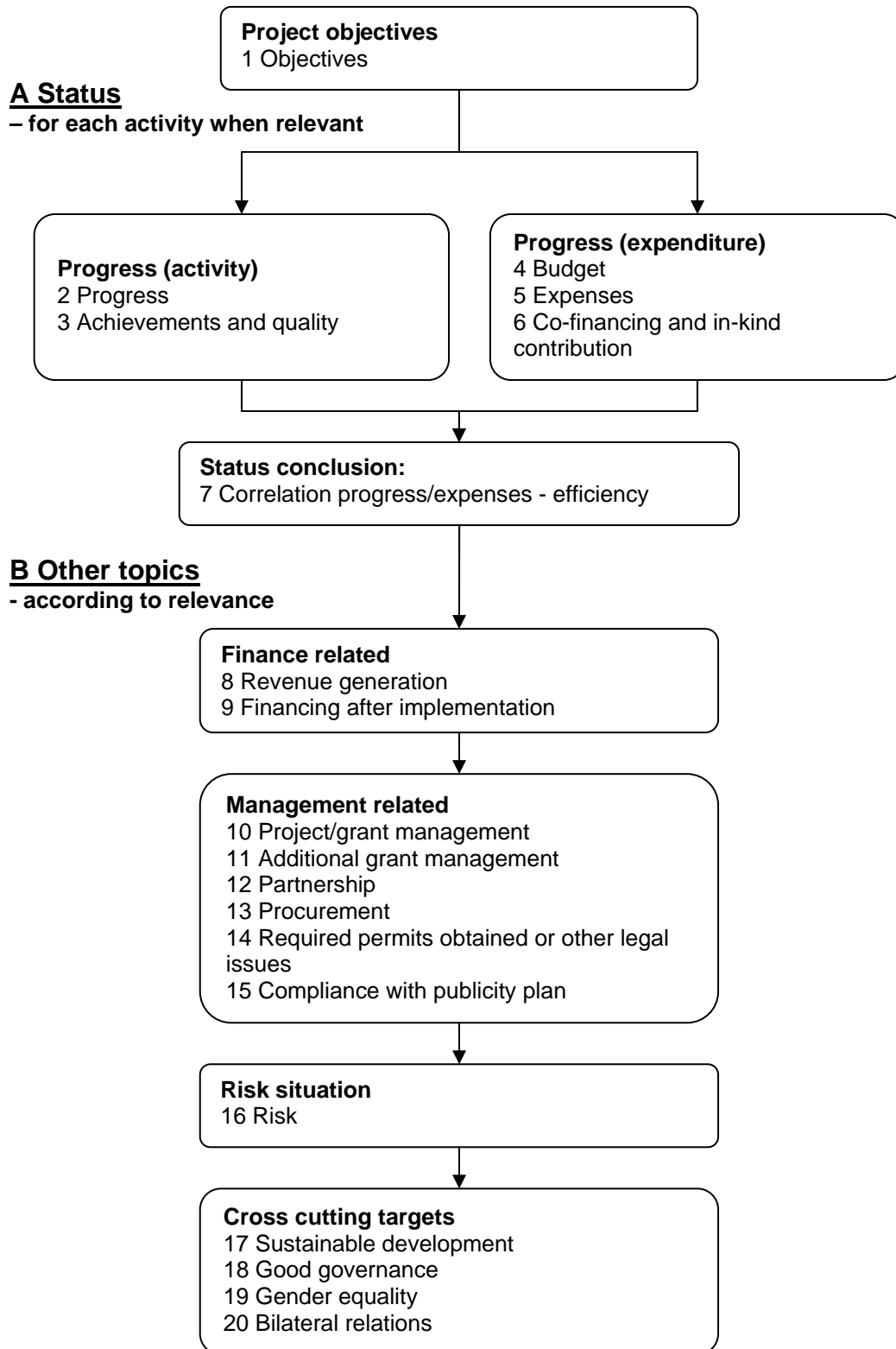
Necessary background or supporting information should be annexed to the report with clear references.

## **4.4 Overview of the overall monitoring**

The flow chart below is intended to give an overview of various aspects of relevance for the overall monitoring with reference to the headings for each topic given on the following page.

Part (A) concerns progress of the activity and status of expenditure. It includes a comparison of the two in order to assess how efficiently resources are being spent and the relation of this to plans. In many cases it may be necessary or practical to make a separate status assessment for each of the main project activities. If so, the relevant parts of appendix 1 need to be copied and completed for each activity.

Part (B) is a list of possible topics that may vary from project to project. It should serve as a checklist for the monitoring. To a large degree these topics cover the same areas as the appraisal, but the monitoring topics should not in any way be restricted to areas covered by the appraisal.



## **5 Selection for monitoring**

### **5.1 Large programmes and block grants**

The fund management and grant decisions have been delegated by the donor states to the beneficiary states in programmes and block grants. This means that FMO has no direct involvement in these types of grant assistance after the grant agreement has been signed.

For programmes and block grants, including any specific forms of grant assistance, see annex C of the MoUs, equal to or above 2.5 million Euro grant support, external monitoring will take place at least once during the project implementation. This monitoring shall check that all agreed procedures for the internal fund management regarding selection, disbursement, reporting, monitoring and auditing are being followed. This monitoring shall include a visit to the intermediary with a thorough review of all activities over the preceding period. The form in appendix 1 shall be completed as a minimum for each of these visits. Additional visits e.g. to verify payment claims, may also be made.

This monitoring may also include a number of the sub-projects randomly selected for monitoring. These projects shall also be visited at relevant site(s) and checked according to the form in appendix 1 as a minimum.

### **5.2 Large individual projects**

For individual projects equal to or above 2.5 million Euro grant support, external monitoring will take place at least once during the project implementation. The form in appendix 1 shall be completed as a minimum for each of these visits. Additional visits e.g. to verify payment claims may also be made.

### **5.3 Random selection of smaller projects and funds**

For individual projects, block grants and programmes falling below the threshold indicated in 5.1 and 5.2 above, external monitoring will in general be based on random selection. The monitoring shall normally include an on the spot check to verify that everything stated in the reports and claims is correct. This check includes the project progress, the quality of the project implementation and the status of the expenditure in accordance with appendix 1. The form in appendix 1 shall as a minimum be completed for each of these visits.

### **5.4 Selection for a specific reason**

The FMO may decide to monitor any project or payment claim for whatever reason. The FMO will make use of its risk assessment criteria in determining each of the monitoring tasks. A specific monitoring may take place at any time and on short notice independent of the monitoring plan .

# APPENDIX 1 – Template: Detailed Monitoring Report

## Detailed Monitoring Report

### PART “A”

#### Signature

\_\_\_\_\_ (typed name of the monitoring consultant)

\_\_\_\_\_ (signature)

\_\_\_\_\_ (date – of report submission)

\_\_\_\_\_ (name of monitoring company)

#### Identification data

Project registration number	
Title of the project	
Type of project assistance	
Name of project promoter	
Name of promoter contact person	
Name of project partner(s)	
Total grant approved	
Date of grant approval	
Planned completion date	
Planned start date	
Beneficiary state	
LAU code	
Key priority sector	
Previous monitoring reports	

**Reason for monitoring** (*size, random selection, other specific reason*)

--

**Background if other specific reason was chosen:**

--

**Percentage completion of the project at the time of the monitoring:**

--

## Brief project description

## Instructions for report submission

A draft version of this report in word format must be e-mailed to FMO at the e-mail address [monitoring@efta.int](mailto:monitoring@efta.int) and with cc to FMO's task manager for the project, by the agreed deadline. When the final report has been approved in writing by FMO a final signed copy shall be issued in scanned pdf format as an attachment to an e-mail to the same addresses.

For an overview of FMO monitoring, please see the “**FMO – External Monitoring Manual**” which can be found here - <http://www.eeagrants.org/documents> under the heading of “guidelines”.

For the purposes of the Detailed Monitoring Report, the FMO requests that the monitoring agent submit:

- (1) a written report which shall have the outline described in “Part B” (see instructions for filling out “Part B”), and
- (2) the Monitoring Checklist attached here (Appendix 1 of the FMO External Monitoring Manual), “Part C”

This checklist summary is divided into sections and subsections. Each subsection must be given a written response, even if the answer is “not applicable” or a statement such as “the project is going according to the planned criteria” in order that the FMO is aware that this section of the monitoring report has been checked.

Each section contains an area for comments on implementation. These comments should be very brief and focusing only on particularly strong or weak elements of the project monitoring, or explaining how an issue will be solved.

The first (1) is essentially a summary of the second (2), the Monitoring Checklist. The Detailed Monitoring Report will be comprised of both of these documents and the cover page of this report, “Part A” provided here by the FMO to include in-house tracking information.

\* We ask you to sign and date the cover page. Please ensure that you enclose Parts “A”, “B” and “C” when you submit your report.

*Please keep the report short and to the point, including sufficient background and logic for the conclusions but avoiding repeating the application or other FMO well known documents. Such documents need only be referred to.*

## **PART “B” TEMPLATE**

### **I. Introduction.**

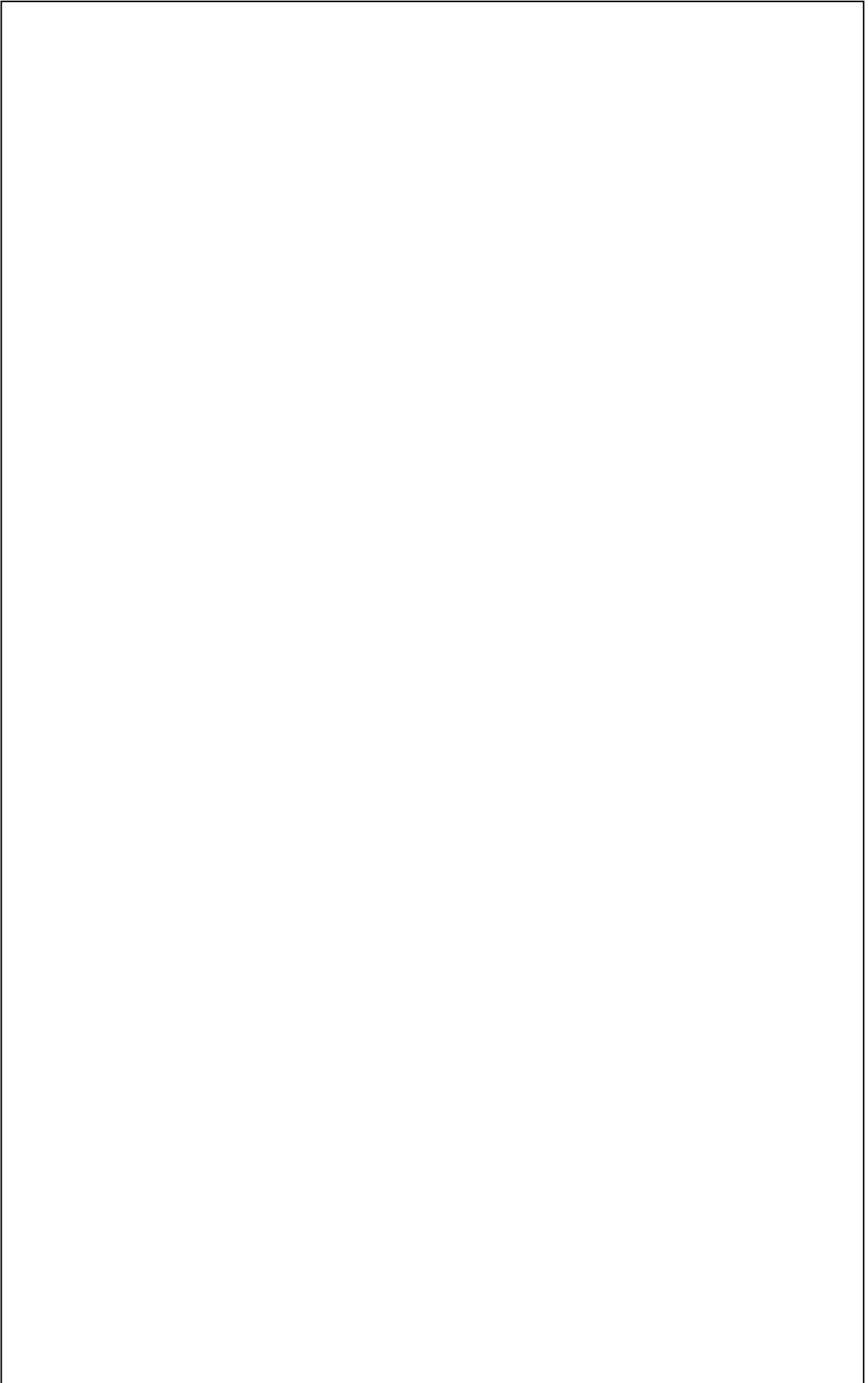
**I.1. Description of the project.** This section is for presenting the reasons given by the FMO for project monitoring

**I.2. Description of how the monitoring was conducted.** This section refers to any special methods used (if relevant) for the monitoring. Please include a list of the contacts made, with the dates of meetings/ monitoring visit, as well as any additional documents used for analysis or research, which can be helpful to the FMO as reference materials.

**I.3. Comments from the Project Promoter.** Please provide here any comments from the project promoter on the EEA Grants process and his or her experience in working with the grants programme including with the representatives from the beneficiary country, or Focal Point, and with representatives from the FMO office. Comments are welcome from the application stage to project implementation. Both positive and negative comments are welcome on any issues which were discussed during the monitoring.

## **II. SUMMARY of FINDINGS**

*(Maximum 2 pages)* Using points 1-20 in the Monitoring Checklist, please summarize all aspects of the project which have shown particularly noteworthy outcomes. In this section, note any areas where the project promoter has exceeded expectations or where project problems are present. If this was mentioned in your notes in the checklist "Part C", please refer to the checklist note here. Please note that this section should refer to any comments made in the following two parts of this report.



### III. CONCLUSIONS.

(Maximum 1 page) Using points 1-20 in the Monitoring Checklist and the previous section “Findings”, please summarize here your monitoring views. Please include here any points which were made by the project promoter for corrective actions, relevant to any shortcomings in project expectations or targets set forth in the grant agreement and discussed during the site visit. Please reference any notes to these from the checklist, “Part C”.

	<b>Conclusion of the monitoring</b>	<b>Definition</b>
1	Excellent	The project runs according to plan; no problematic issues have been detected
2	Satisfactory	The project has a few outstanding issues, but implementation is not in jeopardy/in danger.
3	Problematic/ not adequate	The project has several outstanding issues that need to be clarified and project completion is potentially in danger.
4	Poor	The project is considered under risk and implementation/completion is at risk.

#### **IV. MONITORING AGENT'S RECOMMENDATION**

*(Maximum 2 pages)* This report section is meant for the monitoring agent to provide his or her recommendations, and, if relevant, an opinion on whether remedial actions proposed will sufficiently solve any project shortcomings. If you have alternative suggestions of action, please note these here, with a short explanation of how these suggestions can be implemented. You may wish to reference other projects where you have information that various courses of action have led to successful problem-solving and conclusions of projects. If there are no particular problems with this project, please note that here with any relevant comments and continue to the next section.

## **PART “C” Monitoring Checklist -Template**

### **1 Objectives**

The project’s purpose and overall objectives are given in the grant agreement. Any deviation from these objectives after the signature of the grant agreement must be approved by the donor state(s). It is also important to check that the objectives are still relevant.

		Explain your answers:
Have any changes been made to the project objectives?	Yes <input type="checkbox"/> No <input type="checkbox"/>	
Have the changes been approved by the donor state(s)?	Yes <input type="checkbox"/> No <input type="checkbox"/>	
Has the relevance of any objective changed?	Yes <input type="checkbox"/> No <input type="checkbox"/>	

If any changes to the objectives have not been approved or the relevance has changed, please respond to the following questions:

Specific reasons?	
What are the implications for the total project?	

#### **Status for each project activity, when relevant**

### **2 Progress**

The project progress is a key subject for the monitoring visit. This point is an overall assessment of whether or not the project or a specific activity within the project is following the agreed timeline.

Indicate any deviation from agreed project timeline.

Number of Months
------------------

If any significant deviation is determined, please respond to the following questions:

Specific reasons for deviation?

What are the implications for the total project?

What actions will be taken?


Please, give a degree of deviation of the project timeline:

		Definition
1	No deviation	The project is in line with the time schedule
2	Minor deviation	The project was delayed in the overall timeline by 10-20%. This was reported in the Project Implementation Report(s)/ to FMO.
3	Considerable deviation	There was a delay in the timeline by 20-50%. This was also reported to the FMO in reports, and the project completion was not jeopardised.
4	High deviation	There was a delay which prolonged the timeline by over 50% of the intended time schedule, not jeopardising project results
5	High deviation with negative effect	There was a delay which prolonged the timeline by over 50% of the intended time schedule and it had serious impacts on the project implementation and completion.

### 3.1 Achievements (indicators) and quality

This is a more detailed progress assessment. The achievements or the result indicators in the implementation phase are to be considered. It is important to confirm that the quality and the suitability of the implemented parts of the project are according to the requirements on which the grant agreement is based. Please complete the table below for each relevant indicator, which may be activity based or total project based. In cases with several indicators an overview table should also be prepared.

Type of indicator	1. Purpose indicator 2. Result indicator
Indicator as listed in the GDD	
Planned achievement to date	
Actual achievement	
If any significant deviation is determined, please respond to the following questions:	
Specific reasons for deviation?	
What are the implications for the total project?	1. There are no or only minor deviations, but it is expected that the project promoter can achieve the results on time 2. Since the result indicators will not be achieved within the project timeline, we suggest a prolongation of the project The project promoter does not have the intention to complete the expected results, therefore action should be taken by the FMO to look into the problem associated with this result indicator
What actions will be taken?	

### 3.2 to 3.8 (one box for each indicators) Achievements (indicators) and quality

#### 4 Budget

The budget is given in the application and referred to in the grant agreement. Any modifications between budget headings in this budget after the signature of the grant agreement must be within the variation limit defined in the grant agreement or, if more significant, they must be approved by the donor state(s). It is also important to check that the budget is still realistic.

		Explain your answers:
Have any adjustments been made to the project budget?	Yes <input type="checkbox"/> No <input type="checkbox"/>	
Are any modifications to budget larger than the limit for approval?	Yes <input type="checkbox"/> No <input type="checkbox"/>	
Have such modifications been approved by the donor state(s)?	Yes <input type="checkbox"/> No <input type="checkbox"/>	
Is the budget still realistic or have circumstances changed that?	Yes <input type="checkbox"/> No <input type="checkbox"/>	
If any adjustments have been made or the budget is not realistic anymore, please respond to the following questions:		
Specific reasons?		
What are the implications for the total project?		
What actions will be taken?		

Please, give a degree of deviation on the budget at the time of monitoring, as follows:

		Description
1	No deviation	0%
2	Minor deviation	0 – 15%
3	Considerable deviation	15-50%
4	High deviation	50-100% (or higher)

## 5 Expenses

The project expenses are also a key element of the monitoring check. In some cases the monitoring check will include a direct payment claim check which requires a separate form for that purpose, see “Monitoring report – payment claim check, appendix 2 to the FMO-External monitoring manual”. The main purpose of the questions below is to relate the actual expenses to the project plan.

Planned total eligible project expenses to date	€
Planned claimed grant expenses to date	€
Amount claimed to date	€

If any significant deviation is determined, please respond to the following questions:

Specific reasons for deviation?	
What are the implications for the total project?	
What actions will be taken?	

Related to the expenses and expense claims please, give a degree of deviation on the timing of the expense reimbursements

		Description
1	No deviation	Expenses were sent to the Focal Point/ Paying Authority and were paid on time. .
2	Minor deviation	Expense claims were sent to the Focal Point / Paying Authority and there was a slight delay in payment (1-2 months) but it did not have an effect on the project
3	Considerable deviation	Expense claims were sent to the Focal Point/ Paying Authority and there was a considerable delay in payment, which caused financial difficulties for the promoter in implementing the project
4	High deviation	Expense claims were sent to the Focal Point/ Paying Authority for reimbursement and there was a great delay in the processing of the expenses claimed, which caused grave difficulties for the promoter.
	Comments:	<i>(please make any comments on the above selections here)</i>

## 6 Co-financing and in-kind contributions

It is a requirement of the grant agreement that the co-financing is made available in proportion to the grant payment. It must be verified as part of the monitoring check that these funds have been made available for the project in the correct amounts. The in-kind contributions agreed as part of the co-financing must be verified in the same way.

Planned co-financing to date, including in-kind contributions	€
Amount co-financed to date including in-kind contribution.	€

If any significant deviation is determined, please respond to the following questions:

Specific reasons for deviation?	
What are the implications for the total project?	
What actions will be taken?	

## 7 Correlation between progress and expenses, project efficiency

This point is meant as a combination of findings described in points 2-6 above in order to verify that there is a clear, logical and proportional correlation between the verified project progress and the verified project expenses. The delivered and implemented quality is important also here and must relate to the costs and expenses claimed.

		Explain your answers:
Is the actual progress according to the claimed expenses?	Yes <input type="checkbox"/> No <input type="checkbox"/>	

If any significant deviation is determined, please respond to the following questions:

Specific reasons for deviation?	
What are the implications for the total project?	
What actions will be taken?	

### Other topics according to relevance

## 8 Revenue generation

Revenues may be generated during the project implementation and/or after the implementation. The revenues to date must be verified and compared to the revenues indicated in the agreed budget. This consideration must also include any changes of circumstances that may significantly change the revenue potential of the project, also after the implementation phase. Any indication of potential revenues that are not reported must be described.

Planned revenue generation to date	€
Amount of revenue generated to date	€

If any significant deviation is determined, please respond to the following questions:

Specific reasons for deviation?	
What are the implications for the total project?	
What actions will be taken?	

## 9 Commitments for financing after implementation

It is very important that the required finances and organisational preparations are made in due time before the operational phase of the project starts, meaning the phase after the project implementation period. It may be that the expected revenues are a significant part of the finances, but it may also be that government commitment or other funding commitments such as e.g. the polluter pays principles, form part of this financing. The reality of such required long term commitments must, as much as possible, be verified. Any required follow up of commitments made as part of the grant agreements must be confirmed. This also includes reasonably required organisational preparations, such as preparations for obligations forming part of contracts with suppliers, operational organisation or maintenance organisation, including outsourcing arrangements if relevant, etc.

		Explain your answers:
Have required commitments been made for the operational phase financing?	Yes <input type="checkbox"/> No <input type="checkbox"/>	
Have reasonable organisational preparations been made for the operation and maintenance of the project after implementation?	Yes <input type="checkbox"/> No <input type="checkbox"/>	

If any significant deviation is determined, please respond to the following questions:

Specific reasons for deviation?	
What are the implications for the total project?	
What actions will be taken?	

## 10 Project or grant management systems

The availability of project management resources necessary to execute the project in a professional manner and according to the project plan must be assessed. This includes but is not limited to any provisions made in order to monitor the compliance with the grant conditions internally.

		Explain your answers:
Are the required management systems in place?	Yes <input type="checkbox"/> No <input type="checkbox"/>	
Are effective monitoring and controlling systems in place?	Yes <input type="checkbox"/> No <input type="checkbox"/>	
If any significant deviation is determined, please respond to the following questions:		
Specific reasons for deviation?		
What are the implications for the total project?		
What actions will be taken?		

Please, give a degree of deviation,

		Description
1	No deviation	The management runs according to plan.
2	Minor deviation	The deviation/change does not affect the overall project implementation.
3	Considerable deviation	The deviation/change has an impact on the project implementation within a few areas of the project.
4	High deviation	The deviation/change has a significant/ major impact on project implementation and can/did affect the overall project end result.

## 11 Additional grant management

This topic is intended for block grant and programmes only. The grant management systems established must be assessed for appropriateness, efficiency and compliance with the grant conditions, and specifically with Annex III to the Grant Agreement. Any indication of systems not being sufficient for the purpose must be reported.

		Explain your answers:
Is the grant application procedure functioning according to the agreement?	Yes <input type="checkbox"/> No <input type="checkbox"/>	
Is the sub-project/component project selection process independent and transparent?	Yes <input type="checkbox"/> No <input type="checkbox"/>	
Is the agreed auditing arrangement in place?	Yes <input type="checkbox"/> No <input type="checkbox"/>	

If any significant deviation is determined, please respond to the following questions:

Specific reasons for deviation?	
What are the implications for the total project?	
What actions will be taken?	

Please, give a degree of deviation:

		Description
1	No deviation	Management runs according to plan/ Annex III.
2	Minor deviation	The deviation/change does not affect the overall project implementation.
3	Considerable deviation	The deviation/change has an impact on the project implementation within a few areas of the project.
4	High deviation	The deviation/change has a significant/ major impact on project implementation and can/did affect the overall project end result.

### 12.1 Partnership

The actual role of each project partner must be assessed and compared with the information given in the application. Any changes in the actual roles of the partners or the partnership itself must be reported. If any kind of cooperation problems exists between the partners, they must be discussed.

There was a Partnership in this project?	Yes <input type="checkbox"/> No <input type="checkbox"/>	
Name of the Partnership		
Country	1. Norway 2. Iceland 3. Liechtenstein 4. Other	
	If other please specify:	
Category as set up in the GDD:	1. Letter of intent 2. Mentioned in the application 3. Partnership statement	
Was the partnership implemented as it was set up in the GDD?	Yes <input type="checkbox"/> No <input type="checkbox"/>	
What is the actual role each partner is playing in the project?		

Are there any problems in the partnerships?	Yes <input type="checkbox"/> No <input type="checkbox"/>	
If any significant deviation from the grant agreement is determined, please respond to the following questions:		
Specific reasons for deviation?		
What are the implications for the total project?		
What actions will be taken?		

## 12.2 to 12.6 (one box for each p) Partnership

### 13 Procurement

Both EU and national rules for public procurement must be obeyed. The monitoring must include a review of any procurement made above such threshold limits that exists for the procurement rules and conclude whether the rules have been followed or not.

		Explain your answers:
Have public procurement procedures been used for items or services above the threshold limits?	Yes <input type="checkbox"/> No <input type="checkbox"/>	
Give references and documentation if relevant.		

If any deviation from the public procurement rules is determined, please answer the following questions:

Specific reasons for deviation?	
What are the implications for the total project?	
What actions will be taken?	

Please, give a degree of deviation regarding any procurement issues:

		Description
1	In line with Procurement	The project has followed public procurement rules.
2	Minor problems with procurement	The project has not complied with the public procurement rules, but the issue can be solved/ rectified.
4	Violation of procurement rules	The project has violated the public procurement rules.

### 14 Required permits obtained, or other legal issues

In case certain permits need to be obtained in relation to the project implementation it is important to check the status of such actions and possible influence on the project. There may be other legal issues of relevance, e.g. related to EU law, that either has been known or come up during implementation.

		Explain your answers:
Are all required permits obtained?	Yes <input type="checkbox"/> No <input type="checkbox"/>	
Are there any legal issues that may influence the implementation?	Yes <input type="checkbox"/> No <input type="checkbox"/>	
What kind of legal issues has affected the project?	1. EU law	If other specify:
	2. National Law	
	3. Other	

If any issues are determined, please respond to the following questions:

What are the reasons?	
What are the implications for the total project?	
What actions will be taken?	

Please, give a degree of deviation:

		Description
1	No deviation	All the required permits have been obtained according to plan.
2	Minor deviation	One/ a few/ all permits have been applied for and an answer is pending.
3	Considerable deviation	The permits have not been obtained according to the planned schedule.
4	High deviation	None of the required permits have been obtained.

## 15 Compliance with publicity plan

A review of the publicity plan and the compliance to it is part of the monitoring.

Have the principles defined in the publicity plan been complied with?	
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If any significant deviation is determined, please respond to the following questions:

Specific reasons for deviation?	
What actions will be taken?	

Please, give a degree of deviation:

		Description
1	YES	The project has followed the publicity plan and complies with EEA Rules and Regulations.
2	Partially	Publicity has been made for this project, but it was not 100% according to plan (there may have been more or less budget spent on this activity). However, this deviation did not affect the overall Publicity plan.
3	NO	None of the activities have been implemented according to plan.

## 16 Risk

The risk situation regarding both previous incidents and risk management in accordance with the plans must be briefly assessed. Any apparent changes in risk both regarding likelihood and potential impacts to the project must be determined.

		Explain your answers:
Has the project experienced risk related incidents, and how have they been managed?	Yes <input type="checkbox"/> No <input type="checkbox"/>	
Are there any changes to the risk situation on the project?	Yes <input type="checkbox"/> No <input type="checkbox"/>	

If any significant change in the risk is determined, please respond to the following questions:

Specific reasons for the change?	
What are the implications for the total project?	
What actions will be taken?	

Please, give a degree of risk,

		Description
1	No risk	No risks will impact/ have impacted the project. Risk management occurs according to plan.
2	Minor risk	Risks have been identified, but the risks will be mitigated/ have been mitigated and the project end result not affected.
3	Considerable risk	Risks have affected the project implementation and/or the project end result.
4	High risk	There are considerable risks that will impact/ have impacted the project.

## Cross-cutting Issues

### 17 Sustainable development

Sustainable development is a cross-cutting target that must be considered for all projects. It is important that any issue that may reduce the project's contribution to sustainable development is assessed and commented. Please refer to the Sustainable Development Policy and Guide.

		Explain your answers:
Are the project activities in accordance with the principles of sustainable development?	Yes <input type="checkbox"/> No <input type="checkbox"/>	
Has the sustainable development dimension of the project been implemented as planned?	Yes <input type="checkbox"/> No <input type="checkbox"/>	

If any significant deviation is determined, please respond to the following questions:

Specific reasons for deviation?	
What are the implications for the total project?	
What actions will be taken?	

## 18 Good governance

Good governance is a cross-cutting target that must be considered for all projects. Any governance issue relevant to the project must be assessed in the monitoring. Please refer to the Good Governance Policy and Guide.

		Explain your answer:
Is the project contributing to good governance as planned?	Yes <input type="checkbox"/> No <input type="checkbox"/>	

If any significant deviation is determined, please respond to the following questions:

Specific reasons for deviation?	
What are the implications for the total project?	
What actions will be taken?	

## 19 Gender equality

Gender equality is a cross-cutting target that must be considered for all projects. Any gender equality issue relevant to the project must be assessed in the monitoring. Please refer to the Gender Equality Policy and Guide.

		Explain your answer:
Is the project contributing to gender equality as planned?	Yes <input type="checkbox"/> No <input type="checkbox"/>	

If any significant deviation is determined, please respond to the following questions:

Specific reasons for deviation?	
What are the implications for the total project?	
What actions will be taken?	

## 20 Bilateral cooperation

Any bilateral cooperation issue relevant to the project must be assessed in the monitoring.

		Explain your answer:
Is the project contributing to bilateral cooperation with donor states as planned?	Yes <input type="checkbox"/> No <input type="checkbox"/>	

If any significant deviation is determined, please respond to the following questions:

Specific reasons for deviation?	
What are the implications for the total project?	
What actions will be taken?	

**21 Any other findings of significance for monitoring**

The above points are intended as a guide for the monitoring and as a minimum checklist. It is also a monitoring responsibility to cover any other topic relevant to compliance with the grant conditions and to the success of the project.

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**22 Fulfilment of grant conditions.**

In this section, we request that the monitoring agent provide comments in the spaces provided on the right, from the grant conditions - provided by FMO in the left-hand column. Please provide only explanations which refer to the general grant conditions and the particular status of project completion during which the monitoring visit has been carried out.

<b>General condition(s)</b>	<b>Comments from Monitoring Agent</b>
<b>Condition(s) before first disbursement</b>	
<b>Condition(s) before completion</b>	
<b>Post completion condition(s)</b>	

## APPENDIX 2 – Template Monitoring Report - Payment Claim Check

### Project identification data

Project registration number	
Title of the project	
Type of project assistance	
Name of project promoter	
Name of project partner(s)	
Total grant approved	
Date of grant agreement	
Planned completion date	
Beneficiary state	
Key priority sector	
Previous monitoring reports	

### Payment claim identification

Claim registration number	
Date of claim	
Amount claimed	

### Reason for monitoring

Programme or block grant above 2.5 mill grant	
Individual projects above 2.5 mill grant	
Random selection of other projects	
Other specific reason (background enclosed)	
Background if other specific reason was chosen:	

### On the spot check data

Site(s) visited	
Date(s) for visit	
Name(s) of monitoring personnel involved	
Name of Monitoring Agent	
Name of promoters contact person	
Name(s) of other personnel involved by the promoter	

**Brief project description**

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**Please answer each question and give comments whenever relevant regarding deviations, explanations and possible follow up measures.**

Is the summary of eligible expenses submitted by the promoter of the project in full conformity with the supporting documents*?	
Have the supporting documents been found to be authentic, correct and accurate?	
Are the documents based on verifiable accounting which is in compliance with sound accounting principles and methods?	
Do the claimed expenses fall within eligible expenses under Detailed Eligibility Provisions – Expenditures?	
Are the claimed expenses incurred as part of the implementation of the project in accordance with this Grant Agreement?	
Has the co-financing from other sources been made available in relation to the amount of the payment claim?	
Does sufficient audit trail exist?	
Any other relevant findings or remarks?	
Conclusion and recommendation	

\* by supporting documents is to be understood the Project Interim Report including the payment claim, the Grant Agreement and any other document relevant for the payment claim.

Completed by \_\_\_\_\_ (typed name)  
 \_\_\_\_\_ (signature)  
 \_\_\_\_\_ (date)  
 \_\_\_\_\_ (company)