

Annex 2: Rules and Procedures for the Swiss-Czech Cooperation Programme

Annex 2 is an integral part of the Framework Agreement between the Government of the Czech Republic and the Swiss Federal Council concerning the implementation of the Swiss-Czech Cooperation Programme. Annex 2 defines the controlling at the Swiss-Czech Cooperation Programme level, procedures at Project level, requirements for Project proposals, roles and responsibilities and special provisions for financial assistance.

Rules and procedures for Block Grants, the Project Preparation Facility, the Technical Assistance Fund and the Scholarship Fund are defined in Annex 3.

1. Controlling at the Swiss-Czech Cooperation Programme level

1.1 Supervision

The Czech authorities have the final responsibility for the monitoring and supervision of the Swiss-Czech Cooperation Programme. A monitoring system shall be developed jointly by the Parties at the beginning of the Swiss-Czech Cooperation Programme and be enhanced during its implementation as necessary.

1.2 Annual meetings

In order to ensure an effective implementation of the Swiss-Czech Cooperation Programme, the Parties shall hold annual meetings. At the annual meetings, the National Coordination Unit (NCU) shall present an annual report to be distributed one month before the meeting which shall amongst other things address:

- General experience and results achieved;
- Progress made in the implementation of the Swiss-Czech Cooperation Programme against the Conceptual Framework;
- Reporting on the status of the Swiss-Czech Cooperation Programme, including:
 - o Statements on approved Projects, progress of Project identification / preparation and foreseeable Commitments;
 - o Overall financial statement on past and tentative future disbursements and Commitments for the entire Swiss-Czech Cooperation Programme;
 - o Summary and main conclusions of the financial audits of the Projects in accordance with Chapter 3.6;
 - o Statistics on tenders, contract awards and successful bidders;
 - o Information about important issues with regard to particular Projects.
- Reporting on Block Grants, the Project Preparation Facility, the Technical Assistance Fund and the Scholarship Fund;
- Proposals for the allocation of non-committed funds;
- Reporting on administrative implementation issues;
- Strategy and activities to inform the general public about the Swiss-Czech Cooperation programme and the Projects implemented;
- Further issues to be discussed; recommendations, next steps;
- Review and, if needed, amend the Annexes of the Agreement.

The NCU is responsible for the organisation of the annual meetings. It will consult the Swiss Embassy on the organisation, the contents, the agenda, the participants and other organisational and logistical matters.

The Intermediate Bodies, the Executing Agencies and other institutions and persons may be invited to the annual meetings whenever this is felt desirable by the NCU or by Switzerland.

The Parties may invite the Commission of the European Communities to participate as an observer.

Minutes of the meetings shall be drafted by the NCU and be submitted to Switzerland for approval within 15 days after the meeting.

2. Procedures of Project Financing Requests

The financing request undergoes a two-loop approach that allows guidance early in the decision making process. In the first loop, a Project outline is submitted and a decision in principle is made. In case of a successful first loop, the second loop is initiated. In the second loop, the Final Project Proposal is submitted and the final decision is made by Switzerland.

2.1 First loop: Application and approval procedure of the Project outline

No.	Steps	Activities and specific rules	Organisations
1.	Initiation of Project identification	Initiation on the basis of: <ul style="list-style-type: none"> – Lists of priority Projects provided by the Government – A proposal by the NCU – A proposal by an Intermediate Body / Executing Agency – Call for proposals – A proposal by Switzerland – A proposal by an international organisation 	Responsible: NCU Involved: Intermediate Body, Executing Agency, Czech partners, Swiss authorities
2.	Elaboration of the Project outline	Preparation of the Project outline based on the requirements for Project outlines (cf. 2.2). This may include a request for financial support for the preparation of a Final Project Proposal through the Project Preparation Facility.	Responsible: Intermediate Body, Executing Agency
3.	Pre-screening of the Project outline	Possibility of informal consultations with the Swiss Embassy.	Responsible: NCU
4.	Screening	Examination of the Project outline based on the Conceptual Framework, the Project selection criteria in Annex 1 and the requirements for Project outlines (cf. 2.2).	Responsible: NCU Involved: monitoring committee, Intermediate Body (when existent)

No.	Steps	Activities and specific rules	Organisations
5.	Submission of the Project outline	<p>If accepted, submission of the Project outline(s) with a cover letter comprising a description of the selection process to the Swiss Embassy.</p> <p>Formal check by the Swiss Embassy and submission of the Project outline with the cover letter of the NCU to Switzerland.</p>	<p>Responsible: NCU</p> <p>Responsible: Swiss Embassy</p>
6.	Final decision on Project outline	<p>Final decision on the Project outline (including, if relevant, decision on the request for financing of Project preparation).</p> <p>If accepted by Switzerland, request for the elaboration of the Final Project Proposal (requirements specified in 2.4). Switzerland may submit comments which have to be considered during the elaboration of the Final Project Proposal.</p>	<p>Responsible: Swiss Agency for Development and Cooperation (SDC) or State Secretariat for Economic Affairs (SECO)</p>

2.2 Requirements for Project Outlines

The Project outline (approximately 5 pages) shall include all necessary information to allow a general appraisal of the proposed Project.

Item	Content
General information	Project title, planned project duration, priority sector, location/region
Applicant	Name and contact details; previous, relevant experience, if any; project partners; Swiss link, if any (know-how, technology, partners or any other cooperation with Switzerland)
Relevance	Contribution to the reduction of economic and social disparities within the country and between the country and the more advanced member states of the EU (impact); fit within the development strategies of the country/region and chosen sector; strategy of the intervention
Project content	Description including objectives (outcome), expected results (outputs) and activities (components); beneficiaries, target group; risks and potentials; sustainability of project
Project organisation	Organisational chart, responsibilities, etc.
Budget	Eligible costs / non-eligible costs; own contribution, amount of grant, co-financing, EU-funding and any other financial source etc.; cost efficiency aspects versus alternatives
Horizontal issues	Environmental, social and economical aspects of the project, gender equality
Maturity of project	Status of project: in elaboration or fully prepared and possible request for financial support for preparation of Final Project Proposal through the Project Preparation Facility (e.g. feasibility

	studies, environmental impact assessment, etc.) if deemed necessary
Annexes	Additional documentation as deemed appropriate

2.3 Second loop: Application and approval procedure of the Final Project Proposal

No.	Steps	Activities and specific rules	Organisations
1.	Elaboration of the Final Project Proposal	Preparation of the Final Project Proposal based on the requirements for Final Project Proposals (cf. 2.4) and the comments of Switzerland.	Responsible: Intermediate Body, Executing Agency
2.	Screening	Examination of the Final Project Proposal.	Responsible: NCU Involved: Intermediate Body (when existent)
3.	Decision to submit the Final Project Proposal	If accepted, submission of the Final Project Proposal with a cover letter taking into account the requirements for Final Project Proposals and the comments of Switzerland to the Swiss Embassy. Formal check by the Swiss Embassy and submission of the Final Project Proposal with the cover letter of the NCU to Switzerland.	Responsible: NCU Responsible: Swiss Embassy
4.	Final decision	Final decision on the financing request by taking into account the Final Project Proposal, the cover letter of the NCU, and the Project document. Switzerland reserves the right to carry out its own appraisal if needed.	Responsible: SDC or SECO

2.4 Requirements for Final Project Proposals

The Final Project Proposal shall be accompanied by all necessary documents (e.g. feasibility study, Project document, environmental impact study) to allow a thorough appraisal. The Final Project Proposal (5 – 10 pages; for large infrastructure Projects 10 - 20 pages, plus annexes) shall provide adequately detailed information on inter alia:

Item	Content
Project summary (1 page)	Fact sheet: Project title, short description including objectives, budget, partners, duration
Relevance	Contribution to the reduction of economic and social disparities between the country and the more advanced countries of the EU; fit within the development strategies of the country/region and

	chosen sector; strategy of the intervention
Project content	Description including objectives, expected outcomes/outputs, activities and the respective indicators; beneficiaries, target group; risks and potentials; sustainability of the Project
Project justification (Due diligence)	Main conclusions of the feasibility study (if requested)
Project organisation	Organisational chart, responsibilities, etc.
Detailed implementation schedule	Including milestones and monitoring of progress based on defined indicators
Budget	Eligible costs / non-eligible costs; own contribution, amount of grant, co-financing, EU-funding and any other financial sources etc.; cost efficiency aspects; reserve to balance possible exchange rate losses
Procurement	Procurement procedures for goods and services
Development Impact	Monitoring and evaluation of output/outcome/impact indicators
Horizontal issues	Environmental, social and economical aspects of the Project, gender equality
Annexes	E.g. feasibility study, Project document, environmental impact study

3. Project Implementation Procedures

The Project implementation procedures are as follows:

No.	Steps	Activities and specific rules	Organisations
1.	Project Agreement	Preparation of the Project Agreement between the Czech Republic and Switzerland.	Responsible: NCU on the Czech side; SDC or SECO on the Swiss side
2.	Signing	Signing of the Project Agreement. The Project Agreement can be signed by more than two contracting parties (e.g. tripartite or multipartite agreement: SDC or SECO, NCU and Intermediate Body, Executing Agency if relevant).	Responsible: Normally the Swiss Embassy on behalf of SDC or SECO. The Czech signatory or signatories shall be decided by the Czech Republic.
3.	Procurement and award of contracts	Procurement is to be made in accordance with the respective national law and regulations and in compliance with the respective EU directives. A confirmation of compliance with the relevant procurement rules shall be provided to Switzerland. To increase transparency and to prevent corruption,	Responsible: NCU, Intermediate Body, Executing Agency

		<p>tender documents shall contain an integrity clause.</p> <p>In general, for tenders above the applicable European Community threshold, an English translation of the official tender evaluation report shall be provided to Switzerland for information at the latest 30 calendar days after the award of contract.</p> <p>In addition to the above, for tenders above the threshold of CHF 500`000, Switzerland may also request a copy of the tender documents for non-objection and of the contracts for information. These documents shall be submitted at the latest 20 calendar days before the commencement of tendering and 20 calendar days after the signature of the contract, respectively.</p> <p>Furthermore, for tenders above the threshold of CHF 500`000, Switzerland may also request (within the respective Project Agreement) that an English translation of the tender documents and the contracts are made available to tenderers and contractors, respectively. Possible translation costs shall be borne by the Project and financed under the Contribution.</p> <p>In line with Art. 6.5. of the Framework Agreement, both Parties agree to provide all such information pertaining to the tender process and beyond the documents listed above that the other Party may reasonably request. Switzerland shall have the right to participate in the tender committee as an observer. Switzerland shall also have the right to conduct an audit of the procurement practices and procedures in general.</p> <p>In case of irregularities or non-adherence to the Framework Agreement or Project Agreement, Switzerland has the right to stop reimbursements and to instruct the NCU to stop payments from the Swiss Contribution in accordance with cp. 4 of the present Annex 2.</p>	
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4.	Controlling (Monitoring)	Controlling procedures are defined in the Project Agreement. Procedure description includes: periodicity of reporting, monitoring system and consultant, steering committees, time table for operations and results, auditing, etc.	Responsible: Executing Agency Involved: NCU, Intermediate Body
5.	Reporting	<p><u>Interim Reports</u> for supporting payment claims and reimbursement requests as specified in Chapter 4 of this Annex.</p> <p><u>Annual Project Reports</u> describe the progress of the Project. They include summary data on financial progress for the reporting year as well as cumulative data to date. They compare actual with planned expenses and progress, based on quantified targets for output and where possible outcome indicators. Any deviation has to be justified and corrective measures suggested. Annual project reports are not linked to reimbursement requests.</p> <p>The <u>Project Completion Report</u>, together with the last Project interim report and the final financial report (cf. 6), is the base for the final reimbursement. It documents and comments the overall achievement of outputs and outcomes against the original plan, the compliance with principles such as cross cutting themes and sustainability, and it contains lessons learned and conclusions.</p>	Responsible: Executing Agency Involved: NCU, Intermediate Body

6.	Audit*	<p>Each Intermediate Body responsible for the implementation of a Project under the Contribution shall have performed within the last three years a Compliance Audit which shall be ensured by the National Audit Authority.</p> <p>Based on a risk assessment, an annual system audit planning will be established. In addition to this risk assessment, Switzerland may announce requirements that are taken into account in the annual system audit planning. In accordance with the planning, the National Audit Authority and the entitled audit organisations (e.g. control unit of the Intermediate Body) shall perform <u>control and audits in accordance with the respective national law.</u></p> <p>For each Project lasting longer than two years and exceeding the amount of CHF 500'000, an internal or an external certified audit organisation will carry out intermediary <u>Financial Audit(s)</u>, unless otherwise specified in the Project Agreement. The conclusions and recommendations shall be transmitted to Switzerland.</p> <p>At the completion of each Project an internal or external certified audit organisation will carry out a <u>Final Financial Audit</u>. The conclusions and recommendations shall be transmitted to Switzerland together with the Project Completion Report and a <u>Final Financial Report</u>..</p>	<p>Responsible: National Audit Authority</p> <p>Responsible: NCU, Intermediate Body,</p>
7.	Evaluation	<p>After Project completion, the Parties may request an independent evaluation. The cost will be borne by the requesting Party.</p>	<p>Responsible : NCU, SDC or SECO</p>

4. Payment and Reimbursement Procedure

The Ministry of Finance of the Czech Republic is the Paying Authority for the Contribution. In principle, all disbursements under the Contribution will be pre-financed out of the national budget of the Czech Republic. The Executing Agency shall submit payment claims covering

* Modified on 5 May 2009

eligible expenses over the current period to the NCU (Intermediate Body if relevant), together with certified copies of all supporting documentation and the interim report. The NCU and/or Intermediate Body shall verify the completeness and certify the correctness of the submitted documents. The Paying Authority shall submit the reimbursement requests to Switzerland for approval and payment.

The detailed reimbursement procedures are laid down in the Project Agreements and must, if not otherwise specified, comply with the following procedures:

No.	Steps	Activities	Organisations
1.	Issue of the original invoice	Issue the original invoice.	Responsible: Supplier of a product or service; contractor, consultant, organisation (claimant)
2.	Examination of the original invoice and the elaboration of the payment claim	<ul style="list-style-type: none"> ▪ Control the original invoice with regard to the specifications of the Project Agreement, the Implementation Agreement, the supply / services contract and the agreed tariffs. ▪ Verify the correctness of the execution (quantity and quality) of the work, the supply of goods / services, etc., and the special conditions etc. ▪ Payment to the supplier(s) of the original invoice. ▪ Submit the payment claim including an interim report and copy of the invoices to the NCU and/or Intermediate Body. The payment claim comprises eligible costs incurred during a given period. The interim report includes information on financial and physical progress, a comparison of actual with planned expenses, an update on progress status, while confirming the co-financing. Any deviation has to be justified and corrective measures suggested. Interim reports are due at least every six months. 	Responsible: Executing Agency

3.	Certification of the payment claims to the Paying Authority and pre-financing payments	<ul style="list-style-type: none"> ▪ Check the conformity of the payment claim with the Framework Agreement, the Project Agreement and the Implementation Agreement, including possible double-financing. ▪ Verify the completeness of the documentation (i.e. copy of invoices and other accounting documents) and the relevance of the interim report. If necessary, verify the correctness of the use of funds by means of fact-finding missions. ▪ Payment to the Executing Agency. ▪ Certify the correctness and legality of the payment claims to the Paying Authority. ▪ Transmit to Switzerland a copy of the related documentation, such as interim, annual and completion reports (cp. 3.5, 3.6), audit reports, or their consolidated summary as requested in the Project Agreement. 	<p>Responsible: NCU and/or Intermediate Body</p> <p>Responsible: Paying Authority</p>
4.	Submission of the reimbursement request to Switzerland	<ul style="list-style-type: none"> ▪ Check the formal conformity of the payment claims. ▪ Submit the reimbursement requests to Switzerland and confirm the compliance with supporting documentation and contractual agreements. 	Responsible: Paying Authority
5.	Payment from Switzerland to the Czech Republic	<ul style="list-style-type: none"> ▪ Check the conformity of reimbursement requests and supporting documentation. ▪ Transfer the requested amount to the Paying Authority within 30 days. ▪ Ex-post payment to the relevant body which pre-financed the requested amount 	<p>Responsible: Switzerland</p> <p>Responsible: Paying Authority</p>

In particular cases, other payment procedures may be defined by the Parties in the respective Project Agreements.

The final date for eligibility of costs shall be specified in the Project Agreement. It shall be 12 months after the scheduled date for Project completion, but shall not be later than ten years after the approval of the Contribution by the Swiss Parliament according to Article 3 of the Framework Agreement. Final reimbursement requests must have been received by Switzerland not later than six months after the final date of eligibility.

In the case of irregularities, Switzerland is entitled to stop reimbursements immediately, to instruct the NCU to stop payments from the Swiss Contribution and to ask repayment of illegitimately paid reimbursements at any stage of the Project. The reasons for the respective instructions shall be communicated in writing to the NCU and other partners involved.

5. Roles and Responsibilities

The roles and responsibilities of the main actors are outlined below. Project Agreements will contain more detailed responsibilities and activities tailored to the individual case.

5.1 The National Coordination Unit

The NCU is responsible for the overall Swiss-Czech Cooperation Programme orientation and for the identification, planning, implementation, financial management, controlling and evaluation of Projects, as well as for the use of funds under the Contribution in accordance with the Framework Agreement. This includes to:

- Ensure the adoption of the necessary national legal documents on the implementation and monitoring of Projects;
- Coordinate the Swiss Contribution with other contributions, with the National Strategic Reference Framework and with the operational programmes;
- Ensure that the appropriate provisions are included in the National/Regional/Local Budget in order to safeguard that claimants have the necessary funds;
- Confirm that the co-financing part has been provided according to the Project Agreement;
- Ensure that there is no double financing of any part of the Project by any other source of funds;
- Ensure the organisation of calls for, the collection of and the appraisal of Project proposals;
- Establish a consultative monitoring committee, in which at least the NCU, the regions, the civil society, the private sector and the Swiss Embassy are represented;
- Select the project proposals to be submitted to Switzerland in consultation with the monitoring committee;
- Submit well documented Final Project Proposals to Switzerland resulting from approved Project outlines;
- Supervise and steer the implementation of Projects in accordance with the Project Agreements and the Implementation Agreements by the establishment of an adequate check and monitoring system;
- Check the invoices received from the Executing Agencies and verify the sufficiency of documentation;
- Submit payment claims to the Paying Authority and certify their correctness and legality;
- Ensure the efficient and correct use of available funds;
- Verify in each Project if the value added tax (VAT) can be recovered by the Executing Agency and to inform the Swiss authorities accordingly in the form of a declaration by the applicant as part of the Project documentation;
- Ensure the financial control, including complete and sufficient audit trails in all involved institutions;
- Provide a yearly overall financial statement on all transfers of funds between Switzerland and the Paying Authority on one side and between the Paying Authority and all national involved bodies (e.g. NCU, Intermediate Body, Executing Agency) on the other side;
- Ensure the discussion of audit results with the partners involved, including Switzerland, and the implementation of the decisions made based on the audit report;
- Ensure regular reporting to Switzerland on the implementation of Projects financed by the Contribution;
- Organise annual meetings at overall Swiss-Czech Cooperation Programme level in consultation with the Swiss Embassy and to present an annual report;

- Be responsible for the reimbursement to Switzerland of unduly paid sums financed by the Contribution;
- Ensure information and publicity about the Swiss-Czech Cooperation Programme;
- Ensure storing of all relevant documents relating to Projects implemented within the Swiss-Czech Cooperation Programme for 10 years after the completion of Projects.

The NCU can delegate part of the tasks and responsibilities mentioned above to one or more Intermediate Bodies and Executing Agencies.

5.2 Intermediate Body

Intermediate Body means any legal public or private entity which acts under the responsibility of the NCU or which carries out duties on behalf of the NCU with regard to Executing Agencies implementing Projects.

The main tasks of the Intermediate Bodies are to:

- Call for and collect Project proposals, review compliance with the requirements for Project proposals (Chapter 2) and assess the quality of applications submitted;
- Submit Project proposals with appraisal reports to the NCU;
- Implement tender processes or delegate this task to an Executing Agency;
- Ensure that the appropriate provisions are included in the National/Regional/Local Budget in order to safeguard that claimants have the necessary funds;
- Supervise and steer the implementation of Projects in accordance with the Project Agreements and the Implementation Agreements, and carry out the necessary controls;
- Check the invoices received from the Executing Agencies, verify the authenticity and correctness of submitted documents as well as the eligibility of costs on payment claims;
- Certify invoices and submit certified invoices to the NCU or to the Paying Authority;
- Report to the NCU on the progress of Project implementation;
- Check for irregularities and report them to the NCU and NAA;
- Ensure storing of all relevant documents related to Projects implemented within the Swiss-Czech Cooperation Programme for 10 years after the completion of Projects.

5.3 Executing Agency

An Executing Agency is any public authority, any public or private corporation as well as any organization, recognized by the Parties and mandated to implement a specific Project financed under this Framework Agreement. Consequently, the Executing Agency is the contracting party for service and supply contracts in the framework of approved Projects.

The Project Agreement shall contain the name of the Executing Agency. Its tasks and responsibilities shall be defined in the Implementation Agreement.

5.4 Paying Authority

The Paying Authority is responsible for ensuring appropriate financial control over the use of the Swiss Contribution. It shall in particular:

- Check the formal conformity of the payment claims;
- Submit the respective reimbursement requests to Switzerland;
- Keep accounts of all reimbursement requests made to Switzerland;
- Report periodically to the NCU on financial flows.

It verifies their application by the NCU, the Intermediate Bodies and the Executing Agencies. The Paying Authority ensures that payments are made to the claimants within the specified deadlines.

5.5 National Audit Authority

The National Audit Authority (NAA) is a central administrative body responsible for ensuring effective functioning of managerial and control systems, including frauds and irregularities prevention.

The main tasks of the NAA are to:

- Ensure an adequate auditing function;
- Provide competent authorities with methodology for audit performance
- Establish an annual system audit and control plan, which takes Swiss requirements into account;
- Perform audits within the implementation structure of the Cooperation Programme between Switzerland and the Czech Republic and report to Switzerland;
- Submit yearly a summary with conclusions and recommendations of all audit reports of the financed Projects. The NAA presents in an annex all original conclusions and recommendations of the audit reports;
- Provide Swiss authorities or mandatees that are mandated to act on their behalf with their assistance;
- Ensure storing of all report from audits performed by audit organisations related to Projects implemented within the Swiss-Czech Cooperation for ten years after the completion of Projects
- Ensure immediate reporting of any irregularities to Switzerland.

The competent authorities with the full support of the Government of the Czech Republic shall investigate alleged cases of fraud or irregularity. Proven cases of fraud shall be prosecuted accordingly to existing regulations.

5.6 Audit Organisation*

If not otherwise specified in the Project Agreement, for each Project an audit organisation is appointed by the National Coordination Unit. For Technical Assistance, Block Grants, the Project Preparation Facility and Scholarships different audit procedures may apply. The audit organisation has to be a public institution or a private company of recognised professional reputation which operates in line with international auditing standards.

The audit organisation has to be mentioned in the Project Agreement. The scope of the audit will be defined in the Project Agreement. Costs of an external audit are eligible for reimbursement from the Contribution. Costs of internal audits are borne by the respective audit organisation.

If not otherwise specified in the Project Agreement, the audit organisation shall carry out intermediary financial audit(s) for Projects lasting longer than two years and exceeding the amount of CHF 500'000 and a Final Financial Audit of the Projects according to international auditing standards. In doing so, it shall verify the correct use of funds, make recommendations to strengthen the control system and report any actual or alleged fraud or irregularity. These financial audit reports are transmitted to the NAA. The competent authorities with the full support of the Government of the Czech Republic shall investigate alleged cases of fraud or irregularity. Proven cases of fraud shall be prosecuted accordingly to existing regulations.

5.7 Swiss Embassy

The Swiss Embassy is the official representation of Switzerland. Referring to the implementation of the Swiss-Czech Cooperation Programme, its function is to:

- Facilitate contacts; assure the liaison and the networking between partners;
- Inform and give advice to partners on procedures and conditions of the Contribution;
- Transmit official information and proposals to and from the Swiss authorities;
- Organise, together with the NCU, missions of Swiss delegations;
- Participate in meetings on the overall Swiss-Czech Cooperation Programme;
- Provide information to the general public on the Swiss-Czech Cooperation Programme and the Contribution;
- Participate in the consultative monitoring committee as an observer.

5.8 Swiss Agency for Development and Cooperation (SDC) and State Secretariat for Economic Affairs (SECO)

On the Swiss side, there are two competent authorities for the Swiss-Czech Cooperation Programme: SDC and SECO. Their main tasks are to:

- Ensure the strategic and operational steering at the overall Swiss-Czech Cooperation Programme level;
- Participate in the annual meetings organised by the NCU;
- Engage in a regular dialogue with the NCU and the other partners involved on the identification and the implementation of Projects as well as on the progress of the overall Swiss-Czech Cooperation Programme;
- Provide support for Project identification and preparation;
- Decide on the financing of Projects submitted for funding;
- Decide on overall Swiss-Czech Cooperation Programme issues;
- Supervise the overall Swiss-Czech Cooperation Programme development through field visits and reviews;
- Network with the national and international actors relevant to the implementation of the Swiss-Czech Cooperation Programme;
- Administrate the Swiss-Czech Cooperation Programme on the Swiss side.

Switzerland may delegate some of these tasks to the Swiss Embassy.

6. Special Provisions for Financial Assistance

Repayments and redemptions from financial instruments benefiting the private sector (including credit lines, guarantee schemes, equity participation and loans) are to be dealt with as follows:

- Provided that the contribution for financial assistance is redeemed (credit lines, equity participation and loans), the value of the principal shall be transferred upon maturity to any institution aiming at the same overall objective agreed upon by the two Parties.
- The same shall apply to amounts committed as guarantees, provided that the funds have not been called upon during the life of the instrument.

The modalities, including the transfer of the ownership, shall be laid down in the respective Project Agreement or by exchange of letters.