Swiss-Slovenian Cooperation Programme

SUPPORT MEASURE AGREEMENT

between

the State Secretariat for Economic Affairs

and

Ministry of Cohesion and Regional Development

on

the Support Measure

Increasing energy efficiency and promoting renewable energy in Alpine regions

The Federal Department of Economic Affairs, Education and Research, acting through the State Secretariat for Economic Affairs (hereinafter referred to as 'SECO') and

the Ministry of Cohesion and Regional Development (hereinafter referred to as the 'NCU'),

hereinafter collectively referred to as the 'Parties',

referring to the Framework Agreement, including its Annex 1 (Country-Specific Set-Up) between the Swiss Federal Council and the Government of the Republic of Slovenia concluded on 28 August 2023 as well as to the Regulations on the implementation of the second Swiss Contribution to selected Member States of the European Union to reduce economic and social disparities within the European Union issued by Switzerland and setting out the general rules and procedures on the implementation of the Swiss-Slovenian Cooperation Programme (hereinafter referred to as the 'Framework Agreement' and 'Regulations'), and

considering the financing of the Support Measure "Increasing energy efficiency and promoting renewable energy in Alpine regions" (hereinafter referred to as the 'Support Measure') in the Republic of Slovenia,

have agreed as follows:

Article 1 - General provisions

The legal framework as defined in Article 2 of the Framework Agreement shall apply.

Article 2 - Objective and eligibility period

- 1. The Support Measure is assigned to the following thematic area(s): Protecting the environment and the climate Energy efficiency and renewable energy.
- 2. The objective of the Support Measure is to contribute to the reduction of greenhouse gas emissions by improving energy efficiency, promoting the use of renewable energy sources, and raising awareness about the need to move to a low-carbon society. The Programme will also contribute to the transition from fossil fuels, to the use of renewable energy sources, which is in line with the current country targets for increasing the share of renewables in overall energy use until 2030 and aiming for higher shares as planned in the RePower EU initiative.
- 3. The Support Measure starts on the date of the last signature of this Support Measure Agreement and ends on 3.12.2029. Only expenditures incurred during this period are deemed to be eligible in accordance with Chapter 6 of the Regulations.

Article 3 – Obligations of the Parties

1. Switzerland agrees to grant a contribution of up to 15.120.000,00 Swiss francs for the implementation of the Support Measure according to the budget (Annex B).

- 2. The contribution of Switzerland shall cover a maximum of 85% of the total eligible expenditures of the Support Measure as specified in Chapter 6 of the Regulations.
- 3. Switzerland's contribution to the Support Measure is based on:
- a) the final version of the Support Measure Proposal SECO-D-24FF3401/586 dated 30.03.2025 attached to this Support Measure Agreement (Annex A); and
- b) the conditions put forward by Switzerland as part of the final decision to support the Support Measure and communicated to the Republic of Slovenia by means of the letter [SECO-D-13FE3401/1064] dated 13.02.2025 appended hereto (Annex D).
- 4. In accordance with Article 7 of the Framework Agreement the responsibility of Switzerland with regard to this Support Measure is limited to providing funds in accordance with Article 3 paragraph 1 of this Support Measure Agreement.
- 5. The Republic of Slovenia shall ensure the timely provision of the co-financing for the total eligible expenditures of the Support Measure, as described in Article 4 paragraph 5 of the Framework Agreement and in Article 3.1 paragraph 1 and Chapter 6 of the Regulations.
- 6. Costs for staff of the Programme Operator (Ministry of the Environment, Climate, and Energy), as defined in Article 4.2. of this Support Measure Agreement, who are assigned to carry out tasks for the Support Measure, comprising actual salaries plus social security charges and other statutory costs included in the remuneration, are eligible expenditure under this Support Measure, within the limits set in the budget in Annex B of this Support Measure Agreement and in accordance with Chapter 6 of the Regulations.

Article 4 – Implementation responsibility

- 1. The National Coordination Unit and the Paying and Audit Authorities shall have the roles and responsibilities defined in the Regulations, in particular in Article 3.1 to 3.6, and further specified in the Country Specific Set-up.
- 2. The Programme Operator of this Support Measure is the Ministry of the Environment, Climate and Energy.
- 3. The responsibilities of the Programme Operator are to be in line with the Regulations and the approved Support Measure Proposal and shall be established in the Support Measure Implementation Agreement, including the tasks delegated from the National Coordination Unit. Specifically, the Programme Operator shall perform the following tasks, amongst others:
 - identification, planning, approval by the Partner State, monitoring, financial management, controlling, evaluation, visibility, reporting and post-completion monitoring of Support Measures.
 - ensuring the quality and progress of the Support Measures. To this end, it shall on a regular basis assess risks arising during the Support Measures implementation and shall take all necessary measures to mitigate the risks.

• coordinating the Support Measure with the programmes of other donors as well as with the national strategies and their implementation.

Article 5 – Support Measure Steering Committee

- 1. The NCU shall establish the Support Measure Steering Committee as defined in Article 4.11 of the Regulations. The Support Measure Steering Committee shall assume the following tasks:
- a) supervise the progress of implementation and make suggestions for improvements;
- b) approve the Programme Components in accordance with Articles 4.1 and 4.6 of the Regulations;
- approve in accordance with Article 4.12 paragraphs 5 and 6 of the Regulations, any modifications to the Support Measure based on the proposal by the programme Operator;
- d) comply with any other tasks assigned in the Support Measure Agreement.
- 2. The Support Measure Steering Committee shall be composed of the following members:
- a) The NCU (Ministry of Cohesion and Regional Development) as Chair
- b) The State Secretariat for Economic Affairs SECO, with a duly designated representative
- c) The Programme Operator (the Ministry of the Environment, Climate and Energy) as Secretary
- d) The Paying Authority (the Ministry of Finance, Division for EU/CA Fund Management within the Budget Directorate)

If required, representatives from stakeholders and beneficiaries of the Programme (e.g. municipalities, schools, the Ministry of Agriculture etc.) may be invited to attend the meetings. Such invitation can be suggested by any of the members of the Steering Committee and is extended upon mutual agreement of all members.

- 3. The following members shall have a voting right:
- a) The NCU as Chair
- b) The Programme Operator
- c) The Paying Authority
- 4. Decisions will be taken through consensus of the 3 members with a voting right of the Support Measure Steering Committee.
- 5. SECO shall not have the right to vote but shall have the right to veto any decision taken by the Support Measure Steering Committee.
- The Programme Operator shall act as secretary and shall assume the tasks set forth in the Article 4.11 paragraph 7 of the Regulations.

- 7. The Steering Committee meeting shall take place at least once a year or at any time which is deemed necessary or useful, in line with Article 4.11 paragraph 6 of the Regulations. Each member has the right to call for an extraordinary meeting.
- 8. The quorum is ensured by the presence of all Steering Committee members.

Article 6– Advance payments

1. In accordance with Article 8.3 of the Regulations no advance payments are foreseen under this Support Measure.

Article 7 - Policy dialogue

1. A policy dialogue is not foreseen for this Support Measure.

Article 8 – Procurement

- 1. The procurements under this Support Measure Agreement shall be made in accordance with Chapter 7 of the Regulations.
- 2. The initial procurement plan, including those procurements that are selected by Switzerland in accordance with Article 7.2 of the Regulations, shall be annexed to this Support Measure Agreement (Annex C).
- 3. This procurement plan shall be updated following the approval of further Programme Components and submitted to Switzerland for selection in accordance with Article 7.2 of the Regulations within 20 working days. The periodically updated procurement plan shall be submitted to Switzerland with the Reimbursement Request.

Article 9 – Post-completion obligations and ownership of assets

- The post-completion obligations related to the assets (operating assets as well as
 equipment, installations and buildings) financed by the Swiss contribution under this Support
 Measure as well as their ownership are described in Article 4.15 of the Regulations.
- In accordance with Article 4.15 paragraph 7 of the Regulations the Parties shall, by exchange of letter, agree on the ownership of the assets provided with the Swiss Contribution for the duration of the Support Measure as soon as such ownership can be determined.

For the duration of the Support Measure the assets shall be used in accordance with Article 4.15 paragraph 6 of the Regulations.

The NCU or the Programme Operator shall ensure that the receiving entity agrees under contract to fulfil the obligations set out in Article 4.15 paragraph 2 of the Regulations concerning equipment, installations and buildings financed by the Contribution.

- 3. In accordance with Article 4.15 paragraph 7 the Parties shall agree in writing <u>following</u> completion of the Support Measure on the use and ownership of the assets provided with the support of the Swiss Contribution.
 - The NCU or the Programme Operator shall ensure that the receiving entity agrees under contract to fulfil the obligations set out in Article 4.15 paragraph 2 of the Regulations concerning equipment, installations and buildings financed by the Contribution.
- 4. The ownership of the proprietary rights in and to the results of the activities performed under this Support Measure, any intellectual property rights, including copyright, and the right to any revenues generated by the intellectual property rights shall be agreed in writing by the Parties on completion of the Support Measure.

Article 10 – Reimbursement procedures, reporting, audits, compliance

Reimbursement procedures, reporting, auditing and compliance rules are set out in the Framework Agreement and the Regulations.

Article 11- Annexes

The following Annexes are governed by this Support Measure Agreement:

Annex A: Final version of the Support Measure Proposal, dated 30.03.2025, including Logframe

Annex B: Budget

Annex C: Initial Procurement Plan

Annex D: Decision Letter from SECO

Article 12 – Amendments

The Support Measure may be modified in accordance with Article 4.12 of the Regulations. In the cases as described in Article 4.12 paragraph 8 of the Regulations, the modification of the Support Measure shall be formalised by way of an amendment to this Support Measure Agreement. This shall be done by the Parties signing the amendment.

Article 13 - Suspension and termination

The Support Measure Agreement may be suspended or terminated in accordance with Article 4.16 of the Regulations.

Article 14 – Entry into force and duration

- 1. This Support Measure Agreement covers the duration of the Support Measure as stated in Article 2 paragraph 3.
- 2. This Support Measure Agreement shall enter into force on the date of the last signature of the Parties and remain in force until all obligations under it have been fulfilled.

Signed in Ljubljana on 11 April 2025, in two original copies in the English language.

For the State Secretariat for Economic Affairs

Guy Parmelin Federal Councillor For Ministry of Cohesion and Regional Development

Dr Aleksander Jevšek Minister of Conesion and Regional Development

Annex A: Final version of the Support Measure Proposal, dated 30.03.2025, including Logframe

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Annex B: Budget

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Annex C: Procurement Plan

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Annex D: Decision Letter from SECO

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