

Minutes of the 5th Annual Meeting of the EEA and Norway Grants 2014-2021

Date:

15th June 2022

Venue:

Žilina, Chateau Gbeľany

Agenda

11:00 – 11:05	Opening remarks (NFP, Donors)
11:05 – 11:20	Draft strategic report for 2021 (NFP, Donors)
11:20 – 12:30	Status of the Management and Control Systems, including irregularities and complaints (NFP, AA, CA, IR)
12:30 – 12:50	Progress of programmes and risk assessment (POs, NFP and Donors)
12:50 – 13:00	Bilateral cooperation at programmes and at national level (POs, NFP and Donors)
13:00 – 13:10	Communication (NFP)
13:10 – 13:15	Conclusions and closing remarks

General

The 5th Annual Meeting was aimed at evaluating the progress made in the implementation of programmes under the EEA and Norway Grants 2014-2021 in Slovakia as well as reviewing and approving the Strategic Report for 2021.

Summary

Opening Remarks

The representative of the National Focal Point (NFP) and the representatives of the Donor States made a short opening speech. The new representatives of Mission of the Principality of Liechtenstein to the EU and the Ministry of Foreign Affairs of Iceland responsible for EEA and Norway Grants were introduced at the meeting. The NFP welcomed all participants at the 5th Annual Meeting in Žilina, which was held in person after 2 years of only online meetings. The Ministry of Foreign Affairs, Norway (NMFA) appreciated the progress made in all the programmes implemented in Slovakia since the last Annual Meeting. The representative of Mission of the Principality of Liechtenstein to the EU underlined the interest of Liechtenstein in Slovakia as priority partner. The representative of Ministry of Foreign Affairs of Iceland thanked for the good work that has been done in the implementation of the programmes and projects so far. The Norwegian Ambassador pointed out that most of the projects implemented in Slovakia are working very well and the funds are being used very efficiently. The Norwegian Ambassador informed that this is his last Annual Meeting as Ambassador of the Kingdom of Norway to Slovakia.

All the representatives of the Donors states welcomed the opportunity to visit the projects implemented in Žilina region and to see in person the partial results of the projects.

Draft Strategic Report for 2021

The Donors consider the Strategic Report 2021 of very good quality and representing well the current state of programmes and bilateral cooperation. The Donors encouraged to continue including relevant and useful insights on political, economic and social developments in Slovakia relevant to each programme which have happened during the reporting period. The Donors appreciated that their last year's recommendations on how to improve the strategic report have been taken into account. When it comes to results of the projects, the Donors noted that not so many results have been achieved and reported so far. In the next Strategic Report, the Donors would like to see active reference to the result frameworks and to the indicators with emphasis on those the NFP may

wish to highlight. The Donors encouraged the NFP to consider the timings of the planned mid-term evaluations (*in 2022 ('Climate') and in 2023 ('Domestic and Gender-based Violence', 'Culture', and 'Good Governance')*) with thought to how the programmes are progressing. The Donors formally approved the Strategic Report for 2021.

Status of the Management and Control Systems, including irregularities and complaints

The NFP informed the Donors about two updates of the Internal Manual of the NFP since the beginning of 2022, currently version No. 7 is in force. The changes made to the internal manual were not fundamental, but mostly technical.

The Audit Authority briefly informed on the performance of two system audits in 2021. The first audit at the level of Irregularities Authority and the second one at the level of the PO – the Ministry of Environment of the SR. In the first half of 2022, the system audits have started at a level of the Research Agency, the NFP and the PO – both from the Ministry of Investments, Regional Development and Informatization of the SR (MIRDI SR).

The Certifying Authority informed about the update of the system of funding and financial management of the EEA and Norwegian Financial Mechanisms 2014 – 2021 for version 3.0 in 2021 and about the results of the certifying verifications carried out at a level of the NFP and the POs. The Certifying Authority also presented the cumulative disbursement overview of the EEA and Norwegian Financial Mechanisms 2014-2021 in Slovakia. The Irregularities Authority informed that no irregularities were reported to the FMO in 2021, as they fell under the exemption regime under Article 12.5 of the Regulations. As of 31 March 2022, five irregularities were reported to the FMO under Article 12.5.2 of the Regulations, three at the level of the POs and two at the level of the Project Promoters.

The Donors reminded the importance of realistic disbursement forecasts and noted that in several programmes there is a big discrepancy between the disbursed and incurred amount. The Donors also stressed out the importance of monitoring and following the irregularities and the Grants zero tolerance approach to corruption.

Progress of programmes and risk assessment

The POs presented the state of play of each programme. The PO of 'Culture' programme mentioned that some projects struggle with public procurements, there are delays in some projects with construction works and that several projects under the programme will need an extension of the eligibility period. The Donors appreciated the strong bilateral cooperation at the project level and that the projects under this programme are implemented with partners from all three Donor countries. Under the 'Good Governance' programme, the PO emphasised the good cooperation with the Donor project and programme partners and informed that cooperation with Ukrainian partners is still ongoing. The Donors appreciated the efforts to implement as much as possible the planned activities and mitigate the impact of Russia's invasion in Ukraine on the programme. They also appreciated the efforts and dedication of the Ukrainian partners to continue in the implementation of the projects despite all the negative circumstances. With regards to the 'Local Development and Inclusion' programme, the PO informed about the pre-defined project implemented by the National Institute for Education and about projects supported under the calls. The Donors appreciated that most of the projects have already started implementation. Under the 'Domestic and Gender-based Violence' programme, the PO provided information about the pre-defined project implemented by the Institute of Labour and Family Research and reported on successful discussions with the Ministry of Justice of the SR on the preparation of a new pre-defined project 'Sexual Assault Centre in Bratislava'. However, this pre-defined project will not be able to be implemented by the end of April 2024. In this particular project, the PO will ask the Donors for extension of the implementation period.

The PO of the 'Climate' programme emphasised very good bilateral cooperation at programme and project level and informed about the significant market price increase on construction materials endangering successful implementation of all the projects. One of the Project Promoters, City of Košice, decided to withdraw from the

project contract precisely for this reason. The Donors appreciated the high number of projects implemented in cooperation with the Donor project partners.

The PO of the 'Business and Innovation' programme, informed that last big open call for proposal under the education component will be closed at the end of June 2022. The Donors appreciated the cooperation with the Innovation Norway and other Donors partners. The Donors asked the PO about the delay in the programme. According to the PO, the main reason of delay was COVID-19 pandemic, but situation is currently stabilized and the programme is progressing well.

During the discussion on the programmes, the Donors informed that several beneficiary states have formally requested an extension of the eligibility period. The requests are being addressed at the level of the Financial Mechanism Committee and are being assessed now. The Donors confirmed that final date of eligibility is still 30 April 2024 and the decision on extension of eligibility period should be taken in early autumn 2022.

Regarding the MIRDI SR as the PO for four programmes, the NFP noted that there are almost no reporting delays in the programmes and what was reported at the Project level is very similar to what was spent at project level. The NFP pointed out that the PO is now in a situation, it has never been in before. According to the NFP, the PO have to put enormous pressure and employ constant monitoring tools to ensure that the Project Promoters proceed with the implementation of the projects and spend the project grant. This is particularly obvious in case of Project Promoters from the public sector. The low willingness of many Project Promoters to implement the project is a problem that has lasted since the beginning of the COVID-19 pandemic. Therefore, the PO (MIRDI SR) started monitoring of most risky projects, which is closely followed with the on-the-spot financial checks. The representative of the NFP expressed great satisfaction with the work carried out by the Grants Strategic Actions Unit and the Programmes Operation Unit responsible for the operation of the programmes. The NFP also informed that the Grants Financial Management Unit was seriously understaffed last year. In the meantime, the team has been strengthened to six financial managers and has caught up with almost all the delays.

The NFP also highlighted excellent cooperation with the FMO and appreciated its flexible approach. The swift response of the FMO, the Donors and the Norwegian Barents Secretariat when transferring funding to humanitarian aid to Ukraine has been mentioned as an example of this excellent cooperation. The NFP also appreciated cooperation with the Donor programme partners, International partner organisations and the Norwegian Embassy in Bratislava. Regarding the 'Climate' programme, the NFP appreciated the good work that has been done by the Programme Operator in this programme. The NFP stated that it is aware of the problem of price increases. The NFP shared with the PO the letter from the Donors on the possibility to award additional grants to the already approved projects. Regarding the 'Business and Innovation' programme, the representative of the NFP noted that there is still room for improvement in this programme. The NFP recommended getting back to the proposal of the NFP from May 2021 and see if some of it can still be relevant in order to help the PO successfully complete the programme. The NFP pointed out that possible reallocation should be discussed very soon, but the absorption capacities of other programmes are also limited and that any reallocation will have to go hand in hand with the extension of the eligibility deadline beyond April 2024.

At the end, the NFP recommended a more flexible system for the upcoming period, as the group of dedicated and committed Project Promoters is now much smaller than in the past. This is especially relevant with the enormous financial resources coming from the EU for the next period to Slovakia.

The representative of the FMO provided brief summary of implementation of the Active Citizens Fund (ACF), the Social Dialogue – Decent Work programme, the Fund for Youth Employment and the Fund for Regional Cooperation.

Bilateral cooperation at programmes and at national level

The NFP informed about the current state of implementation of the Fund for Bilateral Relations and mentioned that fund was very much affected by the COVID-19 pandemic situation. Further, the NFP provided information about initiatives submitted and implemented under the targeted call for proposals for on-line activities announced in 2021. The representative of the NFP briefly informed about the preparation of the pre-defined bilateral initiative 'Reducing gender pay gap' implemented by the Ministry of Labour, Social Affairs and Family of the SR in cooperation with an Icelandic partner Directorate of Equality in Iceland. The NFP also informed about the bilateral pre-defined initiative of the Open Society Foundation. Further, the NFP provided information about the new pre-defined initiative of the Migration Office of the Ministry of Interior of the SR, which should be implemented in cooperation with partners from Liechtenstein and Norway. The NFP informed about the plan to organise the JCBF meeting in autumn 2022 to discuss the next steps in the Fund for Bilateral Relations.

The Donors appreciated the good work within the bilateral relations and swift response of the NFP to the situation in Ukraine. The Norwegian Embassy in Bratislava also confirmed excellent cooperation. Liechtenstein acknowledged the need for proposing concrete pre-defined initiative to be implemented by Liechtenstein under the Fund for Bilateral Relations. The goal is to have an initiative drafted by the end of 2022. Further, Iceland appreciated that the bilateral initiative 'Reducing the Gender Pay Gap' is under preparation now.

Communication

The Donors have commended the NFP for their great work on communication and informed that following the approval of the Strategic Report, the updated Communication Strategy has also been accepted.

The NFP and the Norwegian Embassy in Bratislava prepared the education campaign 'Get to know the EEA and Norway Grants' associated with a contest, considered as the mid-term publicity activity of the NFP in the current programming period. The campaign, launched on 17 May 2022, was promoted on social media and focused on information about the Grants and the Donors states. The joint reach of this social media campaign was almost 100,000 people, thus the campaign can be considered very successful. The Norwegian Embassy in Bratislava donated the prizes for the contest.

Note: The draw of the winners took place during the press conference of the H.E. Ambassador of the Kingdom of Norway to Slovakia and the Minister of Investment, Regional Development and Informatization of the SR on 17th June 2022.

Conclusions and closing remarks

The Donors informed that negotiation meetings for the next programming period have started between the EU and the Donors. The Donors welcome any advice and ideas for improvement in the next programming period. The NFP noted that the Donors' decision regarding the extension of the eligibility period is very important for all and the NFP will wait for it in early autumn 2022. At the end, the Donors thanked for the organisation of the Annual Meeting and for the opportunity to visit the projects on site.

Decisions taken:

- **The Donors approved the Strategic Report 2021 for EEA and Norwegian Financial Mechanisms 2014 – 2021;**
- **The Donors accepted the updated Communication Strategy version 1.5.**