

Strategic Report for Slovakia 2021

EEA and Norwegian Financial Mechanisms 2014-2021

Assessment of the contribution of the EEA/Norwegian Financial Mechanisms toward reducing economic and social disparities and strengthening bilateral relations

in the Slovak Republic

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1 EXECUTIVE SUMMARY

Provide a 1-1.5-page summary of the report with a focus on: the effects of the Grants, status of programmes, status of bilateral funds, and key risks. If relevant, mention any changes in management and implementation of the Grants.

This report covers the period from January 2021 till the end of the year.

Effects of the Grants

So far, the effects of the EEA and Norway Grants can mostly be observed in the bilateral dimension. Compared to the previous programming period, this new period brought to Slovakia more quality bilateral projects with Donor States, even though the actual cooperation between Slovak and Donor States' entities has been hampered with COVID-19 travel restrictions. Even though, it can be observed that the mutual trust between the Project Promoters in Slovakia and their Donor Project Partners is building up.

As regards the reduction of social and economic disparities, it is apparent that while the resources are scarce and cannot be compared to the EU Funds, the contribution of the EEA and Norway Grants to the specifically focused and carefully selected Programme Areas is bringing results. The EEA and Norway Grants have become a certain trademark, quality assurance in the **Domestic and Gender-based Violence** field, being prioritised by several well-respected providers over other, even larger sources of funding. In the field of **Culture**, and especially in the field of cultural heritage protection, the long-lasting efforts in the combination of the heritage restoration, local development and entrepreneurial functions of the cultural heritage is bringing first results. The **Climate Change Programme** is very popular, especially among schools. This programme is raising awareness about the climate change and adaptation measures among younger generation in the second programming period in a row. In the **Good Governance and Cross-border Cooperation Programme**, the component of the cooperation with the Ukraine has become vital, and it is remarkable how quickly has both Slovakia and the Donor States responded to the situation in Ukraine following the invasion of Russia. This clearly shows that the Principles of Implementation as set forth in the legal framework of the Grants has been filled with content and that the Grants and can be, and are, responsive, participatory and inclusive.

On the other hand, it is very difficult to predict the effect of the Grants on programmes that are less focused (the **Business and Innovation Programme**) or very ambitious (the **Local Development and Social Inclusion Programme**). The National Focal Point currently cannot assess the possible impact of the Grants in these programmes due to the early state of implementation. However, the National Focal Point together with the relevant experts in each programming area can try to predict in section 3 of this report.

Status of Programmes

The COVID-19 pandemic that started in March 2020 continued affecting the implementation of the financial mechanisms also in 2021. Nevertheless, the Programme Operators adapted to new working conditions quite well. The employees worked from home when necessary and meetings were conducted mostly in on-line space. New Calls for proposals were announced, Selection Committees took place and projects were selected, Cooperation Committee meetings were conducted as necessary. At the end of 2021, implementation of projects was running under each Programme and only one Call for proposals remained to be announced in 2022, under the Business and Innovation Programme. This biggest Programme implemented in Slovakia is still last in contracting, but hopefully by the end of 2022 all projects will be contracted and first results visible. The close monitoring, done by the National Focal Point, will continue in the course of 2022. The Domestic and Gender-based Violence Programme re-started its

implementation in 2021 and the updated milestones of the Programme are being met by the Programme Operator. Currently the modification of the Programme is being assessed and once it is approved, the Programme funds should be utilised in meaningful way, supporting pilot project on Sexual Assault Centre in Bratislava. The implementation of the Culture, Climate Change, Good Governance and Cross-border Cooperation as well as Local Development and Social Inclusion Programmes is running smoothly without any major set-backs.

Status of Bilateral Funds

The bilateral aspect of the financial mechanism is mostly affected by the impact of the COVID-19 pandemic. In March 2021 the National Focal Point announced an Open Call for on-line bilateral initiatives between Slovakia and Norway, for cultural, political and institutional cooperation. There was rather low interest under this call. Some of the initiatives supported from previous Calls were cancelled, but those which adapted to the new conditions were successfully completed. It was not possible to implement any of the planned pre-defined initiatives at the national level. At the Programme level, few Calls for smaller scale activities – travel grants were opened but there was no interest from potential applicants. Despite that, the Programme Operators managed to organise several on-line Matchmaking events, often with support of their Donor Programme Partners.

Major risks

At the end of the year, the new potential risk related to prices increase on construction materials and equipment was identified, endangering successful implementation of the projects under the Culture, Climate Change and Local Development and Social Inclusion Programmes. Based on the ongoing monitoring done by the National Focal Point in March 2022, the Programme Operator of the Culture Programme and Local Development and Social Inclusion Programme has not identified this risk as significant, so far. The Programme Operator of the Climate Change Programme has already identified this risk at the end of 2021. The risk assessment and management plan was updated.

Changes in political, economic and social context

No major changes that would affect the design and setup of the Programmes supported by the Grants took place in 2021.

Changes in the management and control system

There were no major changes in the set-up of Management and Control System in 2021, the Detailed Description of Management and Control System at national level was updated in February 2022.

While the reporting period of this Strategic Report is the year 2021, it is necessary to mention that the war conflict in Ukraine, which started in February 2022, will have severe impact on the implementation of the Cross-border Cooperation part of the Programme. The Programme Operator, in reflection to the situation and after having received the provisional recommendation from the Cooperation Committee, has enabled the provision of humanitarian aid to Ukrainian partners within existing projects, through modifications in the project budgets (altogether €400,000). As another reaction to the crisis situation, a new predefined initiative prepared by the Migration Office of the Ministry of Interior of the Slovak Republic, financed from the Bilateral Fund (in total allocation €500,000), was preliminary agreed by the Joint Committee for the Bilateral Funds.

2 POLITICAL, ECONOMIC AND SOCIAL CONTEXT

Describe any significant political, economic and social change or trends in the Beneficiary State that had an impact on the implementation of the Financial Mechanisms. [Beneficiary States submitting the Strategic Report within 12 months of signing the Memorandum of Understanding can skip this section.]

2.1 Culture

Legislative protection of cultural monuments in Slovakia follows the already established system of previous years. The main policy in monument preservation in Slovakia is the Strategy on Monument Fund Protection for years 2017 – 2022¹, prepared by the Ministry of Culture of the Slovak Republic together with its Action Plan for years 2021-2022².

According to the document entitled Review of cultural spending, 25% of monuments in Slovakia are in a degraded or even desolate state³. In an effort to remedy this situation, the Ministry of Culture of the Slovak Republic, in its Action Plan for years 2021-2022, proposes the following modifications to its subsidy scheme for the restoration of monuments – Let us renew our house: to establish a separate fund for the restoration of monuments, a revolving repayable mortgage fund and the introduction of compensation measures for owners of cultural monuments. The last one is related to the increased financial requirements of restoring a cultural monument compared to the restoration of a conventional building. This financial reform could be implemented as part of reforms through a "Recovery and Resilience Plan of Slovakia" from EU funds.

In October 2021, an amendment to the Monuments Act was adopted: Act No. 389/2021 Coll., which supplements the Act. No. 49/2002 Coll. on the Protection of Monuments and Act. No. 326/2005 on Forests. The aim of this reform is the possibility of transferring land owned by the State Forests of the Slovak Republic to a local government or a civic association. These institutions must carry out long-term public benefit activities in this area aimed at the restoration of national cultural monuments, such as castle ruins.

The second major legislative change concerning monument protection and the functioning of the Regional Monuments Authority is the legislative proposal of the new Building Act, which was approved by the Government of the Slovak Republic at the end of 2021. In this Act, a new content regulation of the powers and duties of the Regional Monuments Authorities is defined, which are to newly play the role of specialised building authorities. The professional community considers such transformation to be a significant interference in the performance of legislative protection of cultural heritage with an expected major negative impact on the quality of the process of restoration of immovable monuments⁴. On the other hand, according to the Ministry of Culture of the Slovak Republic, this change is to the benefit of the protection of monuments and at the same time, it will strengthen the powers of the Regional Monuments Authorities⁵. The amendment to the Building Act will be submitted to the National Council of the Slovak Republic for approval in 2022.

In 2021, the epidemiological situation has resulted in disruptions in production processes in various sectors. These have contributed to a massive increase in the prices of building materials. The estimated

¹ http://www.pamiatky.sk/Content/Data/File/sluz_predpis/Strategia_ochrany_pamiatkoveho_fondu_2017-2022.pdf

² https://www.culture.gov.sk/wp-content/uploads/2021/05/Akcny-plan_2021-2022.pdf

³ <https://www.mfsr.sk/files/sk/financie/hodnota-za-peniaze/revizia-vydavkov/kultura/revizia-vydavkov-kulturu-final-20200714.pdf>

⁴ <https://www.slov-lex.sk/static/SK/EL/2021/226/LP-2021-226-vznesene-pripomienky.docx>

⁵ <https://www.culture.gov.sk/ministerstvo/medialny-servis/aktuality-ministerstva-kultury/doslednejsia-ochrana-pamiatok-vdaka-reforme-stavebneho-zakona/>

price increase at the end of 2021 was around 22% higher than in October 2020⁶. Prices are not expected to return to the levels of two years ago, despite the receding COVID-19 epidemic. In the long term, this will create obstacles to the implementation of projects with fixed budgets. This effect will become fully apparent in 2022, where additional price increases are likely due to Russia's invasion in Ukraine.

The situation in contemporary art in Slovakia in 2021 as well as in the worldwide context was strongly affected by continuing COVID-19 epidemic. Studies of European authorities, such as UNESCO and European Festivals Association (EFA), confirm a tremendous impact of the COVID-19 pandemic on the cultural and creative sector (CCS) in general. The UNESCO estimates a loss on income/sales of in CCS more than 80%. Especially projects connected with Cultural Heritage, Performing Arts, Training, and Music the pandemic affected the most. The study of EFA declares festivals and other types of public events as the most vulnerable segments of CCS as physic contacts and international travels are significant for them.⁷

The second year of the pandemic brought strict restrictions for CCS in Slovakia. Stakeholders had to deal with three months lock-down at the beginning of the year and another one in December 2021. In April 2021, the Ministry of Culture of the Slovak Republic announced the COVID automat for public events. The document defined conditions for realizing outputs of CCS according to the progress of the COVID infection.⁸ The unpredictable situation in a number of COVID cases caused stakeholders of CCS faced fast-changing restrictions.

Decreasing infection during summer 2021 enabled the realization of numerous events of contemporary culture in Slovakia. This fact met with a higher demand for creative experience on the side of consumers. Many organizers flexibly reacted and moved dates of their festivals, premieres, concerts, and other events into this date. Using previous experiences with the first year of the COVID-19 pandemic, summer 2021 meant a relatively favourable period for implementing cultural projects. The pandemic from its beginning highly disrupted efforts of international exchange.

The pandemic and lock-down in 2021 strengthen a need for digitalization of the CCS sector and hybridizing the events. Connected to the COVID-19 pandemic, CCS entities in Slovakia fulfilled big efforts to re-think creative production, presentation, and cooperation process in 2021. A lot of them followed a trend of digitalization or hybridizing events. It provided better flexibility in the implementation of their outputs. In this context European initiative "Perform Europe" founded by Creative Europe started to develop a new model for COVID-19 and post COVID-19 international performing art projects.

Considering financial loss in the CCS in Slovakia, state authorities implemented a large spectrum of financial schemes in 2021 to cover a wide range of stakeholders in CCS. Till today, numerous ministries schemes and organizations at the national level supported non-established culture with the sum of €105,209,561.57 (Ministry of Labour, Social Affairs and Family of the Slovak Republic, Ministry of Culture of the Slovak Republic, Slovak Art Council, Slovak Audio-visual Fund, Fund for the Support of the Culture of National Minorities and others).⁹

Among strong impulses for the creative sector in 2021, it is worth emphasizing the implementation of the projects supported within the EU funds from the Integrated Regional Operational Programme, programme area 3 - Mobilization of creative potential in regions. Seven creative centres under the Call for Centralised Support moved to the phase of implementation with a total contribution of €74,301,061.29.¹⁰ They are situated in cities: Trenčín, Nitra, Banská Bystrica, Bratislava, Trnava and Košice. New creative centres will fulfil a goal of the program axis no. 3 to stimulate support of sustainable

⁶ <https://www.forbes.sk/ceny-stavebnych-materialov-sa-stale-splhaju-nahor-oplati-sa-pockat-alebo-stavat/>

⁷ https://www.efa-aef.eu/media/10870-report_covid19_survey_festivals_needs_and_commitments.pdf

⁸ https://www.culture.gov.sk/wp-content/uploads/2021/04/Semafor_Kultura.pdf

⁹ <https://www.pomahamekulture.sk/>

¹⁰ <https://www.culture.gov.sk/wp-content/uploads/2021/04/Zaverecna-sprava-vyzvy-1.pdf>

employment and job creation in the cultural and creative industries through the creation of a favourable environment for the development of creative talent, non-technological innovations.¹¹

Following the results of the Revision of cultural expenditure, in 2021 Cultural Policy Institute initiated the preparation of the General Strategy of Cultural Development in Slovakia 2030. The process of creation is realized with the strong participatory approach by engaging numerous CCS stakeholders.

2.2 Climate Change

Following an unprecedented crisis due to the pandemic, Slovakia's recovery and resilience plan was adopted by the European Council in July 2021. It responds to the urgent need of fostering a strong recovery, containing 196 "mutually agreed deliverables" which address the specific challenges of Slovakia. The plan will be supported by €6.3 billion in grants of which 43% will support climate objectives.

In the area of climate policies, Slovakia faces the challenge of the transition towards a greener energy mix, more sustainable mobility, better energy and environmental performance of buildings, adaptation to climate change and development of the circular economy. The plan supports the green transition through an investment of €528 million for a large-scale renovation to make at least 30,000 family houses more energy-efficient. Investment of around €368 million into the decarbonisation of industry, and €712 million will be invested into sustainable transport to support the roll-out of around 3,000 charging stations for alternative fuels, the modernisation of railways and 200km of new cycling infrastructure. This investment will be further enhanced by a comprehensive reform creating integrated public transport systems in six regions. Measures for climate change adaptation will combine investments of €150 million with reforms in the area of nature protection, water management and landscape planning to preserve biodiversity.¹²

At the end of 2021, the National Council of the Slovak Republic approved the reform of national parks. The administration of forest lands within national parks owned by the state will fall under the Ministry of Environment of the Slovak Republic. In addition, the national parks will become legal entities and they will manage state-owned movable and immovable property in parks. National parks and their protection have been a topic in Slovakia for several years. Zonation, which would create zones in the national parks where it is possible to carry out constructions and where not, was one highly discussed theme last years. The newly adopted legislation will turn national parks in Slovakia into viable organisations in accordance with national park rules in Europe.

Experience from abroad shows that functioning national parks bring development and prosperity to regions, promote sustainable tourism, and preserve the natural heritage for future generations.

On the European Green Deal (EGD), the European Commission proposed a new target to reduce emissions by at least 55% by 2030, as compared to 1990 levels.¹³ In order to align current EU ambitions, the Ministry of the Environment of the Slovak Republic has started to work on the historically first national climate law, which will help Slovakia reduce greenhouse gas emissions. The legislation will be very important for achieving carbon neutrality by 2050. The implementation of the EGD and its objectives in Slovakia are supported by the Ministry of Environment of the Slovak Republic that established the Government Council for European Green Deal¹⁴, a cross-sectoral professional, advisory and coordinating body. The aim of the first meeting was to discuss how to improve people's quality of life and secure a sustainability for future generations through economic transformation. Implementation of EGD is ensured by various EU financial

¹¹ <https://www.culture.gov.sk/ministerstvo/rada-vlady-sr-pre-kulturu-a-kreativny-priemysel/>

¹² https://ec.europa.eu/info/business-economy-euro/recovery-coronavirus/recovery-and-resilience-facility/slovakias-recovery-and-resilience-plan_en

¹³ <https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:52020DC0690&from=EN>

¹⁴ <https://www.minzp.sk/rvezd/>

instruments (e.g. European structural and investment funds, Recovery and resilience plan, Common agricultural policy, Just Transition Fund, Modernization fund and others).

In August 2021, the National adaptation plan (NAP) was adopted - a long-awaited collection of specific adaptation measures and tasks to increase Slovakia's preparedness for the impacts of climate change. The action plan is intended to contribute a better integration of adaptation measures into the sectoral policies of the resorts concerned. The NAP also include measures that will contribute to the elimination of soil erosion in forests, reduce the sensitivity of forests to drought, as well as to reduce the risk of forest fires.¹⁵

2.3 Good Governance and Cross-border Cooperation

Good Governance

In April 2021, Eduard Heger has been appointed as the new prime minister, following a reshuffling of the Slovak Government. This change has not have significant effect on the composition of the Government, since most of the ministers stayed at their posts.¹⁶

Slovakia is improving its position in the global budget transparency ranking, in which it has lost in previous years. Based on the latest Open Budget survey, Slovakia ranked 33rd out of 117 countries evaluated. In a global comparison, this position is still low among developed countries, with 60 points Slovakia has slightly improved compared to 2017, but the country is still 11 points behind the OECD average.¹⁷

Corruption and its prevention

Corruption is still perceived as a long-term problem in Slovak Republic. These factors are minimizing the effects of Slovak impressive economic development since EU accession. Following the elections in 2020, number of measures aimed at combating corruption have been adopted and some positive trends in Slovak society can be observed in this regard.

Given the results of international surveys, it could be stated that the level of corruption in Slovak Republic, although higher than the average in Western European countries, has improved over the past year. Slovakia scores 52 out of 100 and ranks 56th out of 180 countries compared in the latest Corruption Perception Index.¹⁸ On the one hand, Slovakia is rated worse compared to older EU member states and other European countries (EU15 + Switzerland and Norway). On the other hand, Slovakia is doing better in Central and Eastern Europe.

Public procurement

The Public Procurement Act has been amended since November 2021 - essentially a set of ongoing changes that began in late 2020. Many of these changes respond to current challenges, such as the increased emphasis on the environmental aspect of public procurement. At the same time, many measures are being introduced to guarantee the electronic procurement, but with the incorporation of these changes in the next period of 2022-2024. Based on the adoption of amendments, public purchases will be exempt from the law up to the value of €10,000. An electronic platform supervised by the state shall be established for below the threshold contracts, and tenders for contracts above € 10,000 will be made public.

¹⁵ <https://minzp.sk/spravy/vlada-schvalila-subor-opatreni-ktore-zvysia-pripravenost-slovenska-dosledky-zmeny-klimy.html>

¹⁶ <https://spectator.sme.sk/c/22628742/who-will-stay-and-who-will-be-replaced-in-the-new-government.html?ref=av-center>

¹⁷ <https://www.internationalbudget.org/open-budget-survey/country-results/2019/slovakia>

¹⁸ www.transparency.org/cpi2021

Effectiveness of judiciary

In August 2021, the newly-established Supreme Administrative Court began operating in Slovak Republic. The Supreme Administrative Court was established through the judicial reform authored by the Ministry of Justice of the Slovak Republic. It has the same position as the Supreme Court, but in the field of administrative law. Its expected effect is mainly in the significant relieving of the Supreme Court of the Slovak Republic from cassation complaints, as well as in deciding on the disciplinary responsibilities of judges and prosecutors. It will also pass decisions on the constitutionality and legitimacy of elections to local government bodies.

In 2021, several attempts were made to change the court map, but none of them brought the adoption of this amendment at the National Council of the Slovak Republic.

In year 2021, the report of the European Commission (EC) "Rule of Law Report", reflecting court changes in Slovakia, was published, where the EC pointed out the information about reform process on the level of Slovak judicial system adopted in 2020 and 2021. Decisive changes were implemented at the level of the Constitutional court and Judicial council.

The Rule of Law Report published by the EC also stated advantageous influence of the improvements in Slovak justice system in accordance with the relevant European standards „to safeguard judicial independence”, but the EC also point out very low perceived independence of the judiciary among general public.¹⁹

Cross-border cooperation Slovakia – Ukraine

Slovak Government has declared its strong support for the transformation of Ukraine, its successful progress in its reform efforts and its European direction. In addition, the government has also declared its interest in contributing to the development of mutually beneficial relations with Ukraine - through various instruments, including assistance through examples of good practice, training of experts, or other assistance. Several cooperating activities between Slovakia and Ukraine took place during 2021.

Beside many cultural and education events (e.g. annual Ukraine Days in Košice) held by cultural organizations and universities, activities of the Slovak Investment and Trade Development Agency were held. The financial support mechanisms from the International Visegrad Fund and Slovak Aid, was also significant.

The Slovak Republic has joined the efforts of the European Union and its Member States to support the fight against the COVID-19 pandemic by means of vaccine sharing. Pursuant to the Resolution of the Government of the Slovak Republic, Slovakia donated 60,000 vaccines to Ukraine.²⁰

Escalation of the security situation in Ukraine has significantly graduated during 2021. In the context of the increasing tensions at the eastern borders of Ukraine and in Crimea, the Ministry of Foreign and European Affairs of the Slovak Republic emphasized that Slovakia is and will be a determined supporter of the sovereignty and territorial integrity of Ukraine in its internationally recognized borders.²¹

¹⁹ https://ec.europa.eu/info/sites/default/files/2021_rolr_country_chapter_slovakia_en.pdf

²⁰ https://www.mzv.sk/web/en/news/detail/-/asset_publisher/oLViwP07vPxx/content/slovensko-pomoze-ukrajine-a-ciernej-hore-v-boji-proti-ochoreniu-covid-19-darovanim-vakcin/10182

²¹ https://www.mzv.sk/web/en/news/detail/-/asset_publisher/oLViwP07vPxx/content/-minister-korcok-na-rokovani-s-partnermi-v-eu-slovensko-bude-aj-nadalej-podporovat-suverenitu-a-uzemnu-celistvost-ukrajiny-v-jej-medzinarodne-uznanych/10182

2.4 Local Development and Social Inclusion

The year 2021 was extremely challenging for Slovak society. The country has fought waves of the COVID-19 pandemic, as well as the division of society under the influence of misinformation and hoaxes, which have caused a wave of hatred against doctors, scientists, experts and other public figures. This had a negative impact on the population's coronavirus vaccination and the subsequent negative consequences on development of the pandemic and stricter anti-epidemic measures in Slovakia. For the economy, this meant continuing uncertainty. On average in 2021, the consumer price index increased for households of employees by 3.2%, for low-income households by 3 % and for households of pensioners by 2.9%. According to the Central Office of Labour, Social Affairs and Family (2022), the registered unemployment rate was 6.76 % at the end of 2021. However, there are significant regional differences - Prešov region 12.58%, Košice region 11.20%, Banská Bystrica region 9.96%²².

The National Bank of Slovakia (2021) states that there are approximately 615,000 people, or 11.4% of the population of Slovakia, at risk of poverty in Slovakia. Households with 3 or more children, single parents with minor children or individuals over the age of 65 face the highest risk of poverty. Compared to the average of the 27 countries of the European Union, the overall risk of poverty in Slovakia is lower by 5 percentage points.

According to the EU survey, published by the Office of the Plenipotentiary of the Slovak Government for Roma Communities (2021), there is still a significant difference between the living conditions of Roma and majority residents. Overall, 87% of households in marginalized Roma communities are at risk of poverty and up to 52% face severe material deprivation, compared to 11% (poverty risk), resp. 6% (severe material deprivation) of the general population. According to EU Statistics on Income and Living Conditions of the marginalized Roma communities, up to 58% of households from marginalized Roma communities live in poor housing (i.e. dark flat, leaking roof, damp walls or rotting window frames / floors, missing bathroom or flush toilet in the flat). As much as 88% of the population of marginalized Roma communities live in overcrowded households, i.e. they do not have a minimum number of rooms within the dwelling as defined by Eurostat on household overcrowding. Survey found out that almost 20% of households in marginalized Roma communities reported a deterioration in their financial situation during the crisis, which is directly related to the COVID-19 pandemic.²³

In 2021, a census of inhabitants, houses and flats of the Slovak Republic took place. According to the Statistical Office of the Slovak Republic, only 156,000 Roma registered as Roma in the census, although according to the Atlas of Roma Communities (2019), about 440,000 Roma live in Slovakia. According to the experts, stigmatization and discrimination of Roma in Slovakia may be associated with a low level of registration of Roma nationality in the census.

The situation in the education of children from disadvantaged backgrounds was also significantly affected by the COVID-19 pandemic, which deepened the already existing inequalities in access to education for children and pupils. Reducing the disparities in education deepened by the pandemic through afternoon tutoring is the goal of the „Together Wiser“ project, introduced in March 2021. Almost 500 schools, mainly with pupils from socially disadvantaged backgrounds, applied for the project.

In order to make the social and economic inclusion of the Roma more effective, a new Strategy for Equality, Inclusion and Participation of the Roma until 2030 was approved in April 2021. The priority areas of the strategy are focus on employment, education, health and housing. In 2021, the Ministry of the Interior of the SR announced a call aimed at building sidewalks, roads and bridges that will improve the availability of services for the inhabitants of marginalized Roma communities. It has allocated €10 million

²² <https://www.upsvr.gov.sk/>

²³ <https://www.romovia.vlada.gov.sk/?csrt=11768902645557451174>

from the European Union. In December 2021, Ján Hero became the new government plenipotentiary for the Roma communities.

2.5 Business and Innovation

The business and innovation domain in Slovakia in 2021 was mostly influenced by the ongoing COVID-19 pandemic and continuing effort of the new government to introduce improvements for doing business in Slovakia (yet, the need to devote considerable capacity to cope with the pandemic imposed a significant limitation to this effort). While the constraints remained imposed across many areas of the social and economic sectors for several months, the business sector seemingly switched its focus from “fighting the temporary crisis” to re-inventing and adapting themselves to the “new normal”.

Business environment

Business environment in Slovakia in 2021 was characterized by overall predominance of barriers and constraints to business activities over the supportive factors. Significant capacity of the policy makers still needed to be devoted to coping with the COVID-19 pandemic, yet the trend of the new government aimed at improving the business environment and administrative and bureaucratic burden imposed on businesses continued also throughout 2021. The so-called second package of measures²⁴ (containing close to 200 improvements for doing business) has been finalized and introduced in late 2021, to be approved and put into action in the forthcoming year.

Finally, the positive signals of country’s economic development in 2021 compared to the previous year showed some favourable prospects for the business environment. In particular, the economy of Slovakia grew by 3%, beginning to compensate for the downturn in the first year of the pandemic (2020), when it declined by 4.4%. However, the annual GDP still lagged behind the pre-covid (2019) values by 1.5%. Sectors such as manufacturing industry; construction; agriculture or arts and entertainment still lagged behind the pre-pandemic performance.

Development of the SME sector

Small and medium-sized enterprises (SMEs) employ close to three quarters of the labour force in the business economy (and account for 59.1% of the overall employment in Slovakia), and create 53.6% of the value added in the non-financial corporate sector.²⁵ In 2021, the number of newly created firms rose by 1% year-on-year, but remained 6% below the pre-pandemic 2019.²⁶

The outbreak of COVID-19 significantly affected SMEs in Slovakia, and the related challenges persisted hand-in-hand with the development of the pandemic in 2021. A third follow-up survey by World Bank’s Enterprise Surveys conducted in May/June 2021 estimates that 14.8% of small businesses and 18.7% of the medium enterprises permanently closed their businesses. In addition, in 2021, we saw further increase in the share of firms delaying their payments. On contrary, firm’s expectations on returning to normal levels of sales slightly improved in mid-2021.²⁷

The support of SMEs in Slovakia is rather fragmented and involves a broad array of different actors.²⁸ Therefore, SMEs typically struggle to navigate through the available measures.

²⁴ <https://www.economy.gov.sk/uploads/files/sX5e3yVA.pdf>

²⁵ <http://monitoringmsp.sk/wp-content/uploads/2022/02/Report-on-the-State-of-Small-and-Medium-Sized-Enterprises-in-the-SR-2020.pdf>

²⁶ <https://finstat.sk/analyzy/statistika-poctu-vzniknutych-a-zaniknutych-firiem>

²⁷ <https://www.enterprisesurveys.org/content/dam/enterprisesurveys/documents/covid-1/country-profile-Slovak-Republic--Round-3-English.pdf>

²⁸ <http://monitoringmsp.sk/wp-content/uploads/2021/03/Sprivedca-iniciativami-na-podporu-MSP-2021.pdf>

One of the key providers and facilitators of entrepreneurship support programmes is the National Business Centre with its one-stop-shop front office services and various support programmes provided through its branches in all eight regional capitals in the country.²⁹

Welfare Technology and Ambient Assisted Living

The continuing fundamental change in population demographics implies significant increase of demand in care of elderly and persons with disabilities in the close future. Many people from these target groups are at risk of being excluded from the information society and its benefits.

In Slovakia, the issue of welfare technology and Ambient assisted living (AAL) is reflected (however, not explicitly covered) in several national-level policies. Yet, the innovative and technological support for healthy ageing and inclusion of vulnerable persons living alone have not been mainstreamed on policy levels. For example, the newly adopted National programme of active ageing for 2021-2030 does not explicitly tackle welfare technologies and/or AAL domains.³⁰ In addition, Slovakia has not yet joined the European Commission co-funded “Active and Assisted Living Programme” (AAL Programme) which aims to reinforce the European market for AAL products and services.

Finally, certain trends could also positively correlate with welfare technology and AAL development in Slovakia, such as continuous development innovative start-ups, popularization of smart home technologies, as well as the rise of social entrepreneurship and its ecosystem.

2.6 Education

The education system in Slovakia was significantly affected by the COVID-19 pandemic also in 2021. Compared to the situation after outbreak of the pandemic a year ago, schools had more time and better support available to prepare for teaching under restricted regime, and especially since autumn 2021, a more elaborated approach to pandemic management in the school environment lead to less lockdowns (compared to 2020), especially at primary and secondary levels. However, the negative consequences of pandemic are still visible in schools. According to a survey among elementary school teachers conducted in May 2021, while 8 in 10 pupils regularly participated in online learning, participation of 10% of kids was minimal. Vast majority of teachers reported that pupils learnt less in online mode, lagged around 2 months behind the classroom teaching, and 25% of them would need some form of additional support after returning to schools.³¹

Slovakia is taking major steps to improve educational outcomes, including through the school curricular reform and measures to enhance inclusiveness and mitigate the COVID-19 impact. In addition, reforms are being taken in vocational education and training (VET) and to improve the quality, governance and internationalization of higher education.³² Yet, there is still a long way to go in improving quality and inclusiveness of education. The main challenges include insufficient investment in education and training, comparatively lower quality of its outcomes, low attractiveness and low remuneration of teaching profession, the increasing rate of early leavers from education and training, problematic inclusiveness of education particularly for Roma children and children with special educational needs. Further, in relation to tertiary education, the main challenges remain the fragmentation of school network, high outflow of secondary school graduates, limited teaching quality, lack of internationalization and job market orientation. On a positive note, Slovakia reported an increased employability of VET graduates, and

²⁹ <https://www.npc.sk/sk/>

³⁰ <https://www.employment.gov.sk/files/sk/ministerstvo/rada-vlady-slovenskej-republiky-prava-seniorov-prisposobovanie-verejnych-politik-procesu-starnutia-populacie/narodny-program-aktivneho-starnutia-roky-2014-2020/narodny-program-aktivneho-starnutia-roky-2021-2030.pdf>

³¹ https://www.vzdelavacieanalyzy.sk/wp-content/uploads/2021/06/Prieskum-distančne-vzdelavanie_final.pdf

³² <https://op.europa.eu/webpub/eac/education-and-training-monitor-2021/en/slovakia.html#two>

increased in dual education at secondary level. Compulsory pre-school education from age 5 has been implemented in 2021 to increase participation in early childhood education.³³

2.7 Domestic and Gender-based Violence and Work-Life Balance

Violence against women constitutes the most serious form of human rights violations and discrimination against women. The COVID-19 pandemic has also exposed and exacerbated already existing gaps in the prevention of violence against women and the provision of adequately funded services to support victims. Women experiencing partner violence and their children have been exposed to higher levels of violence, fear and isolation associated with stress and an increase in domestic and family responsibilities, while the possibility of leaving the violent relationship or situation has been significantly reduced.

In the context of the spread of the COVID-19 virus, the Slovak Republic has adopted strict anti-pandemic measures that have limited social contacts and increased domestic isolation. Many women experiencing violence have found themselves in domestic isolation with abusers. Victims' contact with the outside world was limited, which reduced the ability to safely contact close people or organisations assisting women experiencing violence.

In April 2021, the Government approved *the National Strategy for Equality between Women and Men and Equal Opportunities for 2021-2027* and *the Action Plan for Equality between Women and Men and Equal Opportunities for 2021-2027* developed by the Ministry of Labour, Social Affairs and Family of the Slovak Republic.³⁴ The Strategy sets out key policy objectives and measures in the areas of dignity and bodily integrity, reconciliation of family and working life, equal opportunities and access to the labour market, women's economic dependence and poverty, political and economic participation in decision-making, inclusion of vulnerable groups and discrimination against women and minor children/girls.³⁵

In May 2021, Parliament approved an amendment to the Victims of Crime Act prepared by the Ministry of Justice of the Slovak Republic. The aim of the amendment was to strengthen the rights of victims and protect them from further victimisation in several areas by simplifying access to compensation or creating a network of so-called intervention centres providing comprehensive assistance.³⁶

In December 2021, the Ministry of Labour and Social Affairs of the Slovak Republic, in cooperation with non-governmental organisations, has also prepared a National Action Plan for the Prevention and Elimination of Violence against Women for 2022-2027. The Action Plan creates space to improve the protection of women experiencing violence and their children, by providing institutional support. Important tasks in the Action Plan include the areas of prevention of violence against women, Integrated Policies and data collection, as well as effective sanctioning of violence against women.³⁷

In the Gender Equality Index 2021, Slovakia ranks 24th in the EU with a score of 56.0 out of 100. Overall, this is 12.0 points below the EU's average score. The ranking of Slovakia improved by one place compared to 2020, but it is still one of the lowest in the EU.³⁸

³³ <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52020SC0524&from=EN>

³⁴ <https://rokovania.gov.sk/RVL/Resolution/19195/1>

³⁵ <https://www.employment.gov.sk/sk/uvodna-stranka/informacie-media/aktuality/novy-akcny-plan-rovnosti-zien-muzov-zvysi-kvalitu-zivota-zien.html>

³⁶ <https://www.nrsr.sk/web/Default.aspx?sid=zakony/cpt&ZakZborID=13&CisObdobia=8&ID=361>

³⁷ <https://rokovania.gov.sk/RVL/Material/26779/1>

³⁸ <https://eige.europa.eu/gender-equality-index/2021/SK>

3 EFFECTS OF THE GRANTS

At the current stage of the implementation of the programmes, it's quite early to report any direct or significant effects of the grants. There are any or just limited measurable results to report in relation to progress towards reducing social and economic disparities and strengthening bilateral relations with donor state entities. Nevertheless, certain expected effects can be already anticipated due to the characteristics of the supported projects and the calls in which they have been selected.

At this stage, the National Focal Point believes that the Grants will contribute to the reduction of social and economic disparities in most of the Programme Areas. Generally, the Programmes have been well designed to respond to the needs of Slovakia. The Programmes were well-focused, and therefore even with limited funding the Grants may have an effect on the specifically selected field of the Slovak economy and society.

Positive tendencies can be observed in bilateral relations. The bilateral cooperation at Programme level can still be considered excellent, as shown in Annex C to this Report. The statements of the Donor Programme Partners and the Programme Operators show genuine appreciation of each other's work and a lot of mutual respect. In addition, the cooperation at international level between the National Focal Point, the foreign ministries, embassies and missions of the donor states is also excellent. At the Project level, the number of donor project partners and the share of projects in which donor projects partners are involved have exceeded expectations. Even more importantly, most of the donor project partners indeed are actively involved in, and effectively contributing to, the implementation of the projects. While there still are, and probably will be, few arbitrary partnerships, it can be concluded that the quality of partnership has vastly improved compared to the previous programming period.

3.1 Culture

All projects contracted within call CLT01 are focused on the cultural heritage monuments restoration, their re-use and entrepreneurship potential promotion. The contribution of the project results to the reduction of economic and social disparities can only be fully evaluated in the final phase of project implementation, as most of them are in poor condition or will be closed to the public during the reconstruction works. However, some results are already visible in the implementation of the programme. The predefined project "Pro Monumenta II" implemented by the Monuments Board of the Slovak Republic is nearing its completion and therefore it is possible to see its positive effects and benefits. Within the framework of the project, 3 three-person teams were formed to monitor the damaged cultural monuments for preventive repairs in order to prevent more damage. Such an approach undoubtedly has a great benefit not only for the restoration of the monument itself, but from a financial point of view, it represents an obvious benefit for the owner of the monument. By completing a sustainable system of preventive inspections of immovable monuments, at least 100 inspections per year are carried out. All inspections are carried out on monuments owned / administered by the state, territorial, regional and local self-government, registered churches in the Slovak Republic, which are publicly available. The benefit for the owner is that inspection is free of charge. The project has also constructed 3 small training centres (Banská Štiavnica, Trnava and Levoča) for traditional craft practices used in the restoration of monuments.

In terms of linking local communities and project promoters, constraints due to measures to prevent the spread of the COVID-19 epidemic played a negative role. During the summer months of 2021, several events were organised at the project level. Such events are a good basis for raising the cultural awareness not only of local communities, but also in the potential to create new tourism products. These are the key factors for increasing the number of visitors to the region and directly related to the creation of new business opportunities in various sectors of tourism.

In connection with the pandemic situation, sector of the cultural heritage monuments restoration and cultural and creative sector had to deal with this specific situation of COVID-19 in last two years. The situation naturally affected the programme's outputs and also the bilateral cooperation between project partners from the Slovak Republic and the donor states.

Implementation of the projects under the call CLT02 and CLT03 leads in long-term horizon to fostering bilateral relations between Slovakia and donor state entities in different areas of the cultural and creative sector, especially architecture and design, music, cultural heritage, film and animation, performative and visual arts, books and publishing, artistic reflection, interdisciplinary activities. This focus corresponds to the declared sector priorities of the European Union for 2021-2027 (architecture, music, cultural heritage, and books and publishing).

In the medium and long-term horizon, the positive effects in cultural production may be expected. Many projects under the call CLT02 already initiated or plan to initiate new art pieces and results of the cooperation. Their organizers helped to share inspirations and new information about trends in contemporary arts in Slovakia and donor states. The projects also support the exchange of know-how in audience development among the partners and they aim to participation and related activation of the Slovak public.

3.2 Climate Change

The calls ACC01 and ACC02 funded by the EEA and Norway Grants were aimed at submitting projects for action plans on climate change mitigation and adaptation implemented by local authorities in urban areas. Thanks to project funding from the support of the grants, cities supported under the calls ACC01 and ACC02 are able to improve the quality of housing and other public buildings and reduce CO2 emissions via thermal insulation of buildings. These measures will also increase standard of living and thus will help to reduce social and economic disparities of Slovak regions. However, the most of these measures are now in the planning or preparation phase, so direct annual reduction in CO2 emissions is not possible to estimate.

Through the projects supported under the calls ACC01 and ACC02, the Climate Change Programme is focusing on strengthening the ability to respond to climate change by planning and implementing concrete measures, investing in more greenery, and water retention measures. Due to realization of these measures, the proportion of the population of Slovakia, benefiting from life in cities with increased resistance to climate change and the ability to respond to it, is increasing. Moreover, the programme is also focusing on the reduction of CO2 emissions by the promotion of alternative modes of transport.

The ACC03 call, entitled "Raising Awareness of Climate Change Mitigation and Adaptation in Schools" (ClimaEdu), for primary and secondary schools, was aimed at supporting schools' educational projects to raise awareness of mitigation and adaptation at the climate change. By implementing of these projects in various type of school (such as special schools for students with mental disabilities, combined disabilities, and students with autism) and regions (the grant distributed in every Slovak region), the number of students participating in awareness campaigns is increasing which helps to reduce social and economic disparities of students. The quality of well-being in schools and school campuses is improving by increasing number of physical measures reflecting climate change implemented in schools during the first year of project implementation.

Thanks to new action plans and the implementation of specific measures for mitigation and adaptation to urban climate change within the supported projects, Slovak cities and schools will be able to contribute together in the public interest to increased resilience of cities to climate change, increased ability of cities to respond to climate change and the sustainable quality of life of urban citizens.

In respect of strengthening bilateral relations with donor state entities, positive tendencies can be observed. In December 2021, the Ministry of Environment of the Slovak Republic, in cooperation with the Embassy of the Kingdom of Norway in Bratislava and the Donor Programme Partners, organized a bilateral event entitled: SK-Climate Forum. The event focused on bilateral institutional cooperation with a long-term perspective between relevant experts and organizations from contributing countries and Slovakia, in line with the goal of the Climate Change Programme, which is to contribute to mitigate climate change and reduced vulnerability to climate change. The importance of combating climate change was underlined by contributions the experts from major institutions in the Kingdom of Norway and the Slovak Republic.

3.3 Good Governance and Cross-border Cooperation

Improvement of integrity and accountability of the public administration as the main objective of the Good Governance and Cross-border Cooperation Programme was appropriately fulfilled in this first year of programme implementation. Even though not all results are significant in the general public context, this situation is reasonable during the initial phase of all programs, where professionals' meetings, discussions, trainings required to be held at the beginning. In addition, methodologies required to be developed at first and discussed in the professional environment in advance to their application in practice.

As for the programme area Good governance, accountable institutions and transparency, partially results were accomplished by the projects supported from the open call. Very good results have been achieved in the area of measures aimed at improving the integrity of public administration.

Even though the pre-defined project "Improving Integrity of the Public Administration" was only in the initial phase of its implementation in 2021, the initial activities aimed at reviewing existing integrity mechanisms and anti-corruption measures in public institutions are crucial for the further direction of the project. In the follow-up, it would be more than appropriate for the project to be more open not only to the professional but also to the general public in order to obtain relevant information and their views on current practices and frameworks.

Another pre-defined project "Responsible public procurement" reached a milestone important for further application of MEAT criteria in public procurement in the form of an analysis "Strengthening value for money in the procurement system of Slovak Republic". In late 2021, first training was organized in order to explain possibilities for basic MEAT criteria enforcement.

The pre-defined project "Enhancing the efficiency of the justice system through the protection/empowerment of victims and vulnerable parties" is closely linked with the adaptation of changes in the court map and reform of the legal system, which was not fully adapted at the national level yet. However, since the adoption of the juridical system reconstruction including the court map is expected to be completed in 2022, a significant progress in this issue is expected as well.

The pre-defined project under the Ministry of Interior of the Slovak Republic, Secure and inclusive border between Slovakia and Ukraine – SIBSU, was in 2021 also in its initial phase, when opening conference and first training activity, were held. These initial steps are important for the development of good mutual relations between the border police and the customs administration at the level of Slovakia and Ukraine.

The current situation in Ukraine will clearly change the character and priorities of cooperation with Ukraine. The situation needs to be carefully monitored and projects will have to be adapted and modified accordingly on a case by case basis. It is very likely that this will have a negative effect on this programme, however, there are options, or even opportunities that may bring even more closer cooperation between Slovakia, Ukraine and the Donor States. Slovakia very much appreciates the flexible approach the Donor States applied in 2022 to the risks connected with possible non-completion of certain project components

under this Programme. It is also a commitment for Slovakia to find the most effective ways how to salvage as much of the projects as possible, and quickly respond to the changed situation as necessary.

3.4 Local Development and Social Inclusion

Active leisure time in a safe and stimulating environment is important for children and young people from marginalized Roma communities (MRC). Therefore, community and leisure centres play an important role in this. The goal and mission of community centres is to provide a comprehensive service to the individual, family and the local community, which for various reasons do not have opportunities for social mobility, for developing social skills or self-realization, support talents and inclusion of children and youth from marginalized Roma communities. Thanks to projects supported by Norway grants, a network of new community centres implementing various activities is being set up to help improve the access of vulnerable children and young people from disadvantaged areas to a wider range of extracurricular activities in many municipalities and cities, especially in eastern part of Slovakia.

Among the supported projects, there are also those that aimed at Roma women (LDI03018 - Utopia, LDI03022 - Karpatská nadácia). According to many anthropologists and sociologists, women are the driving force of entire communities. They inspire their surroundings, lead their children to a better future and are able to multiply the help that is provided to them. The employment of the Roma minority in Slovakia has long lagged behind the employment of the so-called majority of the population, as a result of which the inhabitants of Roma communities are more exposed to poverty and social exclusion. Through education, girls can be more motivated to decide more freely, what their lives should look like. By working with their mothers can help change the harmful patterns of generational poverty and help them show their children a better way of their future.

An important aspect of the positive change in the area of inclusion of marginalized Roma communities is the work not only with the students from the MRC, but also with the teachers. The goal of increasing the intercultural competences of teachers in the educational process of Roma pupils successfully fulfils the project "Innovative education of teachers to increase their intercultural competences in the education process of Roma pupils" by the project promoter National Institute for Education. The analysis of school legislative documents and educational programs dealing with the education of Roma pupils were translated into the content of school management education. Through the online format, 45 participants successfully completed the management education with certificates. The National Institute for Education also prepared training for teachers to provide them specific preparation for the state language exam in the Romani language.

The positive effect of Norway grants within the predefined project of the National Institute for Education is to increase the number of qualified teachers who can use effective teaching methods and who have a sufficient command of the Romani language to help pupils from Roma communities during the teaching process. These teachers can support the introduction of innovative forms of education and provide expert advice to schools in creation of a school educational program focused on intercultural and inclusive education throughout Slovakia.

3.5 Business and Innovation

Due to the early stage of the implementation of the programme Business and Innovation, there are no measurable results to report in relation to progress towards reducing social and economic disparities. The implementation of the program has a significant delay. First 5 projects under this programme were contracted within the call BIN SGS01 in November 2021.

Based on these attributes of the supported projects and the respective call BIN SGS01, it is possible to assume that that the enterprises implementing the supported projects will benefit from their increased

competitiveness in the cutting-edge domains, which further creates a favourable precondition for their further growth.

The focus of the BIN SGS01 call on green industry innovation contributes to fostering the debate on innovative green solutions across various sectors. This helps not only in terms of improved response to climate change, but also to foster high value-added activities among SMEs in the Slovak Republic. The projects implemented within this call will also benefit with bilateral relations with donor state entities. The focus of the BIN SGS01 call on welfare technology and ambient assisted living domains itself has a positive effect on awareness building and mainstreaming of these important concepts among the relevant actors in Slovakia.

3.6 Domestic and Gender-based Violence

The supported projects within the call DGV01 include different types of activities aimed at debunking the most common myths related to gender equality. Preventive counselling and leisure-time activities have the potential to achieve the reinforcement of gender equality principles. In the case of primary education, innovative ways of presentation in the form of film screenings, online campaigns, workshops as well as exhibitions using participatory methods are very beneficial. As stereotypes and discrimination persist to some extent, increasing education and skills is adequate for the reintegration of women who are victims of violence into the labour market and society.

In addition, it is possible to assume positive impacts, especially in the personal development of the project participants, which, however, cannot be demonstrated numerically, as this is an investment focused on people and their development. The project activities implemented have a great potential to positively influence participants from disadvantaged groups, and in this context, the long-term sustainability of the projects is also ensured.

The implementation of projects has the potential to create space for more effective implementation of gender equality principles. The pandemic situation remains a risk, which may cause delays in the implementation of some activities, but the preparatory phases and coordination meetings in the projects are ongoing.

Considering the planned activities to be implemented in the individual projects, it can be assumed that visible positive results will occur only with a certain time lag, because the effects of the projects are not manifested in the initial stages of implementation. The implemented projects have the potential to ensure the gender equality, women's economic independence and the improvement of the protection of victims' rights are promoted by the specific measures implemented.

The proposed activities within the pre-defined project "Improving the protection of victims' rights - strengthening capacities and practices to combat violence against women and domestic violence" have the potential to create a comprehensive approach to the needs of victims in cases of gender-based and domestic violence. The establishment of coordinated protection from violence through regional coordinators is an appropriate tool to achieve the objective. A comprehensive coordinated system can be achieved through cooperation between the police, health and social services and efforts to prevent secondary and repeat victimisation. In order to improve police access and increase protection against secondary victimisation, the project will also improve police infrastructure by increasing the availability of special interrogation rooms. Through specialised training, there is a prerequisite for the creation of specialist police teams dedicated to investigating cases of domestic and gender-based violence, taking into account the needs of victims. The establishment of special interrogation rooms will be complemented by specialised training for investigators of the Police Force of the Slovak Republic. Programmes for perpetrators of violence and lectures for young people on the prevention of violence against women will also be an important part of the activities to be carried out.

4 STATUS OF PROGRAMMES

4.1 Business Development, Innovation and SMEs

Based on the risks identified in the last Strategic Report related to delays in the Programme, its implementation in the year 2021 was conducted under close supervision of the National Focal Point. For more information see also part 8.1 of this Strategic Report where new tool, so called “on-going monitoring”, is introduced. In October 2021 the National Focal Point organized meeting with the management of the Programme Operator in order to stress out the importance of timely performance of the selection process. Subsequently, head of the National Focal Point, Minister of Investments, Regional Development and Informatization of the SR informed via letter the Minister of Education, Science, Research and Sport of the Slovak Republic, on the delays in the Programme. The Ministry of Education, Science, Research and Sport of the Slovak Republic is the supervising body for the Research Agency.

The Programme Operator has partially managed to tackle the delays in the Programme implementation and moved forward over the last year. A recurring potential risk was identified 2021, related to staff fluctuations, as most employees resigned by the end of the year. For the planned response, see Annex A Risk assessment and management plan. The Programme Operator adapted to the COVID-19 pandemic situation by using new digital tools and work from home, but there were delays in the Programme implementation due to the pandemic leaves of some of the employees in the first half of 2021.

The Programme Operator announced the two main Calls on the Support of Innovation and Business Development. By the end of 2021 the Programme Operator took decisions on support of projects from the BIN01 Call, which distributes more than half of the Programme’s allocation. This ensures that the projects should have at least 2 years for implementation. For overview of the progress in implementation in 2021 see following table:

Call ID	Call opened	Allocation	No. of submitted project applications	Requested grant amount	No. of supported project applications	No. of contracted projects as of 31.12.2021
BIN SGS01 – Small Grant Scheme on the support of newly established businesses (NFM)	29.06.2020 – 23.10.2020	€ 1,058,824	31	€ 5,264,123	6	6
BIN01 – Call for Proposals on the Support of Innovation and Business Development (NFM)	17.06.2021 – 17.09.2021	€ 11,578,235	25	€ 20,364,784	13	0
BIN02 – Call for Proposals on the Support of Innovation and Business Development (EEA FM)	30.07.2021 – 04.10.2021	€ 5,415,882	35	€ 18,930,855	TBD	TBD
BIN SGS02 – Call for Proposals for Institutional cooperation between Higher education	30.11.2021 – 28.02.2022	€ 2,470,588	TBD	TBD	TBD	TBD

Call ID	Call opened	Allocation	No. of submitted project applications	Requested grant amount	No. of supported project applications	No. of contracted projects as of 31.12.2021
institutions, Upper-secondary schools and private sector (NFM)						

With relation to the Call BIN SGS01 the Programme Operator concluded the selection process in second half of the year and the project contracts were concluded in November 2021 (more than 1 year after the Call closure). 4 projects will be implemented with involvement of Norwegian partners. For the Call BIN01 the Programme Operator issued the decision on support of 13 applications in total amount of €9,463,704 in December 2021. Out of 13 applications, 4 of them will be carried out with involvement of Norwegian project partners. The project contracts should be concluded in 1Q 2022. For the Call BIN02 the Selection Committee meeting is planned in February 2022.

Within the Education component of the Programme, the Call for Proposals for Institutional cooperation between Higher education institutions, Upper-secondary schools and private sector (BIN SGS02) financed by the Norwegian Financial Mechanism was launched on 30 November 2021 with closure on 28 February 2022. The Call for Proposals for International mobility between Higher education institutions, Upper secondary schools and Private sector (BIN SGS03), financed by the EEA Financial Mechanism has been prepared by the Programme Operator to be launched in April 2022.

In 2021 the Programme Operator launched two Calls for proposals BIN BF03 (business component) and BIN BF02 (educational component) designed for bilateral initiatives to be implemented in person and online. Out of 4 applications submitted so far, 3 were rejected. Calls closure is planned on 31 December 2022 and 31 December 2023 respectively. Although the spending from the Fund for Bilateral relations was minimal due to the ongoing pandemic restrictions in 2021, the Programme Operator expects more applications to be submitted within the bilateral calls in the upcoming years.

4.2 Climate Change Mitigation and Adaptation

In 2021, significant progress was made in the Climate Change Programme, in particular in terms of closing all Calls planned under the programme and starting project implementation. High interest of potential applicants was present also this year:

Call ID	Call opened	Allocation	No. of submitted project applications	Requested grant amount	No. of approved project applications	No. of contracted projects as of 31.12.2021
ACC01 – Action plans for mitigation and adaptation implemented by local authorities in urban areas (ClimaUrban) – EEA FM	29.11.2019 - 28.02.2020	€ 4,176,838	7	€ 9,358,745	3	3
ACC02 – Action plans for mitigation and adaptation implemented by local authorities in urban areas (ClimaUrban) – NFM	29.11.2019 - 28.02.2020	€ 7,759,226*	8	€ 11,021,818	6	6
ACC03 – Awareness raising on climate change mitigation and adaptation carried out by schools (ClimaEdu) – NFM	31.12.2019 - 28.02.2020	€ 1,000,000	123	€ 5,296,786	28	28
ACC04 – Restoration of degraded wetland ecosystems (ClimaLocal) – NFM	15.12.2020 – 31.03.2021	€ 4,800,000	8	€ 6,186,509	6	0
ACC05 – Awareness rising on climate change mitigation and adaptation (ClimaInfo) – NFM	15.12.2020 – 26.02.2021	€ 876,838	36	€ 11,710,793	3	0

*additional €2,607,059 was allocated to the Call from the reserve in line with the Art. 1.11 of the Regulation

The Programme's bilateral ambitions at the project level are being fulfilled via cooperation with 20 donor project partners from Norway and one from Iceland as well. This means that almost half of the projects are being implemented in partnership with donor entities, which is a very nice result.

The project contract for the pre-defined project *Climate change and environment education centre (Living Lab) in Driepe* entered into force in June 2021. So far all the projects implemented performed activities focused primarily on public procurements procedures in line with the Slovak legislation, publicity (first information events on projects) and soft activities (update/elaboration of educational materials etc.).

With respect to the COVID-19 pandemic, in 2021, many information events on projects organised by the project promoters, as well as seminars, workshop and events held by the Programme Operator were carried out online.

In the projects implementation stage one of the most important threats that could affect the smooth realisation of projects is the enormous increase of cost for construction works and material, as it was announced by some of the municipalities as project promoters under the Call ACC02. The Programme Operator will assist the project promoters in seeking the most suitable solutions. For the planned response to this new potential risk identified in 2021, see Annex A Risk assessment and management plan. There are no other special concerns related to the Climate Change Programme.

4.3 Cultural Entrepreneurship, Cultural Heritage and Cultural Cooperation

During year 2021, the projects from CLT01 (cultural heritage) and CLT02 (contemporary art and culture) calls were contracted. The projects from CLT03 (contemporary art and culture) call have been selected and contracting started:

Call ID	Call opened	Allocation	No. of submitted project applications	Requested grant amount	No. of supported project applications	No. of contracted projects as of 31.12.2021
CLT01 – Open Call on the support of restoration and revitalization of cultural heritage	26.07.2019 – 29.11.2019	€ 10,539,725	66	€ 58,968,436	19	19
CLT02 – Call on the support of contemporary art and culture	26.07.2019 – 31.12.2019	€ 1,500,000	35	€ 6,074,596	9	9
CLT03 – Call on the support of contemporary art and culture	30.10.2020 – 25.02.2021	€ 1,500,000	73	€ 12,605,493	8	2

The Programme Operator fully adopted to the COVID-19 pandemic situation and further implemented online forms of communication and visibility measures to ensure smooth implementation of the Programme.

In general, the implementation of all 19 cultural heritage restoration projects started and/or continued during year 2021 depending on the time of the contracting and the preparedness of the project promoters in terms of completing of all obligatory documents for public procurement procedures. The Programme Operator declares that the target values of the indicators are on a good way to be achieved. Nevertheless, the National Focal Point noticed, based on the recently executed ongoing monitoring (March 2022), the major delays in the start of construction works in most of the projects (15 out of 19).

As mentioned in the last report, the ambition of the Culture Programme in term of bilateral cooperation exceeds all expectations and 94% of cultural heritage projects will be implemented in partnership with the donor entities.

The pre-defined project “Pro Monumenta II” in its last year of the implementation continues with all its activities. No delays are monitored within the PDP1 implementation except of bilateral cooperation activities which were again postponed due to COVID-19 restrictions to spring/summer of 2022. On the other hand, all 3 regional inspection teams are working very effectively, exceeding expected results.

Within the pre-defined project “Red Monastery – Reborn” the reconstruction works in the Red Monastery complex started in September 2021 and the premises will be put into operation in spring 2022. No delays were observed except for bilateral cooperation activities and common events, which were affected by COVID-19 restrictions. These activities and events were postponed to spring/summer 2022.

According to the special concerns stated in the MoU in terms of Culture Programme, the Cooperation Committee continued with its regular meetings. The maximum level of 60% of the total expenditure of the programme shall be available for infrastructure (hard measures) will be kept and is being monitored during the whole implementation period. In addition, the Programme shall contribute to greater awareness about the culture of social, ethnic and cultural minorities and groups, including Roma population. Two projects are directly focused on Jewish cultural heritage monuments reconstruction and

restoration. Altogether 16 projects from CLT01 call should promote the culture and heritage of minorities by organising events focused on raising awareness about minority culture. The projects under the call CLT02 and CLT03 are inter alia focused on the organising events focused on raising awareness about minority culture.

4.4 Domestic and Gender-based Violence

2021 was the year of the Domestic and Gender-based Violence Programme resumption. The Programme Operator announced two Calls for proposals and modified the programme in terms of cancelling Pre-defined project “HER STORY”, transferring the money into Call DGV01 in order to support more project applications:

Call ID	Call opened	Allocation	No. of submitted project applications	Requested grant amount	No. of supported project applications	No. of contracted projects as of 31.12.2021
DGV01 – Open Call on the support of organisation promoting equality between women and men a work life balance	18.07.2019 1 st deadline 15.10.2019 2 nd deadline 31.03.2020	€ 1,440,000	11	€ 1,914,122	9	9
DGV02 – Open Call on support of intervention teams at local level on services for victims of domestic and gender-based violence	14.05.2021 – 16.09.2021	€ 3,329,412	10	€ 5,160,757	6	0
DGV03 – Open Call on improvement of quality of services including specific services for children victims	16.08.2021 – 02.11.2021	€ 2,000,000	3	€ 1,367,011	3	0

The projects from the Call DGV01 selected in 2020 started their implementation in summer – autumn 2021. In December 2021 the Selection Committee recommended six projects for support within the Call DGV02, as well as all three projects submitted under the Call DGV03.

Regarding the significant delay in the programme implementation the Programme Operator submitted the programme modification proposal to the donor in order to transform the remaining Call DGV04 on support of specific target groups to the new predefined project Sexual Assault Centre in Bratislava and to support the organizations focused on work with specific target groups by the bilateral fund. The Programme modification request was provisionally approved by the National Focal Point at the end of 2021 and is subject to approval of the donors. The National Focal Point updated the risks related to this Programme taking into account potential risk of lack of time for implementation of the new pre-defined project. For the planned response, see Annex A Risk assessment and management plan.

The pre-defined project *“Improving the victim-oriented approach – a tool enhancing the capacity to fight violence against women and domestic violence”* is already being implemented by the Institute for Labour and Family research. In 2021, coordination meetings with partners were held. The donor project partner submitted a request on budget increase due to changes in the implementation settings of some planned activities. The request is subject to the submitted programme modification.

It is questionable whether the bilateral ambition under the Programme will be fulfilled. Out of the 18 projects selected via Open Calls, only 3 include donor project partner. On the other hand, new pre-defined project should include Norwegian partners and shall significantly contribute to transfer of know-how between the countries.

4.5 Good Governance, Accountable Institutions, Transparency / Cross-border Cooperation

In 2021 the development in the programme areas was mostly affected by two factors – COVID-19 and preparation of several reforms within Slovak legal system. All Calls for proposals were announced in 2019 and 5 projects are being implemented since 2020:

Call ID	Call opened	Allocation	No. of submitted project applications	Requested grant amount	No. of supported project applications	No. of contracted projects as of 31.12.2021
GGC01 – Open Call for Proposals on fostering institutional cross-border cooperation with Ukraine	16.09.2019 – 31.01.2020	€ 2,500,000	11	€ 5,829,205	5	5
GGC02 – Small Grant Scheme Call for Proposals on fostering institutional cross-border cooperation with Ukraine	16.09.2019 – 15.01.2020	€ 0	1	€ 166,202	0	0

Within the project “Climate Change Adaptation Strategy and Mitigation” implemented by Agency for the support of regional development Košice two significant results were accomplished in 2021. Document “Adaptation strategy for climate change” was completed by various experts, so it is now possible to define adaptation measures helpful for Ukrainian project partners to develop adaptation strategy for climate change in Transcarpathian region. Moreover, a comprehensive study named “Our river Roňava” was created in 2021, which is an important step in the creation of the Revitalization Plan for Roňava river basin that has been endangering property and lives of inhabitants due to frequent floods lately. Within the project “Future of Public Administration” implemented by the University of Pavol Jozef Šafárik in Košice two university textbooks named “Good Governance Manual for Future Experts in Public Sector Institutions” and „Good Governance Practice Examples for Future Experts in Public Sector Institutions“ were finalized in 2021 as well as two joint workshops for Ukrainian students were realized. A very good example of the bilateral cooperation is the project “Safe and Inclusive Border between Slovakia and Ukraine”. The Norwegian partner, Åpenhet AS, actively participated in all project meetings, and is involved in most project activities.

Under the pre-defined project “Improving Integrity of the Public Administration” with the project promoter Government office of the SR, the publication named “Integrity Review” was prepared in the cooperation of the project partner OECD. Its main purpose is to propose recommendations and build capacity on modernising the Slovak Republic’s integrity system. There are no issues within the project implementation.

The pre-defined project of the Ministry of Justice of the Slovak Republic called “Enhancing the efficiency of the justice system through the protection/empowerment of victims and vulnerable parties” is going well. It has been somewhat slowed down by the need for a change in the project, requested by the Project Promoter, regarding the inclusion of eight courts in the project as project partners. The addendum to the Programme Agreement was signed in August 2021.

Within the pre-defined project of the Public Procurement Office titled “Responsible public procurement, the first introductory training based on MEAT criteria for beginners was prepared. In cooperation with the

project partner OECD, the Project Promoter prepared and published the analysis "Strengthening value for money in the procurement system of Slovak Republic" in English and in Slovak language. The implementation is fully on track. There are neither any significant delays, nor other issues within the project.

Almost no results have been achieved within the third pre-defined project "TRIGLAV – Strengthen the fight against CBRN threats at the Slovak-Ukrainian border", the project promoter the Ministry of Interior of the Slovak Republic. This is caused by the fact that the last Ukrainian partner to sign the partnership agreement explicitly expressed a disinterest in the further participation of this pre-defined project in autumn 2021 and withdrew from its implementation. All remaining project partners have expressed their interest in participating in the project and concluding a new project partnership agreement.

Despite the reporting period of this Strategic Report is the year 2021, it is reasonable to assume that the war conflict in Ukraine that started in February 2022 will have severe impact on the implementation of the Cross-border Cooperation part of the Programme. The Programme Operator in reflection to the situation held Cooperation Committee meeting on 4 March 2022 in order to discuss possibilities to provide humanitarian aid for Ukrainian partners within existing projects (altogether 6 projects are being implemented in the partnerships with Ukrainian partners) through modifications in the project budgets. The Cooperation Committee has provided a provisional recommendation to transfer reasonable amounts from already approved projects with Ukrainian partner/-s to humanitarian aid. The members agreed by consensus. More detailed information on development of the Programme will be provided in next Strategic Report.

4.6 Local Development, Poverty Reduction and Roma Inclusion

In 2021 within the Local Development and Social Inclusion Programme three calls were closed:

Call ID	Call opened	Allocation	No. of submitted project applications	Requested grant amount	No. of supported project applications	No. of contracted projects as of 31.12.2021
LDI01 – Open Call on the multifunctional youth centres	15.07.2020 – 30.10.2020	€ 7,700,000	20	€ 16,209,549	9	9
LDI02 – Open Call on community-based interventions	08.09.2020 – 15.01.2021	€ 6,000,000	32	€ 21,429,134	6	0
LDI03 – Open Call on capacity-building	18.11.2020 – 01.03.2021	€ 1,247,059	20	€ 3,710,996	7	0

The high interest of potential applicants in Information Days resulted in high number of submitted applications. The bilateral component of the Programme is considered very successful. Even though there are no donor programme partner in the Programme, totally 15 projects out of 22 supported are going to be implemented in cooperation with Norwegian partners.

Within the pre-defined project “Innovative education of teachers to increase their intercultural competences in the education process of Roma pupils” of the project promoter National Institute for Education, the analysis of school legislative documents and educational programs dealing with the education of Roma pupils were translated into the content of school management education. Through the on-line format 45 participants successfully completed the management education with certificate. A training for teachers with the intention to provide them specific preparation for the state language exam in the Romani language was organised, which enables participants to increase and develop their linguistic competences in Romani language. The training will last at least one school year. The anticipated training completion date is planned for May 2022. In October 2021 a unique educational event SLOVAK ACADEMY: "A DEMOCRATIC AND INCLUSIVE SCHOOL ENVIRONMENT FOR ALL", which was developed with expertise of the European Wergeland Centre, was held. The event showed that schools and teachers were willing to teach in a modern, interesting way and to involve both pupils and parents in the educational process, so that they become active co-creators of a democratic and inclusive school environment for all pupils in the school.

5 STATUS OF BILATERAL FUNDS

Briefly outline the progress in establishing the Joint Committee for the Bilateral Funds (JCBF). Summarise the development/implementation of the work plan for the bilateral funds and main activities implemented and planned in the coming 12 months and provide a brief assessment of the functioning of the JCBF. The assessment presented in this section shall also include information on the use of the bilateral funds allocated to the programmes by JCBF (including in the MoU) and challenges faced related to absorption/disbursements with planned solutions.

The COVID-19 pandemic and strict preventive measures heavily affected the implementation of the bilateral funds at all levels. The National Focal Point reflected the impossibility to travel and prepared an open call for online activities. Even though the call was focused on online activities, the National Focal Point received only a few applications. A rather low interest, resulting in a low number of submitted applications, could also be seen under the open calls at programme levels.

Generally, the implementation of the bilateral fund in the course of 2021 was stagnant. If the COVID – 19 pandemic persists also in the future, a new approach to the implementation of these funds will be needed.

Meetings of the Joint Committee for Bilateral Funds in 2021:

The 7th meeting of the Joint Committee for Bilateral Funds (JCBF) was conducted as a per rollam meeting between 15 February – 1 March 2021 with the aim to discuss and approve the text of Call FBR02 – “Open Call for On-line Bilateral Initiatives Between Slovakia and Norway” and the related selection criteria.

The 8th meeting of the JCBF was also conducted as a per rollam meeting between 22 November – 26 November 2021. The main focus of the agenda was to discuss the updated status of the Fund for Bilateral Relations and to discuss the extension of the period of implementation for the following predefined initiatives:

- The Strategic Cooperation of National Theatres,
- Accompanying /Business/ Activities Related to the State Visit of the President of the Republic of Iceland in the Slovak Republic,
- Reducing the Gender Pay Gap.

A new predefined initiative, More Human Approach into Human Rights Education in Slovakia submitted by the Norwegian Embassy in Bratislava, was also discussed and approved in amount of €45,000.

Status of the Calls launched by the National Focal Point

Open Call **FBR02** for on-line bilateral initiatives between Slovakia and Norway was launched on 17 March 2021. This Call was focused on “cultural cooperation” and “political and institutional cooperation”. The total allocation was €200,000.

Altogether, 11 Grant Applications were submitted in total requested amount of more than €400,000. Five Grant Applications were supported, one approved initiative was cancelled in December 2021, 4 Grant Applications were rejected and 2 Grant Applications were submitted on the very last day. These 2 Grant Applications were assessed at the end of 2021. All implemented initiatives should complete their activities by the end of August 2022.

In general, the proposed activities are focused on cultural cooperation in several fields of interest: design, art, cultural development and urban development with focus on culture and architecture. One initiative supports activities focused on institutional cooperation, directly addressing the impact of the pandemic on teachers and students.

Call ID	Allocation	No. of submitted applications	Requested amount	No. of supported application	Approved amount	Rejected applications	Cancelled applications	Contracted amount
FBR02	€200,000	11	€400,497	5	€175,430	4	1	€142 650

The first two Calls within the Fund for Bilateral Relations - **FBR01** and **FBRTG01** (travel grants) were launched in 2019 and closed in 2020. These Calls generated 24 submitted Grant Applications in total out of which 11 Grant Applications were approved. From €230,000 allocated to the Calls, the amount of €168,578 was originally contracted. However, only €38 135 was disbursed by the end of 2021 since the implementation of the vast majority of initiatives was suspended. After approval of the last final report of the Initiatives, the National Focal Point will be able to provide comprehensive financial data on these Calls.

Call ID	Allocation	No. of submitted applications	Requested amount	No. of supported applications	Contracted amount	No. of rejected applications
FBR01	€180,000	11	€309,563	6	€154,806	5
FBRTG01	€50,000	13	€39,636	4	€ 13,660	9

Status of the pre-defined initiatives

Three predefined initiatives: FBR-PDI-001, FBR-PDI-002 and FBR-PDI-005 (listed below) should have been completed by the end of 2021, but, because of the pandemic, these initiatives were not implemented. Their implementation period was extended based on the JCBF's decision (8th meeting).

Initiative ID	Beneficiary	Date of completion	Title of Initiative	Allocated amount	Disbursed amount	Status
FBR-PDI-001	Slovak National Theatre	2022	The strategic cooperation of national theatres	€40,000	€0	planned
FBR-PDI-002	Ministry of Foreign and European Affairs of the SR	2022	Accompanying /business/ activities related to State Visit of the President of the Republic of Iceland in the Slovak Republic	€15,000	€0	planned
FBR-PDI-003	Ministry of Foreign and European Affairs of the SR	2019	SK Presidency in the Organization for Security and Co-operation in Europe (OSCE) – 2019; SK Presidency in the Organisation for Economic Cooperation and Development (OECD)	€30,000	€5,353	completed
FBR-PDI-004	Ministry for Foreign Affairs, Justice and Culture of the Principality of Liechtenstein	2022	Accompanying activities / events on the occasion of Celebration of 300 years of Principality of Liechtenstein	€20,000	€0	planned
FBR-PDI-005	Ministry of Labour, Social Affairs and Family of SR	2022	Reducing the Gender Pay Gap	€15,000	€0	planned
FBR-PDI-006	Open Society Foundation	2023	More Human Approach into Human Rights Education in Slovakia	€45,000	€0	planned

Bilateral funds allocated to the Programmes

During 2021, no Expression of Interest was submitted. In addition to the amounts already reserved in the Memoranda of Understanding, the total amount of funding reserved for programmes is €996,400.

The amount of €568,259 was disbursed to the Programme Operators, while €152,967 were disbursed by the Programme Operators to the Beneficiaries.

During the year 2021, 6 bilateral calls under the programmes were launched but interest from applicants was rather low.

Programme	Call ID	Call opened	Allocation	No. of submitted applications	No. of supported applications	Contracted amount	Disbursed amount
Business and Innovation	BIN BF02	22.11.2021 – open	€50,000	0	0	€ 0	€ 0
	BIN BF03	18.8.2021 – open	€70,000	4	0	€ 0	€ 0
Domestic and Gender-based Violence	DGVBF02	6.7.2021 – 6.8.2021	€11,623	0	0	€ 0	€ 0
	DGVBF03	16.8.2021 – 24.9.2021	€18,623	0	0	€ 0	€ 0
Good Governance and Cross-border Cooperation	GGCBF02	30.9.2021 – <i>open</i>	€30,000	-	-	-	-
	GGCBF03	30.12.2021 - <i>open</i>	€76,287.19	-	-	-	-

In order to reflect the war conflict in Ukraine from February 2022, the 9th meeting of the Joint Committee for Bilateral Funds took place via videoconference on 4 March 2022. The main reason for holding the meeting was the presentation of and discussion on the new predefined initiative proposed by the Migration Office of the Ministry of Interior of the Slovak Republic. The initiative called “Bilateral cooperation in the area of asylum and migration” should last two years and allocated €500,000. Possible partner is Norwegian Directorate of Immigration, as well as partners from Iceland and Liechtenstein. The JCBF approved the idea of the project, which is currently being developed. More detailed information will be provided in next Strategic Report.

6 MANAGEMENT AND IMPLEMENTATION³⁹

6.1 Management and control systems

Provide a brief summary of any changes in relation to the national level MCS, any significant changes (implemented or envisaged, if known) in the setup or staffing of the national authorities involved in the implementation of the EEA and Norway Grants. [If relevant]

The management and control system in the Slovak Republic is centralised and unified for all programmes operated by Programme Operators designated by the National Focal Point. The purpose of centralisation and unification is to eliminate the imminent risk of a failure to draw the funds allocated for the Slovak Republic.

The Detailed Description of Management and Control System (hereinafter “DDMCS”) at national level accompanied by the Audit Report and the Opinion has been acknowledged by the FMO on 29 March 2019 as meeting the minimum requirements as requested by Article 5.7.5 of the Regulations.

³⁹ Source: NFP and Ministry of Finance of the Slovak Republic (MF SR) acting as AA, CA and IA.

There were no significant changes in the set up or staffing of the National Focal Point and there was no need to update the DDMCS at national level in 2021.

In 2021 the Certifying Authority carried out coordination of financial management of the EEA Financial Mechanism and Norwegian Financial Mechanism 2014 – 2021 at national level in accordance with the tasks and responsibilities specified in Management and Control System. The methodological support was connected to the questions of Programme Operators regarding salary reimbursement conditions in accordance with national rules, the accounts of the beneficiary - a budgetary and contributory organization in the founding competence of the local government, etc.

The Certifying Authority updated the *Funding and Financial Management System of the Financial Mechanism of the European Economic Area and the Norwegian Financial Mechanism for the 2014 – 2021 programming period, version 3.0*, effective as of 8th July 2021. The update clarifies certain provisions following the guidelines and opinions from the Financial Mechanism Office (manual of IT GrACE, Guidance for completing the forecast of likely payment applications, guidelines following COVID-19 outbreak, etc.), as well as some provisions following implementation practice.

No information on significant changes in the setup of Management and Control System or staffing at the Audit Authority was reported by the respective authority.

6.2 Complaints

Provide a brief summary and assessment of the complaints received by the National Focal Point and how they have been dealt with. [Skip if no complaints have been received since the previous Strategic Report]

There were no complaints received by the National Focal Point in 2021.

6.3 Irregularities⁴⁰

Provide an analysis of any trends in the irregularities detected and how they have been dealt with. [Skip if no significant developments have happened since the previous Strategic Report]

As of 31st December 2021 no irregularities were reported to the FMO, i.e. the reports of irregularities submitted to the FMO did not contain any irregularities. The irregularities detected and announced to the Irregularities Authority were not reported via GrACE system as they fall under the exemption regime under Article 12.5 of the Regulations.

6.4 Audit⁴¹

Give a summary of the findings of audits undertaken by the national audit authorities. [Skip if no audits have been undertaken since the previous Strategic Report]

The system audits

In the period lasting from October 2021 to February 2022, the Audit Authority carried out the system audit No. 21-024. The system audit No. 21-024 focused on the verification of the effective functioning of the management and control system at the level of the Programme Operator – Ministry of Environment of the Slovak Republic. The system audit No. 21-024 identified 1 financial finding, 2 systemic findings and

⁴⁰ Source: Ministry of Finance of the Slovak Republic acting as IA

⁴¹ Source: Ministry of Finance of the Slovak Republic acting as AA

3 non-systemic findings. Among the most serious findings, identified by the system audit No. 21-024, were the following ones:

- insufficient performance of the financial control of the public procurement;
- failure to meet the deadline for performance of the financial control of the Interim Project Report;
- failure to continuously enter data in the accounting system for the settlement of funds provided on the basis of the Interim Project Report.

In the period lasting from November 2021 to January 2022, the Audit Authority carried out the system audit No. 21-047. The system audit No. 21-047 focused on the verification of the effective functioning of the management and control system at the level of the Irregularities Authority. The system audit No. 21-047 identified no findings.

The audits on projects

In the period lasting from June 2021 to January 2022, the Audit Authority ensured the performance of the audit on projects No. 21-023, in cooperation with the Government Audit Office. The audit on projects No. 21-023 focused on the verification of the eligibility of expenditure declared at the level of the National Focal Point and the Programme Operator – Ministry of Investments, Regional Development and Informatization of the Slovak Republic and the Programme Operator – Research Agency. The audit on projects No. 21-023 identified 1 random finding and 3 systemic findings at the level of National Focal Point, 3 random findings and 2 non-systemic findings at the level of the Programme Operator - Ministry of Investments, Regional Development and Informatization of the Slovak Republic and 1 random finding and 2 non-systemic findings at the level of the Programme Operator – Research Agency. Among the most serious findings, identified by the system audit No. 21-023, were the following ones:

- at the level of the Programme Operator – Research Agency:
 - o inclusion of the ineligible expenditure in the Interim Financial Report: personnel expenditure in the total amount of 225.96 EUR was included in the Interim Financial Report No. 2 for Business, Development, Innovation and SMEs Programme;
- at the level of the Programme Operator – Ministry of Investments, Regional Development and Informatization of the Slovak Republic:
 - o inclusion of the ineligible expenditure in the Interim Financial Report: personnel expenditure in the total amount of 164.85 EUR was included in the Interim Financial Report No. 3 for Cultural Entrepreneurship, Cultural Heritage and Cultural Cooperation Programme; personnel expenditure in the total amount of 1 108.66 EUR was included in the Interim Financial Report No. 3 for Good Governance, Accountable Institutions, Transparency/ Cross-border Cooperation programme; personnel expenditure in the total amount of 1.50 EUR was included in the Interim Financial Reports No. 3 and No. 4 for Good Governance, Accountable Institutions, Transparency/ Cross-border Cooperation Programme;
- at the level of the National Focal Point - Ministry of Investments, Regional Development and Informatization of the Slovak Republic:
 - o insufficient performance of the financial control of the predefined bilateral initiative in the Interim Financial Report No. 4 for Fund for Bilateral Relations;
 - o failure to perform the financial control of the public procurement (finding related to Fund for Bilateral Relations);
 - o insufficient guide to Programme Operator in relation to the calculation of eligible personnel costs (finding related to Good Governance, Accountable Institutions, Transparency/ Cross-border Cooperation Programme);
- at the level of the National Focal Point/ Programme Operator - Ministry of Investments, Regional Development and Informatization of the Slovak Republic:
 - o failure to ensure the correct keeping of analytical records.

In the period lasting from June 2021 to August 2021, the Audit Authority carried out the audit on projects No. 21-040. The audit on projects No. 21-040 focused on the verification of the eligibility of expenditure declared at the level of the Certifying Authority. The audit on projects No. 21-040 identified no findings.

In the period lasting from August 2021 to September 2021, the Audit Authority ensured the performance of the audit on projects No. 21-041. The audit on projects No. 21-041 focused on the verification of the eligibility of expenditure declared at the level of the Audit Authority. Since the selected sample consisted of expenditure declared by the Audit Authority (including expenditure of the Government Audit Office), the Audit Authority requested the Department of Internal Audit of the Ministry of Finance of the Slovak Republic, as an independent body, to perform audit on projects No. 21-041 and to verify this expenditure. The audit on projects No. 21-041 identified no findings.

7 COMMUNICATION

Outline progress in the development/implementation of the national-level Communication Strategy, including an assessment of key communication activities carried out by the NFP and planned for the next 12 months

The achievement of communication indicators stated in the Communication Strategy for the EEA and Norway Grants 2014 – 2021 in the Slovak Republic during the 2021 is evaluated in the updated Communication Strategy included in the Annex E to this Strategic Report.

Generally, communication activities in 2021 reflected the status of the implementation. Projects started their implementation and related launching events were organised. The National Focal Point supported these communication activities and provided the communication and media coverage. Communication activities in 2021 were still affected by the ongoing COVID-19 pandemic, most activities and measures were organized online. The National Focal Point shared the communication and publicity activities of the Programme Operators and other partners at the national webpage www.eeagrants.sk/www.norwaygrants.sk, and Facebook profile, with the aim to achieve the best communication results and create the comprehensive image of the Grants in Slovakia.

In the course of the year 2021, 34 presentation videos of projects implemented within the Programme Culture (Calls CLT01 and CLT02) were produced. All videos were presented as part of the campaign "Get to know the sights and culture –part I." and "Get to know the sights and culture –part II." The first part of the campaign was launched at the beginning of summer and the second part was launched in the last quarter of 2021. At the end of 2021, 6 presentation videos for projects within the Good Governance and Cross-border Cooperation Programme were prepared and presented. The production of these videos significantly enriched the video library, which is operated on a YouTube channel dedicated to the Grants in Slovakia. The most popular video was "Let's turn over a new leaf – Fatra House of Arts Žilina" (CLT01005). This post gained more than 2,000 views without any commercial support or boosting.

In order to strengthen sharing of all communication ideas among the all Programme Operators and the Royal Norwegian Embassy in Slovakia, the National Focal Point created, at the beginning of 2021, a new communication forum called "Communication network of the Grants". The representatives of Active Citizens Fund are also invited to take part at these meetings. The cooperation under this working group seems to be very fruitful and useful. During 2021, 5 meetings of this working group were organised. One of them was specifically focused on enhancement of Social Media skills, and the other one on the launching of the EEA and Norway Grants Media Library. At the same time, the National Focal Point, in cooperation with the Financial Mechanism Office and Programme Operators, organised a series of trainings for project promoters focused on the Communication and Design Manual and the Guideline for Project Promoters in the area of publicity.

Communication through Facebook was also enhanced. The increase of likes on Facebook reached more than 10% among new followers during 2021. The number of followers is almost 1,500. During 2021, the National Focal Point developed the Web app named “EEA and Norway Grants Project Portal”. The App is focused on collecting data from project promoters on projects for the purposes of their publication on the Project Portal under the webpage www.eegrants.sk/www.norwaygrants.sk. Project promoters enter an up-to-date description of the status of project implementation, add visual content – photographs and enter information about each public procurement, supply contracts, media outputs, and promotional materials.

Regarding the planned communication activities in 2022, the National Focal Point will continue in the production of presentation videos. These presentation videos will contribute to the next series of the Facebook campaign. At the same time, the videos will be published at the YouTube channel, and at the Project Portal.

In the second quarter of 2022, the National Focal Point will organize an on-line quiz, as part of its presentation and educational campaign focused on the EEA and Norway Grants, as well as information about the donor states on Facebook. This activity will be prepared in cooperation with the Royal Norwegian Embassy in Slovakia.

8 MONITORING AND EVALUATION

8.1 Monitoring

Provide a brief summary of the key findings of monitoring activities carried out by the NFP (information about audits should NOT be reported under this heading) [If programmes are not in implementation, simply state so]

The National Focal Point carries out monitoring continuously, through each and every phase of the EEA and Norway Grants implementation. With all Programmes running, the National Focal Point performed mostly compliance-based monitoring of the activities performed by the Programme Operators, mainly:

1. Calls for Proposals
2. Selection process
3. Verification of Annual Programme Reports, Interim Financial Reports.

In 2021 the regular monitoring of the Climate Change Programme was carried out. The monitoring was focused on compliance and was performed from October 2021 till January 2022. On-site visit took place on 19th October 2021 at the premises of the Programme Operator - Ministry of the Environment of the Slovak Republic.

Main findings were related to the Partnership Agreements. Due to non-existent procedures for the verification of the Partnership Agreements, several issues were identified, e.g. some agreements did not contain exchange rate provisions (Art. 7.7, point 2, letter (d) of the Regulations). The Programme Operator shall adopt relevant procedures related to the verification of Partnership Agreements and sufficiently ensure that the Partnership Agreements concluded for the projects selected under the Calls ACC04 and ACC05 will comply with Art. 7.7 of the Regulations. At the same time the Programme Operator shall retrospectively verify all Partnership Agreements already concluded.

Other findings included insufficient update of information related to the Fund for Bilateral Relations at the Programme level in the GrACE system and incorrectly set planned competition date in the project contracts for the projects under ACC01 and ACC02 Calls. The Programme Operator will take appropriate actions to remedy all deficiencies identified.

The overall result of the monitoring of the Climate Change Programme is “Satisfactory”, which means the implementation of the Programme is proceeding according to plan, only minor improvements are needed. There are no deficiencies or only minor deficiencies. These shortcomings do not have a significant impact on the implementation of the Programme. The Summary of the regular monitoring was shared with the relevant stakeholders – Donor Programme Partners and the Financial Mechanism Office in January 2022.

In addition to the regular monitoring, the National Focal Point established so called on-going monitoring, which allows to find out the status of the implementation of the Programme at certain time. The performance of on-going monitoring is decided by the Head of Strategic Actions Unit, who at the same time identifies which areas of the Programme implementation will be the subject to on-going monitoring. The findings of the on-going monitoring can lead to the need for regular monitoring or other respective follow-up actions.

During 2021 the National Focal Point conducted following on-going monitoring:

- Business and Innovation Programme – results identified severe delays in implementation of the Programme (announcement of the Calls, selection of closed Call). The National Focal Point prepared detailed timeframe for the Programme Operator related to the selection process, which was regularly reported upon by the Programme Operator. By the end of 2021 the delay was reduced. Nevertheless, the National Focal Point plans to continue detailed monitoring of the Programme.
- Good Governance and Cross-border Cooperation Programme – only slight delays in Programme implementation were identified, mainly in implementation of the Pre-defined projects “Enhancing the efficiency of the justice system through the protection/empowerment of victims and vulnerable parties” (GGCPP002) and “TRIGLAV – Strengthen the fight against CBRN threats at the Slovak-Ukrainian border” (GGCPP004). The National Focal Point created appropriate pressure on the Programme Operator to deal with the delays and take actions that took the implementation of the Programme forward.
- Domestic and Gender-based Violence Programme – based on information provided by the Programme Operator, the National Focal Point recommended to cancel the Call DGV04 that had a high risk of low interest by the potential applicants, combined with insufficient time for implementation, as the Call was planned to be announced in December 2021. The recommendation was accepted by the Programme Operator, who subsequently submitted a Programme modification proposal involving creation of new Pre-defined project “Sexual Assault Centre” and redistribution of unspent funds.

These results prove that this new tool is very effective and positively contribute to the implementation of the EAA and Norway Grants in Slovakia.

8.2 Evaluation

Summarise the findings of any programme evaluations carried out since the previous Strategic Report [If relevant]

In 2021 the National Focal Point revised the evaluation plan, mainly in terms of timeframe and scope of evaluations. The new proposal was discussed also with the Results and Evaluation unit at the Financial Mechanism Office. The evaluation plan is included in the Annex B to this Strategic Report. The first evaluation (mid-term) will be conducted at the end of 2022.

9 ISSUES FOR THE ANNUAL MEETING

Please provide any additional information requested by the donors (for example, at the previous annual meeting). If relevant, suggest any issues of particular importance that you would like to discuss at the next annual meeting.

Proposals for discussion at the Annual Meeting by the NFP: There is no special proposal for the discussion at the Annual Meeting suggested by the NFP or the CA/IA.

10 ANNEXES TO THE STRATEGIC REPORT

Annex A	Risk assessment and management plan
Annex B	Evaluation plan
Annex C	Cooperation with Donor Programme Partners and International Partner Organisations
Annex D	Technical assistance report
Annex E	Communication Strategy, version 1.5

Annex A: Risk assessment and management plan

SK-INNOVATION			Overall level of risk 3
Risks	Previously planned response	Actual response	Planned future response
Wide – range results framework set in the Concept Note causing complications in application of respective State Aid rules within the Programme	The NFP will continue with close monitoring of the Programme and will provide further support to the PO with preparation of the Calls for proposal.	The NFP provides the PO with consultations whenever necessary, during the selection process of Calls BIN01 recommended to the PO expert in the field of State Aid. The State Aid Scheme was updated by the PO in 2021.	The NFP will continue with close monitoring of the Programme and will provide further support to the PO with implementation of the projects. In 2022 revision of results framework is expected.
Lack of time for project implementation	The NFP will create adequate pressure on the PO to announce the Calls for proposals as soon as possible to mitigate the delay in implementation.	The NFP prepared for the PO detailed schedule for the selection process and the PO regularly reports its implementation. At the end of 2021 the delay in the Programme was reduced. Many of the projects selected requested lower project grant and shorter implementation period than anticipated within the Programme.	The NFP will continue with close monitoring of the Programme and will provide further support to the PO with implementation of the projects.
Implementation difficulties due to COVID-19 pandemic	The NFP will monitor the developments under the Programme and provide further assistance if needed.	The PO adapted to the COVID-19 pandemic by taking the necessary measures internally but also towards the project promoters to ensure the smooth implementation of the programme.	The NFP will monitor the situation, and take the necessary actions if needed.

High fluctuation of the PO employees resulting in implementation difficulties	New risk identified in 2021	By the end of 2021 most of the PO employees resigned. Only 2 persons have experience longer than 1 year. The NFP provides the PO with consultations whenever necessary.	The NFP recommended to the PO to staff all vacant positions as soon as possible and to prepare a plan for stabilisation of the employees in the future.
SK-CLIMATE			Overall level of risk 2
Risks	Previously planned response	Actual response	Planned future response
Difficulties related to public procurement resulting in delays and ineligible expenditures.	NFP will invite the PO to seminar on public procurement organised for the Project Promoters and further monitor the developments under the Programme.	The NFP invited the PO to the seminar on public procurement and provided the PO with consultations whenever necessary.	The NFP will provide the PO with consultations whenever necessary and further monitor the developments under the Programme.
Implementation difficulties due to COVID-19 pandemic	NFP will monitor the developments under the Programme and provide assistance if needed.	The PO adapted to the COVID-19 pandemic by taking the necessary measures internally but also towards the project promoters to ensure the smooth implementation of the programme.	The NFP will monitor the situation, and take the necessary actions if needed.
Significant market prices increase on construction materials and equipment endangering successful implementation of the projects	New risk identified in 2021	The NFP provided the PO with consultations on the possibilities of reallocation of unspent funds from the Programme into the endangered projects.	The NFP will closely monitor the development and provide the PO with further assistance how to remedy the situation, and if necessary, consult the possible steps with the FMO.
SK-LOCALDEV			Overall level of risk 2
Risks	Previously planned response	Actual response	Planned future response

Difficulties related to public procurement resulting in delays and ineligible expenditures.	NFP will monitor the developments under the Programme.	The NFP provides the PO with consultations whenever necessary.	The NFP provides the PO with consultations whenever necessary and further monitor the developments under the Programme.
Implementation difficulties due to COVID-19 pandemic	NFP will monitor the developments under the Programme and provide assistance if needed.	The PO adapted to the COVID-19 pandemic by taking the necessary measures internally but also towards the project promoters to ensure the smooth implementation of the programme.	The NFP will monitor the situation, and take the necessary actions if needed.
Significant market prices increase on construction materials and equipment endangering successful implementation of the projects	New risk identified in 2021	The NFP closely monitors the Programme and discuss with the PO suitable options and solutions.	The NFP will closely monitor the development and provide the PO with further assistance how to remedy the situation, and if necessary, consult the possible steps with the FMO.
SK-DOMESTIC			Overall level of risk 2
Risks	Previously planned response	Actual response	Planned future response
Low interest from potential applicants in open calls due to other available funding mechanisms and low capacity of the organisations active in the area.	NFP will continue targeted promotion of the Programme among potential applicants.	Based on the recommendation of the NFP, the PO proposed modification of the Programme, cancelling the Call with lowest interest. Also, remaining funds from the Calls were effectively redistributed into PDPs. All planned Calls were already launched.	N/A

Lack of time for project implementation	The NFP will create adequate pressure on the PO to announce the Calls for proposals as soon as possible to mitigate the delay in implementation.	The NFP provides the PO with consultations whenever necessary. All Calls were approved by the NFP without delays and selection process started in 2021. There should be sufficient time for implementation.	The NFP will monitor the situation and taking appropriate actions if needed.
Lack of time for implementation of new Pre-defined project on SAU	New risk identified in 2021.	The NFP provided the PO with consultations regarding the modification of the Programme and establishment of new Pre-defined project and preliminary approved the proposal without any delays.	The NFP will closely monitor the development in the PDPs.
Implementation difficulties due to COVID-19 pandemic	NFP will monitor the developments under the Programme and provide assistance if needed.	The PO adapted to the COVID-19 pandemic by taking the necessary measures internally but also towards the project promoters to ensure the smooth implementation of the programme.	The NFP will monitor the situation, and take the necessary actions if needed.
SK-CULTURE			Overall level of risk 2
Risks	Previously planned response	Actual response	Planned future response
Difficulties related to public procurement resulting in delays and ineligible expenditures.	NFP will organise seminar on public procurement for the Project Promoters and further monitor the developments under the Programme.	The NFP provides the PO with consultations whenever necessary.	The NFP provides the PO with consultations whenever necessary and further monitor the developments under the Programme.

Implementation difficulties due to COVID-19 pandemic	NFP will monitor the developments under the Programme and provide assistance if needed.	The PO adapted to the COVID-19 pandemic by taking the necessary measures internally but also towards the project promoters to ensure the smooth implementation of the programme.	The NFP will monitor the situation, and take the necessary actions if needed.
Significant market prices increase on construction materials and equipment endangering successful implementation of the projects	New risk identified in 2021	The NFP closely monitors the Programme and discuss with the PO suitable options and solutions.	The NFP will closely monitor the development and provide the PO with further assistance how to remedy the situation, and if necessary, consult the possible steps with the FMO.
SK-GOVERNANCE			Overall level of risk 3
Risks	Previously planned response	Actual response	Planned future response
Difficulties related to meet the EU standard implementation rules on the side of Ukrainian project partners.	NFP will organise seminar on implementation rules for the Project Promoters and further monitor the developments under the Programme.	The NFP provides the PO with consultations whenever necessary.	The NFP provides the PO with consultations whenever necessary and further monitor the developments under the Programme.
Implementation difficulties due to COVID-19 pandemic	NFP will monitor the developments under the Programme and provide assistance if needed.	The PO adapted to the COVID-19 pandemic by taking the necessary measures internally but also towards the project promoters to ensure the smooth implementation of the programme.	The NFP will monitor the situation, and take the necessary actions if needed.
Russia's invasion in Ukraine	New risk identified in 2021	The NFP closely monitors the Programme and the impact of the	The NFP is prepared to take immediate actions in order to provide direct support for Ukrainian

		war on projects with Ukrainian partners.	partners or adjust the projects in response to the situation, if needed.
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COOPERATION WITH DONOR PROGRAMME PARTNERS AND INTERNATIONAL PARTNER ORGANISATIONS

The National Focal Point has the opportunity to follow the cooperation of the Programme Operators with their Donor Programme Partners and International Partner Organisations as observers of the Cooperation Committee, but the day-to-day challenges are often not discussed during these meetings. Therefore the National Focal Point approached separately all involved parties and provided opportunity to express their opinion on the cooperation so far. Below is a summary of provided answers as well as opinion of the National Focal Point.

Business Development, Innovation and SMEs

Programme Operator and Partners

Programme Operator:	Research Agency
Donor Programme	Innovation Norway (IN NO)
Partners:	Directorate for Higher Education and Skills (HK-DIR NO) National Agency of International Education Affairs (AIBA LI)

The cooperation between the PO and the DPPs has been very active since the start of the programme implementation. In the reported year the involvement of the DPPs was focused mainly on approval of the calls for proposals, participation in the project selection process, advising on the use of the Fund for Bilateral Relations and assisting in project partner search within the open calls.

The PO assess the cooperation with the DPPs as very professional and expert. All three entities have been interested in the programme implementation progress, could provide ad-hoc consultations and advice on the PO's questions and have been supportive in the PO's tackle with obstacles and delays in the programme implementation.

The DPPs have not provided the NFP with their assessment of cooperation, but there were many joint activities carried out in 2021, in both Business and Educational part of the Programme.

Climate Change Mitigation and Adaptation

Programme Operator and Partners

Programme Operator:	The Ministry of Environment of the Slovak Republic
Donor Programme Partners:	The Norwegian Water Resources and Energy Directorate (NVE) The Directorate for Civil Protection and Emergency Planning (DSB) The Norwegian Environment Agency (NEA)

The PO states that the cooperation with Donor Programme Partners of the SK-Climate Programme has been intense, constructive and highly professional and in 2021 focused in particular on the functioning of the Cooperation Committee, Selection Committee and in the preparation of events. The DPPs participated and helped with the preparation of 2 SK-Climate Programme events – the 1st information event on achievements held online on 8th December 2021 and the online bilateral “SK-Climate Forum” on 9th December 2021.

The Norwegian Water Resources and Energy Directorate considers the work and the progress of the Programme to be very good. The most important thing is that calls and projects selected are carried out, and with good Norwegian partners in many of the projects, that raise the quality of the projects. Based on the experience of the Norwegian Environment Agency, the PO seems very qualified and dedicated to their tasks related to the implementation of the Programme. The implementation process is on track having all calls launched and projects selected. The PO has managed very well to adjust to a digital working mode due to the pandemic, and the pandemic does not seem to have had severe negative impact on the overall progress on the implementation of the Programme. Communication between the PO and the DPPs has also been very good. The NFP has not received response of the Directorate for Civil Protection and Emergency Planning.

Cultural Entrepreneurship, Cultural Heritage and Cultural Cooperation

Programme Operator and Partners

Programme Operator:	Ministry of Investments, Regional Development and Informatization of the Slovak Republic
Donor Programme Partners:	The Norwegian Directorate for Cultural Heritage (RA) Arts Council Norway (ACN)

The close cooperation between both the DPPs and the PO representatives included mainly sessions of Cooperation Committee (per rollam) and Selection Committee of Culture Programme. Due to Covid-19 restrictions all Selection Committee meetings were organized in on-line format in August 2021 with active and fruitful participation of all DPPs' representatives. Both DPPs provided the PO with the expertise on the eligibility of potential donor project partners and the opinions on the level and quality of proposed partnership. Moreover, both DPPs' institutions co-organized very fruitful and interesting networking meeting for Culture Programme Operators in December 2021, which was again due to Covid-19 restriction organized in online format.

The NFP has not received statement from the DPPs.

Domestic and Gender-based Violence

Programme Operator and Partners

Programme Operator:	Ministry of Investments, Regional Development and Informatization of the Slovak Republic
Donor Programme Partner:	Norwegian Directorate of Health
International Partner Organisation:	Council of Europe (CoE)
Other Programme Partner:	Ministry of Labour, Social Affairs and Family of the Slovak Republic

The PO benefits from both partnerships, their experiences and comments on the documents prepared by the PO and very much appreciates the continued cooperation also in open discussions on the future direction of the programme. The DPP and IPO are also involved in nomination of the evaluation experts for project applications evaluation and are evaluators of applications for bilateral initiatives.

The DPP has also closely cooperated in the matter of the proposed predefined project Sexual Assault Centre in Bratislava and involvement of the Norwegian project partner Oslo Sexual Assault Centre in it.

From the perspective of the DPP, The cooperation with PO has been excellent also in 2021. They are particularly satisfied with the way PO has been facilitating the processes during a demanding period with global pandemic. The DPP has been provided all the necessary information in the meetings and between the meetings in order to enable effective follow-up of the Open Calls, project applications and evaluations. In times of travel restrictions the PO has managed to organize the digital meetings in an excellent manner. Consultations regarding necessary adjustments in the programme have been constructive, and resulted in important developments. In summary: The PO has managed to maintain and further develop the good teamwork we have been enjoying the last 10 years despite the hardship COVID-19 has represented / still represents in international exchange.

The Council of Europe states relationship with the Programme Operator continues to be positive and productive, despite the challenges in programme implementation in 2020 and 2021. Communication has been regular and consistent, and guidance from the CoE is frequently sought out. Representatives of the Slovak PO are active in the SYNERGY Network against Gender-based and Domestic Violence, and are involved in discussions of promising practice and implementation strategies in line with European standards. The POs commitment has been seen in Cooperation Committee meetings, participation in the SYNERGY HELP course, and in planning meetings for a 2023 SYNERGY Conference under the programme's bilateral funds. As ever, the CoE remains committed to assisting Slovakia to obtain programme objectives, focusing on its delivery in line with the IC. Through the Norway Grants mechanism, including the SYNERGY Network, the CoE will continue to support Slovak authorities in their work to combat violence against women and domestic violence.

Good Governance, Accountable Institutions, Transparency / Cross-border Cooperation

Programme Operator and Partners

Programme Operator:	Ministry of Investments, Regional Development and Informatization of the Slovak Republic
Donor Programme Partner:	The Norwegian Barents Secretariat
IPO:	Organisation for Economic Cooperation and Development (OECD)

The PO is satisfied with the communication and contribution of the OECD to the implementation of the Programme. The OECD is also an active member of the Cooperation Committee. During the Cooperation Committee Meeting regarding the bilateral fund call GGCBF03, the OECD shared helpful comments. The OECD representative is also an assessor for the applications to be received within bilateral fund call GGCBF02, as the call is aimed at the area of transparency, good governance and accountable institutions. No information on cooperation with the DPP was provided by the PO.

The NFP has not received statement from the DPP or the IPO.

Local Development, Poverty Reduction and Roma Inclusion

Programme Operator and Partners

Programme Operator: IPO:	Ministry of Investments, Regional Development and Informatization of the Slovak Republic Council of Europe
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The Council of Europe is an observer at the Selection Committee and provided the Programme Operator with valuable comments and international expert's point of view on the project applications. In general, the cooperation with IPO is considered very good and smooth.

The representative of the Council of Europe reported that in 2021, the Programme continued to tackle key issues related to the social inclusion of vulnerable groups in the Slovak Republic, whose relevance and urgency became greater in light of the pandemic. The Council of Europe has maintained the positive and constructive cooperation with the Programme Operator who relies to a great extent on the Council of Europe expertise in the thematic areas tackled by the Programme – the social inclusion of Roma and other vulnerable groups, local development of disadvantaged areas, youth work for social inclusion and provision of quality education to all children. The Programme Operator has shown a high level of expertise in these areas and it works collaboratively with both Governmental and non-governmental partners to address them in a meaningful way. The Programme Operator works very closely with the Office of the Plenipotentiary of the Government of the Slovak Republic for Roma Communities and this adds real value to the programme and helps ensure coherence and complementarity between different Slovak Government initiatives in this area. In 2021, the Programme Operator organized the selection process for three open calls – the call on local development/multifunctional youth centres, the call on Roma integrated measures, and the small grants scheme on Roma inclusion. The selection procedures were organized in a highly transparent and professional manner and is a best practice that can be used as a model for other EEA/Norway Grants programmes.

TECHNICAL ASSISTANCE REPORT FOR 2021

1. Overview of main activities

National Focal Point

Due to COVID-19 pandemic situation, the 4th Annual Meeting was organised in June 2021 in form of videoconference.

The NFP monitors the progress of implementation of all Programmes via attending the meetings of the Cooperation Committees, approving of calls for proposals published by the POs and closely following the selection process. In addition, regular monitoring of the Programme SK-Climate focused on compliance was performed. New so called “on-going monitoring” was introduced by the NFP, and performed on Programmes SK-Innovation, SK-Governance and SK-Domestic.

Throughout 2021, the NFP played an important role in raising awareness of both financial mechanisms within the 2014 – 2021 programming period by providing information on both of these funds. During the entire period, the NFP ran a website containing information about all programmes, bilateral cooperation with donor states, including information on calls, meetings, workshops, seminars and all relevant issues and documents.

Audit Authority

During the period from January 2021 till December 2021 the Audit Authority (AA) has ensured within the EEA FM and NFM for the 2014 – 2021 programming period (PP) the performance of four system audits which were related to the verification of expenditure incurred by subjects implementing the EEA FM and NFM and two audits of operations which were related to the verification of expenditure incurred by subjects implementing the EEA FM and NFM. The employees of the AA and the employees of the Government Audit Office (GAO), acting as the co-operating authority of the AA, were involved in the execution of the above mentioned government audits. The preparation of the Annual Audit Report for the year 2021 started in October 2021. Beside the above mentioned activities relevant employees of the AA and the GAO ensured activities related to the realisation of the Technical assistance (TA) within the AA's TA budget.

Certifying Authority

- evaluation and submission of Forecast of likely payment applications to the FMO (4 times in 2021 – by 20 February, 20 April, 20 September and 20 November);
- ensuring availability of co-financing from the state budget in budgetary chapter General Treasury Administration;
- verification, certification and approval of IFRs for SK-TA, SK-BF, SK-CULTURE, SK-GOVERNANCE, SK-DOMESTIC, SK-CLIMATE, SK-LOCALDEV and SK-INNOVATION programmes (2014-2021 programming period);
- submission of certified IFRs for SK-TA, SK-BF, SK-CULTURE, SK-GOVERNANCE, SK-DOMESTIC, SK-CLIMATE, SK-LOCALDEV and SK-INNOVATION programmes to the FMO;
- coordination and realization of the financial flows between FMO, NFP, CA and PO; methodical guidance for the authorities in terms of financial management of EEA FM and NFM;
- maintaining accounting records of the CA;
- coordination of the development and ensuring the tasks relating to the accounting information system (ISUF).

Irregularities Authority

As of 31st December 2021 no irregularities were reported to the FMO, i.e. the reports of irregularities submitted to the FMO did not contain any irregularities. The irregularities detected and announced to the Irregularities Authority were not reported via GrACE system as they fall under the exemption regime under Article 12.5 of the Regulations.

2. Budget overview

There were changes approved in the TA budget in 2021 in a way of transfer of funds from CA to AA in the amount of €169,575 (€199,500 including national co-financing). The 10 % budget flexibility as laid out in the Technical Assistance Agreement, Article 2.6.2. (b) has been respected. The table below reflects the actual budget updated in November 2021 including the % changes in budget headings (actual vs. original BH value compared to the total budget).

Actual TA Budget (since 10/11/2021)						
Description	National Focal Point	Certifying Authority	Audit Authority	Other entities	TOTAL*	CHANGE in % (BH vs. TOTAL budget)
I. Additional management systems (Article 8.11.2 (a))	913,040	160,303	0	0	1,073,343	-10.46
II. Annual and other meetings with the Donor States (Article 8.11.2 (b))	20,000	0	0	0	20,000	0
III. Meetings and conferences to share experience (Article 8.11.2 (c))	25,000	30,000	1,535	0	56,535	0.08
IV. Promotional and information activities (Article 8.11.2 (d))	75,000	0	0	0	75,000	0
V. Audits (Article 8.11.2 (e))	0	0	536,281	0	536,281	6.87
VI. On-the-spot verifications (Article 8.11.2 (f))	45,000	0	0	0	45,000	0
VII. Reviews and evaluations (Article 8.11.2 (g))	102,049	0	0	0	102,049	0
VIII. Implementation of the FM 2009-2014 (Article 8.11.2 (h))	0	7,012	60,860	0	67,872	3.40
IX. Preparation of the implementation of the FM 2014-2021 (Article 8.11.2 (i))	17,647	2,156	0	0	19,803	0.11
TOTAL	1,197,736	199,471	598,676	0	1,995,883	0

* The TA Fund in Slovakia is voluntarily co-financed by 15% from the State Budget. The budget above includes also national co-financing.

Implementation of the 2021 TA budget (actual expenditure vs. planned expenditure) at the level of the NFP

Pursuant to the Agreement between The Financial Mechanism Committee and the Norwegian Ministry of Foreign Affairs and The Government Office of the Slovak Republic for the financing of Technical Assistance (TA) under the financial contribution from the EEA Financial Mechanism and the Norwegian Financial Mechanism in the 2014 – 2021 programming period, concluded on 15th February 2018, the total amount of the TA allocated for the NFP represents **€1,197,736** including 15% co-financing (€1,018,076 net of 15% co-financing).

By the end of 2021 **€524,009.43** including 15% co-financing (€445,407.82 net of 15% co-financing) have been disbursed to the NFP (43.75% from the allocation).

	Planned expenditure for 2021 incl. 15% co-financing	Planned expenditure for 2021 net of 15% co-financing	Actual expenditure in 2021 incl. 15% co-financing	Actual expenditure in 2021 net of 15% co-financing
I. Additional management systems (salary expenditures)	102,000	86,700	137,144	116,572
II. Annual and other meetings with the Donor States	5,000	4,250	1,988	1,690
III. Meetings and conferences to share experience	3,834	3,259	0	0
IV. Promotional and informational activities	8,000	6,800	4,723	4,015
V. Audits	0	0	0	0
VI. On-the-spot verifications	8,000	6,800	0	0
VII. Reviews and evaluations	0	0	0	0
VIII. Implementation of the FM 2009 – 2014	0	0	0	0
IX. Preparation of the implementation of the FM 2014-2021	0	0	0	0
Total expenditure in 2021	126,834	107,809	143,855	122,277

Implementation of the 2021 TA budget (actual expenditure vs. planned expenditure) at the level of the CA

The total amount of the TA allocated for the CA represents **€199,471** including 15% co-financing (€169,550 net of 15% co-financing).

By the end of 2021 **€100,513** including 15% co-financing (€85,438 net of 15% co-financing) have been disbursed to the CA (50.39 % from the allocation).

	Planned expenditure for 2021 incl. 15% co-financing	Planned expenditure for 2021 net of 15% co-financing	Actual expenditure in 2021 incl. 15% co-financing	Actual expenditure in 2021 net of 15% co-financing
I. Additional management systems (salary expenditures)	30,000	25,500	15,456	13,138
II. Annual and other meetings with the Donor States	0	0	0	0

	Planned expenditure for 2021 incl. 15% co-financing	Planned expenditure for 2021 net of 15% co-financing	Actual expenditure in 2021 incl. 15% co-financing	Actual expenditure in 2021 net of 15% co-financing
III. Meetings and conferences to share experience	0	0	0	0
IV. Promotional and informational activities	0	0	0	0
V. Audits	0	0	0	0
VI. On-the-spot verifications	0	0	0	0
VII. Reviews and evaluations	0	0	0	0
VIII. Implementation of the FM 2009 – 2014	0	0	0	0
IX. Preparation of the implementation of the FM 2014-2021	0	0	0	0
Total expenditure in 2021	30,000	25,500	15,456	13,138

Implementation of the 2021 TA budget (actual expenditure vs. planned expenditure) at the level of the AA

At the beginning of 2021, the total amount of the TA allocated for the AA represented **€399,176** including 15% co-financing (€339,299 net of 15% co-financing). Due to the insufficient financial resources within the budget allocated for the AA for the forthcoming AA's activities the AA requested in October 2021 the Certifying Authority (CA) to reallocate financial resources from the CA's TA budget in the amount of €199,500 € for the needs of the AA. After the CA's approval of the requested sum from their budget, the National Focal Point accepted the request for reallocation for the needs of the AA in November 2021. Therefore the available TA budget for the AA for the 2014 – 2021 PP has increased to the sum of **€598,676**.

By the end of 2021 **€399,175.41** including 15% co-financing (€339,299 net of 15% co-financing) have been disbursed to the AA (66.68 % from the allocation).

	Planned expenditure for 2021 incl. 15% co-financing	Planned expenditure for 2021 net of 15% co-financing	Actual expenditure in 2021 incl. 15% co-financing	Actual expenditure in 2021 net of 15% co-financing
I. Additional management systems (salary expenditures)	0	0	0	0
II. Annual and other meetings with the Donor States	0	0	0	0
III. Meetings and conferences to share experience	1,500	1,275	0	0
IV. Promotional and informational activities	0	0	0	0
V. Audits	108,667	92,367	169,818	144,345
VI. On-the-spot verifications	0	0	0	0
VII. Reviews and evaluations	0	0	0	0
VIII. Implementation of the FM 2009 – 2014	0	0	0	0

	Planned expenditure for 2021 incl. 15% co-financing	Planned expenditure for 2021 net of 15% co-financing	Actual expenditure in 2021 incl. 15% co-financing	Actual expenditure in 2021 net of 15% co-financing
IX. Preparation of the implementation of the FM 2014-2021	0	0	0	0
Total expenditure in 2021	110,167	93,642	169,818	144,345

Planned expenditure for 2022 shows the table below:

	NFP		CA		AA	
	Incl. co-financing	Net of co-financing	Incl. co-financing	Net of co-financing	Incl. co-financing	Net of co-financing
I. Additional management systems (salary expenditures)	138,000	117,300	20,376	17,319	0	0
II. Annual and other meetings with the Donor States	11,000	9,350	0	0	0	0
III. Meetings and conferences to share experience	4,000	3,400	0	0	1,500	1,275
IV. Promotional and informational activities	9,500	8,075	0	0	0	0
V. Audits	0	0	0	0	140,500	119,425
VI. On-the-spot verifications	8,000	6,800	0	0	0	0
VII. Reviews and evaluations	17,000	14,450	0	0	0	0
VIII. Implementation of the FM 2009 – 2014	0	0	0	0	0	0
IX. Preparation of the implementation of the FM 2014-2021	0	0	0	0	0	0
Total planned expenditure in 2022	187,500	159,375	20,376	17,319	142,000	120,700

3. Procurement

National Focal Point

No procurement where the NFP's activities have been outsourced has been carried out during 2021.

Audit Authority

During the year 2021 there has not been any procurement carried out where the AA's activities within the EEA FM and NFM have been outsourced.

Certifying Authority

Any procurement where the CA's activities have been outsourced has not been carried out during the reporting period.

Irregularities Authority

Any procurement where the CA's activities have been outsourced has not been carried out during the reporting period.