



ANNUAL MEETING ON THE EEA AND THE NORWEGIAN FINANCIAL MECHANISMS 2009-2014

Wednesday, 13 April 2016

Venue: The Narutis Hotel Lietuva,
Pilies Street 24, Vilnius
09.30 – 14.30 h

MINUTES

OPENING OF THE MEETING

Mr. A. Vitkauskas opened the Meeting by welcoming everybody on the 5th EEA and Norwegian financial mechanisms 2009-2014 Annual Meeting and making a few introductory points. The Chairman presented the main topics of the draft Agenda and proposed to approve the Agenda. The donor's delegation had no additional comments. Agenda was approved.

Mr. S. Larsen thanked for the hosting the Meeting. He noted that the Meeting is very important as the programmes and the projects reached a halfway of implementation phase of the current period and the donors started actively looking forward to the next period.

Status of Strategic Reports

Ms. A. Nikšaitė shortly informed about the general progress made in the implementation of Financial Mechanisms in Lithuania during the reporting period. She highlighted that the considerable progress was made towards strengthening bilateral relations and the achievement of agreed outcomes and outputs indicators (more detailed information is provided in Slides No. 1, Annex 1). Ms A. Nikšaitė also noted that the Strategic Reports on Implementation of the Mechanisms' in Lithuania (2015) was discussed at the Monitoring Committee (MC) meeting on 7 April, 2016. The MC conducted assessment of the progress of the Mechanisms' implementation provided in the Strategic Reports by the NFP. The MC highlighted that the benefit was already gained from bilateral cooperation and advised POs to focus on the possibility still available under bilateral funds.

Mr. S. Larsen thanked for the presentation and noticed that the year 2015 was very intensive for everyone and Lithuania made a big progress since the last annual meeting. Also he asked to comment on the possibilities still available under the programme bilateral funds.

Ms. A. Nikšaitė informed that there are still some money left under programme bilateral funds (in some programmes the sum is quite significant) and the POs are encouraged to use it for additional

bilateral cooperation activities, also to enhance bilateral dimension by expanding the circle of potential applicants..

Mr. S. Larsen remarked that the Strategic Reports for 2015 were comprehensive and revealed a good strategic approach and informed about their approval. Also he pointed out that for the next reports donors would like to get more detailed information about the shared results on the programme level and the NFP view of new knowledge, mutual understanding and the wider effects of the Grants in Lithuania.

Bilateral Relations

Ms. A. Nikšaitė presented the information on the approved and potential partnerships at all levels of the Mechanisms. Ms. A. Nikšaitė noted that 9 out of 12 programmes operated by the Lithuanian POs were being implemented with the Donor Programme Partners and about 50 percent of projects were being implemented with partners from donor states. Also she stresses, that in total, there were 90 donor partnership agreements signed: 81 with partners from Norway and 9 with partners from Iceland. Finally, she summarized, that biggest part of the programmes progressed in fostering bilateral cooperation quite significantly and the biggest success was reached with the partnerships which were not forced, natural, from mutual demand and willingness to cooperate and reach joint results. But the implementation of common bilateral activities with partners from donor states showed the differences of national legal and accounting requirements practices and the need of better communication, specifically by NFP, about national management and control system and specifics of national legal environment and practices in all Financial Mechanisms implementation stages, starting from the very beginning (more detailed information is provided in Slide No. 5-8, Annex 1).

Mr. S. Larsen mentioned that as donor programme partners and donor project partners' work in many different countries, to learn, adopt and follow local rules sometimes is a big challenge for them, but NFP not only identified the problems but also already gave some good solutions how to deal with this problem now and how to avoid it in the coming period of the Grants. He also noted, that Donors are open to hear all the good ideas how to make the regulations for the next period as good as possible.

Ms. R. Fidjestol added that programme and project partners should work together, communicate and respect each other's regulations.

Mr. S. Larsen also informed, that soon a conference to explain new regulations will be held and NFP is invited to participate and share its view/opinion about the new documents prepared. Commenting on the bilateral funds at program level, Mr. S. Larsen welcomed the fact that the number of partnerships is growing and the cooperation in some programmes is very successful, but he expressed Donors concern on the risky programme LT10, as a large amount of fund (1.7 million EUR) is still left unused. He also stimulated to speed the implementation process and to consider the possibility of opening the bilateral fund for more different applicants.

Ms. A. Nikšaitė noted that NFP saw the risk and was taking actions to reduce it. NFP consistently communicate with PO and encourage it to take actions as soon as possible. The PO has already proposed some ideas in such sectors as capacity building of child rights protection, climate change and in refugees' integration issues.

Presenting the status of the National Bilateral Fund (hereinafter – the NBF) Ms. A. Nikšaitė highlighted that up to date the NBF was used to finance 5 pre-defined initiatives. 2 pre-defined initiatives related to Lithuanian Presidency of the EU Council were already completed in 2014, and 3 other initiatives in the areas of energy security in the Baltic Sea Region, human rights as well as gender equality in research institutions were completed in 2015. She also pointed out, that open call for selection of pre-defined project ideas was not announced as initially planned in 4Q 2015 seeking not to duplicate or compete in the same priority areas or measures with the POs. For the same reason and to avoid too much applications (as the fund is not so big), the NFP suggests to narrow potential applicants and potential priorities by using NBF open call funds for bilateral academic and research co-operation activities in budget range from 1000 to 40 000 EUR and by linking priority sector with Nordic-Baltic co-operation (more detailed information is provided in Slide No 9 – 12, Annex 1).

Mr. S. Larsen noted, that the suggestion is interesting, however noted that the threshold grant size (1000 EUR) for the open call was too low and proposed to consider increasing it and that also think thanks should be eligible applicants for NBF for bilateral academic and research co-operation activities. With regard to an ongoing dialogue with the Norwegian Labor Inspection Authority Donors suggest to consider the possibility to set aside 10 000 EUR for cooperation in the combat against labour market related crime between Norwegian and Lithuanian responsible authorities. In addition, Donors suggested using some of the NBF for events, seminars or other activities dedicated to commemorate the 25th anniversary when Iceland being the first country recognized the independence of Lithuania. The Donors will prepare a common proposal for the commemoration of the anniversary.

Ms. A. Nikšaitė assured that the proposals of Donors will be discussed and, if necessary, needed changes will be made.

Ms. R. Fidjestol agreed with Mr. S. Larsen regarding the grant size and on the basis of experience in other countries, suggested that if the NFP will allow single applications to attend conferences, and change of experience through study visits, or similar, the NFP will have to deal with a large workload without significant impact, therefore the NFP could consider a possibility to limit the number of such projects/activities and give an opportunity for larger projects/activities to be implemented.

Status of Programme Implementation

Ms. A. Nikšaitė shortly introduced the status of LT programmes and main problems encountered during the reporting period (more detailed information is provided in Slide No. 13-15, Annex 1). 9 out of 12 programmes are fully contracted. Up to the meeting date 10 projects have already fully completed their activities and it is planned that until 30 April, 2016 the implementation of 25 projects will be completed. Ms. A. Nikšaitė highlighted that donors' decision to extend the period for the projects was very appreciated by national authorities and helped significantly reduce the time risk and to achieve planned and better quality results.

Talking about LT09, Ms. A. Nikšaitė asked for donors advice regarding any legal possibilities for extension of eligibility deadline for the project (applicant Plastic Chips), which was initially not recommended to be financed by Selection Committee, but was returned back and finally selected for financing after judicial procedures (more detailed information on the status of the programmes is provided in Slide No 13 – 15, Annex 1), but not yet contracted.

Mr. S. Larsen asked to clarify in what stage the mentioned project was now and what are the scenarios if there would be no extension granted.

Ms. A. Nikšaitė clarified that after judicial proceedings the project was granted for financing a half year later than it should have been. Also the project promoter had almost 3 months to fulfill the pre-conditions to sign the contract but up to date the contract is not signed. She also marked that project promoter is now looking for possibilities to extend the project implementation period but it is not clear whether the project promoter will manage to sign the contract before 30 April, 2016.

Ms. R. Fidjestol asked if there would be a possibility to implement the project within one year. She pointed out that it is very risky, that if the project after getting 1-year extension would not be implemented in time, Lithuanian government would have to fund the project itself without the help of the donors. She also stressed that the project contract should be signed before asking for extension.

Mr. A. Žarnovskis noted that the project needs about 6 or 7 months for implementation and if there will be no extension, project promoter will not be able to implement project activities up till 30 April, 2016.

As the problem is quit complicated, Ms. A. Nikšaitė suggested to continue discussions by phone and e-mails with the FMO about the possible further steps in the near future.

Main challenges and lessons learnt on EEA and Norway grants 2009 – 2014 period

Mr. A. Žarnovskis briefed on the main challenges and lessons learned on the current period of the Grants (more detailed information is provided in Annex 2).

As CPMA has the experience in administrating both EEA and Norway grants and Structural funds, Ms. J. Trošt asked CPMA to share their view on the similarities and differences in administrating of those funds.

Mr. A. Žarnovskis named some similarities and differences between the Structural funds and EEA and Norway grants. He noted that the biggest challenge in EEA and Norway grants is a big number of different programmes, big number of different programme operators and big number of open calls.

Mr. S. Larsen noted, that the main challenge for the new period is to improve and at the same time to simplify the regulations. He also marked that one of the main goals of the new period is having less programmes so that the money could be spent on the necessary and good programmes.

Publicity and communication

Ms. A. Nikšaitė shortly presented the information on implementation of publicity and communication. She highlighted the main activities implemented during 2015 and the communication activities planned to be implemented during 2016. Also she presented some good stories about the successful projects (More detailed information is provided in Slide No 16 – 20, Annex 1).

Mr. S. Larsen thanked for the presentation and noted that donors were satisfied with the implementation of the publicity of Grants in Lithuania.

H.E. Mr. D. M. Halvorsen noted that he had an opportunity to participate in some exhibitions and events of some programmes and highlighted that the events were very successful and organized very well and attracted also politicians and journalists.

EEA Scholarship Programme LT08

Ms. E. Fišeraitė shortly presented information on the status of the programme LT08 “EEA Scholarship Programme”. Finalizing her presentation and taking into account the fact that most probably the project contracts from the second call will be signed only in May 2016, Ms. E. Fišeraitė appealed to the donors asking for the extension of the project implementation period up to December 2016 or April 2017 (more detailed information is provided in Annex 2).

Mr. R. Totoraitis, also made some general remarks. He pointed out that the PO is quite satisfied with the content of the programme. He noted that projects, which were financed from the first open call, were very useful and interesting, but although a good progress can be seen in their implementation, still in some cases extension of project implementation period could be needed. Talking about the second call, Mr. R. Totoraitis marked that the second call opened an opportunity for more and wider spectrum of applicants to take part in the open call. He also marked that special attention was made to the non-governmental organizations, smaller organizations in the regions. Finally, he noted that as the projects will likely start their activities in two weeks, they probably will not be able to complete the implementation in time, so with the support of the programme partner, PO asks between two and six-months extension.

Mr. S. Larsen noted that from the donors’ side, LT08 is one of the programmes which is seen as risky. He asked Mr. R. Totoraitis to comment the reasons why the first and the second call were so late. Also Mr. S. Larsen asked to clarify if the extension is needed for the projects of the second call or for the both calls.

Mr. R. Totoraitis noted that there were a lot of different reasons. He explained that the scheme of the programme consisted of many different institutions so it took a lot of time to have common decisions; there were not enough human resources allocated to the programme administration; also there were bureaucratic issues and the specifics of procedures. Talking about the extension needed, he marked that although from both calls there would be projects that would need the extension, but the programme operator is focusing on the projects of second call as they have significantly less time for implementation.

Mr. S. Larsen asked about the possibility of projects from the first call to be finished in time (by the end of September).

Mr. R. Totoraitis informed that programme operator had a meeting in January with projects’ promoters and the meeting showed that the projects are in a good situation. Mr. R. Totoraitis also noted that these projects are not complicated as the budget of each project is small and the activities are easy to implement.

Ms. R. Fidjestol asked LT08 programme operator to submit a risk mitigation plan in the existing deadline and the explanation how will be the projects finalized in time. She pointed out that there were a lot of projects extended in Lithuania, so donors will be very strict to the LT08.

Mr. R. Totoraitis informed that PO has a plan how to eliminate the risks and finish the projects in time. He pointed out that PO want to cooperate with CPMA and ask CPMA periodically evaluate the progress of the projects. Also he proposed to have a regular meeting with projects promoters for verification and discussions.

Mr. S. Larsen agreed with Ms. R. Fidjestol and added that the donors see LT08 programme as very risky and in order to reduce the risk and to implement the projects in time a risk mitigation plan is necessary. He also stressed that the request for extension is not a risk management tool and noted that the donors are expecting that the projects will be implemented in existing deadline and that is by the end of September.

A. Vitkauskas marked that the donors expressed very clear position and in order to know the real situation and clear steps how to reach the best results, PO has as soon as possible to submit the risk mitigation plan to the NFP and take actions to finish the projects in time.

Closing remarks

Mr. S. Larsen summarised that the donors really appreciate the work that was done during 2015. He also reminded that the Strategic Reports were adopted and encouraged to continue doing the good work and promoting the good stories also underlining the bilateral aspects of every project or activity that takes place. Finally he thanked for the very pleasant and informative meeting.

Mr. Vitkauskas thanked the donors for the good evaluation of the work done and noted that all the remarks given to the Strategic Reports will be considered in the future. Also he stressed the good results reached in bilateral cooperation in the highest level. He thanked all the participants for their input during the discussions and closed the meeting.

DECISIONS TAKEN:

- The Strategic Reports on the Implementation of the 2009-2014 EEA and the Norwegian Financial Mechanism in Lithuania were approved.
- A risk mitigation plan with the explanation how LT08 programme operator is planning to complete all the projects in time has to be submitted to the NFP and FMO.

Enclosures:

1. Annex 1: Presentation “5th Annual Meeting on the EEA and Norwegian Financial Mechanisms 2009 – 2014”;
2. Annex 2: Presentation “Main challenges and lessons learnt on EEA and Norway grants 2009 – 2014 period”;
3. Annex 3: Presentation “EEA Scholarship Programme LT08“

Participants:

Donor countries:

- Mr. Sjur Larsen, Head of the Section for Central Europe, Deputy Director General, Norwegian Ministry of Foreign Affairs, Head of Delegation;
- H.E. Kristin A Árnadóttir, Ambassador, Embassy of Iceland in Helsinki ;
- H.E. Dag Malmer Halvorsen, Ambassador, Royal Norwegian Embassy in Vilnius;
- Ms. Turid Lilleng, First Secretary, Royal Norwegian Embassy in Vilnius;
- Ms. Thóra Magnúsdóttir, Counsellor, Directorate of External Trade and Economic Affairs, Icelandic Ministry for Foreign Affairs;
- Mr. Eirik N. Mathisen, Deputy director, Nordic-Baltic section, Norwegian Ministry of Foreign Affairs;
- Mr. Tonnes Svanes, Senior advisor, Norwegian Ministry of Foreign Affairs;
- Ms. Inga Rudzinskaitė, EEA/Norway Grants Political Officer, Royal Norwegian Embassy, Vilnius.

Financial Mechanism Office (FMO):

- Ms. Ragna Fidjestol, Head of the Department for Country and Bilateral Cooperation, Financial Mechanisms Office;
- Ms. Jana Trošt, Country Officer, Financial Mechanisms Office.

Lithuania (LT):

- Mr. Aloyzas Vitkauskas (Chairman), Vice-Minister, Ministry of Finance, National Focal Point (NFP);
- Ms. Audronė Nikšaitė, Head, International Financial Assistance Coordination Division, Ministry of Finance, NFP;
- Ms. Lina Kliukienė, Chief specialist, International Financial Assistance Coordination Division, Ministry of Finance, NFP;
- Ms. Rita Pūkienė, Chief specialist, International Financial Assistance Coordination Division, Ministry of Finance, NFP;
- Ms. Simona Rozočkina, Chief specialist, International Financial Assistance Coordination Division, Ministry of Finance, NFP;
- Ms. Ieva Stanaitytė, Chief specialist, International Financial Assistance Coordination Division, Ministry of Finance, NFP;
- Ms. Sandra Mockaitytė, Trainee, International Financial Assistance Coordination Division, Ministry of Finance, NFP;
- Ms. Aušra Baliukonienė, Director, National Fund Department, Certifying and Irregularities Reporting Authority, Ministry of Finance (CA, IrA);
- Ms. Danguolė Diana Banienė, Chief specialist, International Financial Assistance Expenditure Declaration Division, National Fund Department, Ministry of Finance, (CA, IrA);
- Ms. Džilda Grybaitė, Chief Specialist, Internal Audit and Financial Control Methodology and Monitoring Division, Internal Audit and Financial Control Methodology Department, Ministry of Finance, Audit Authority (AA);
- Ms. Inesa Šumskienė, Chief Specialist, Internal Audit and Financial Control Methodology and Monitoring Division, Internal Audit and Financial Control Methodology Department, Ministry of Finance, AA.

Programme operators

- Mr. Ričardas Totoraitis, EEA Scholarship programme manager, Deputy director, Education Development Centre, Programme operator (PO);
- Mr. Tomas Pūtys, Head, Non-Formal Education Division, Ministry of Education and Sciences, PO;

- Ms. Eglė Fišeraitė, Chief Specialist, Division of Higher Education Studies, Ministry of Education and Sciences, PO;
- Ms. Rasa Suraučienė, Deputy Director, Central Project Management Agency (CPMA), PO
- Mr. Artūras Žarnovskis, Director, International Programmes Management Department, CPMA, PO;
- Ms. Sandra Remeikienė, Head, EEA and Norway Programmes Division, International Programmes Management Department CPMA, PO.