

Minutes

of the 7th Annual Meeting of the EEA and Norway Grants 2014-2021

Date:

17th June 2024

Venue:

Ministry of Investments, Regional Development and Informatization of the Slovak Republic, Bratislava

Agenda

13:00 – 13:05	Opening remarks (NFP, Donors)
13:05 – 13:20	Draft strategic report for 2023 (NFP, Donors)
13:20 – 15:00	Progress of programmes and risk assessment (POs, NFP and Donors)
15:00 – 15:15	Break
15:15 – 15:30	Presentation of the results of the Active Citizens Fund Slovakia
15:30 – 15:45	Status of the Management and Control Systems, including irregularities and complaints (NFP, AA, CA, IA)
15:45 – 16:00	Bilateral cooperation at programmes and at national level (NFP and Donors)
16:00 – 16:15	Communication (NFP)
16:15 – 16:30	Conclusions and closing remarks

Opening Remarks

The National Focal Point (NFP) welcomed participants, both in person and online, and acknowledged the challenges faced during the past year, including the pandemic, political instability, and the war on Slovakia's borders. Despite these difficulties, the NFP expressed pride in the ongoing implementation of programmes funded by the EEA and Norway Grants, and extended special thanks to the Donors and the Royal Norwegian Embassy in Vienna for their continuous support.

Draft Strategic Report for 2023

The NFP presented the draft Strategic Report for 2023, noting its submission to the FMO in April 2024. The Donors appreciated the quality of the report, highlighting that it effectively captured the status of the programmes and bilateral cooperation. Particular praise was given for the significant progress in the 'Culture' programme, where initial targets were surpassed, especially in the involvement of artists and cultural experts. The Donors approved the Strategic Report for 2023 and encouraged the NFP to continue focusing on the results achieved in the final strategic report.

Progress of programmes and risk assessment

The NFP provided an overview of the current status of the programmes as of June 2024, noting that 186 projects were implemented across six programmes. Of these, 35 projects had been completed, 142 were in the final stages, and nine had been cancelled due to various reasons. The NFP highlighted the strong bilateral dimension of the grants, with 56% of the projects being implemented in partnership with donor project partners, predominantly from Norway.

The NFP discussed the challenges faced in implementing the projects, particularly the variation in commitment and capacity among different stakeholders. While NGOs and municipalities were generally dedicated, concerns were raised about the level of commitment from national public administration. The NFP emphasized the need to improve the quality of partnerships in future programming periods and suggested several key lessons learned:

- **Capacity Issues:** There is a need to strengthen the capacity of organizations, particularly in areas such as domestic and gender-based violence and Roma inclusion. While progress has been made, there is still a shortage of quality organizations capable of delivering substantial change.
- **Reducing Administrative Burdens:** The NFP stressed the importance of reducing administrative burdens to allow a stronger focus on managing for results. The introduction of lump sums and simplified cost options, as seen in EU funds, could be beneficial in this regard.
- **Importance of Early Spending:** The NFP noted the risks associated with completing projects close to the deadline and emphasized the need for stronger enforcement of timely spending from the start of future programmes.
- **Flexibility and Simplification:** The NFP recommended simplifying programme structures and decentralizing processes to reduce bureaucracy. Enhancing trust and flexibility towards project promoters was also identified as crucial to improving the implementation of future programmes.
- **Overcontracting:** The NFP suggested that overcontracting could be a useful strategy in future programming periods to ensure that funds are fully utilized, acknowledging that this would require careful management of associated risks.
- **Need for Larger Programmes:** Managing many small programmes has proven inefficient. The NFP recommended considering larger programmes to improve efficiency and impact.
- **Increased Involvement of Donor Project Partners:** To improve the quality of partnerships, the NFP suggested that donor project partners should be more involved in the selection process and provide more input on the partnership elements.

The Programme Operator (PO) for the 'Good Governance' programme presented an overview of the programme, highlighting key achievements and challenges faced during implementation. Despite ongoing challenges, particularly due to the Russia's invasion of Ukraine, the programme has seen significant progress. Many outputs, such as publications, strategies, concepts, and methodologies, have been completed and presented at various conferences and workshops, contributing to the programme's objective of improving the integrity and accountability of public administration.

The Donors acknowledged the difficulties posed by the geopolitical situation and expressed appreciation for the flexibility measures introduced within the programme, which were crucial for its progress. The Donors particularly emphasized the importance of the Triglav project given the current circumstances and noted the continued relevance of the project's objectives.

The 'Culture' programme demonstrated high absorption capacity and successful implementation, with a spending rate of approximately 95% as of March 2024, expected to increase to 97-98% by the programme's completion. The programme supported the restoration and revitalization of 19 cultural heritage monuments, including castles, a monastery, a historical park, sacral monuments, city palaces, and manor houses. Additionally, the programme established a preventive inspection system for immovable monuments, conducting over 100 inspections annually.

In contemporary arts, the programme successfully involved more than 2,000 artists, supported over 60 institutions, and organized more than 300 events. Notable achievements include the Slovak-Norwegian orchestra and a debut album blending contemporary Norwegian music with traditional Slovak Roma music. The Donors praised the programme's integration of cultural projects into broader local and regional development strategies and emphasized the importance of ensuring the sustainability of these projects, particularly regarding ongoing maintenance costs.

The 'Domestic and Gender-based Violence' programme supported 19 projects aimed at preventing violence and assisting victims. The programme made significant advances in enhancing multisectoral cooperation, training

over 2,190 professionals, and improving facilities for victim support. Key achievements include the establishment of 50 new places in women's shelters and the creation of seven specialized counseling centers. The programme also supported a national helpline for women victims of violence and enhanced infrastructure at police stations.

The Donors commended the multidisciplinary approach, which involved both government and civil society in addressing domestic and gender-based violence. They also noted the importance of continuing efforts to engage vulnerable groups, including the Roma community.

The 'Local Development' programme contributed to enhancing social and economic cohesion across Slovakia. The programme supported 25 projects focused on innovative educational initiatives, the development of multifunctional centres, and efforts in Roma inclusion. These centres provided services such as employment support, health education, and cultural activities, becoming hubs for community engagement.

Despite a shorter implementation period, the programme achieved significant results, particularly in improving intercultural competencies and socio-economic conditions in underdeveloped districts. The Donors praised the programme's integrated approach and highlighted the importance of communication and continuity in working with Roma communities. The discussion also revealed a lack of a systemic approach to Roma inclusion in Slovakia, with no clear vision or long-term strategy in place. While the Council of Europe has been helpful, the PO stressed that the primary responsibility lies with Slovakia to develop and implement effective solutions.

The PO for the 'Business and Innovation' programme discussed the programme's complexity and the challenges encountered during implementation. The programme aimed to increase value creation and promote sustainable growth, but faced significant difficulties, leading to the reallocation of €5.7 million out of the original €23 million to other programmes. Challenges included the low quality of project applications and a lengthy contracting process.

The Donors acknowledged these challenges but expressed optimism about the success of the projects that were implemented. They highlighted the need for more time in future programming periods for contracting and public procurement to avoid similar issues.

The Ministry of Environment of the SR, as the PO for the 'Climate' programme, reported on the status and progress of the programme. By 2024, 21 projects had been completed, and 27 were still in implementation. The programme focused on climate change mitigation and adaptation, particularly in urban areas, and included significant bilateral cooperation between Slovak and Norwegian experts.

The PO highlighted successful outcomes, such as the implementation of physical climate change responsiveness measures in schools and the restoration of degraded wetland ecosystems. The Donors appreciated the lessons learned and the cooperative approach taken by the Ministry of Environment in addressing challenges.

Presentation of the Results of the Active Citizens Fund Slovakia

The Active Citizens Fund Slovakia (ACF Slovakia) is nearing completion, with final reports submitted for most projects. Launched in 2017, the programme aimed to support civil society as a vital part of a functional democracy. Despite challenges posed by external events, ACF Slovakia successfully facilitated public participation, supported partnerships between NGOs and public sector entities, and enabled capacity building within NGOs. For the future, the FO would consider securing more regional coverage and even more administrative simplification, as well as making the programme more flexible to react to new emerging needs. The Donors noted that civil society will be even more important in the next financial mechanism.

Status of the Management and Control Systems, including Irregularities and Complaints

The Audit Authority presented the status of the management and control systems, focusing on audits conducted in 2023. The audits covered various aspects, including programme management costs, the Fund for Bilateral Relations, technical assistance, and project operations. The overall error rate was found to be relatively low, with programme management costs at 0.04%, the Fund for Bilateral Relations at 0.38%, and technical assistance

showing a zero error rate. However, the projects themselves showed a higher error rate of 4.74%, mainly due to common issues such as ineligible travel and staff costs, and irregularities in public procurements.

The Audit Authority emphasized that while these findings are typical and not indicative of any systemic failures, they can still result in significant financial corrections for project promoters, particularly in cases involving conflicts of interest. They also noted that despite repeated guidance and training, some project promoters continue to make errors, particularly in procurement processes, leading to costly penalties. The Audit Authority and the NFP both highlighted the need for further simplification of rules and procedures to prevent such errors and reduce the administrative burden on project promoters.

The NFP underscored the importance of clear communication and guidance to project promoters to ensure compliance, particularly in areas like conflict of interest. They expressed concern that even minor errors, often due to misunderstandings, can lead to significant financial consequences, which are especially burdensome for smaller projects. The ongoing challenge is to strike a balance between ensuring compliance and making the process as straightforward as possible for all involved.

The Irregularities Authority reported a significant number of cases, with the highest number found in the 'Business and Innovation' and 'Culture' programmes, primarily due to issues related to public procurement principles. In the first quarter of 2024 alone, nine new irregularities were reported, all within the 'Business and Innovation' programme. The most common issues were related to public procurement, with fewer cases involving deviations from project contracts, financial misreporting, fraud, corruption, and conflicts of interest. The Irregularities Authority also noted the need for better communication regarding the closure of irregularity cases.

Bilateral cooperation at programmes and at national level

The NFP provided an update on bilateral cooperation, reporting significant progress in predefined initiatives. As of June 2024, the total allocation for the bilateral fund was over €5.3 million, with nearly €2 million contracted and €1.2 million to be contracted soon. In addition, €2 million has been set aside for a new open bilateral call to be launched in June 2024. The Donors emphasised the importance of selecting good bilateral initiatives which are manageable within the time left. Despite some challenges, the NFP remains optimistic about the successful completion of ongoing initiatives.

Communication

The NFP provided an overview of communication activities, focusing on enhancing public visibility and engagement. A key initiative was the campaign during the 16 Days of Activism against Violence Against Women, which significantly boosted interactions on their Facebook page. Other efforts included growing their social media audience, publishing new promotional content on YouTube, and preparing for the upcoming "Our Stories" campaign.

Conclusion and closing remarks

The meeting concluded with the NFP expressing satisfaction with the progress and outcomes of the programmes. The Donors appreciated the thorough discussions and noted the importance of ensuring that results are achieved efficiently. Both the NFP and Donors emphasized the need for continued cooperation and process simplification in future programming periods.

Decisions taken:

- **The Donors approved the Strategic Report 2023 for EEA FM and NFM 2014 – 2021.**