



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

Tuesday, 2 June 2015

Venue: Radisson Blu Hotel Lietuva,
Konstitucijos pr. 20, Vilnius
11.00 – 15.50 h

MINUTES

Donor countries:

Ms. Lise Nicoline Kleven Grevstad, Director, Department of European Affairs, Norwegian Ministry of Foreign Affairs,

Ms. Ingrid Susanne Farner, First Secretary, Royal Norwegian Embassy,

Mr. Lars Sigurd Valvante, Officer for Lithuania, Norwegian Ministry of Foreign Affairs,

Ms. Inga Rudzinskaitė, Political Officer for the EEA/ Norway Grants, Royal Norwegian Embassy

Financial Mechanism Office (FMO):

Ms. Ragna Fidjestol, Head of Country Unit, 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. Aušra Baliukonienė, Director, National Fund Department, Certifying and Irregularities Reporting Authority, Ministry of Finance, (CA, IrA),

Ms. Aušra Nausėdienė, Head, International Financial Assistance Expenditure Declaration Division, National Fund Department, Ministry of Finance, (CA),

Ms. Rasa Mockuvienė, Chief Specialist, International Financial Assistance Expenditure Declaration Division, National Fund Department, Ministry of Finance, (CA),

Mr. Jonas Vaitkevičius, Head, Internal Audit and Financial Control Methodology and Monitoring Division, Internal Audit and Financial Control Methodology Department, Ministry of Finance, Audit Authority (AA),

Ms. Džilda Grybaitė, Chief Specialist, International Audit and Financial Control Methodology and Monitoring Division, Internal Audit and Financial Control Methodology Department, Ministry of Finance, AA,

Mr. Ramūnas Dilba, Deputy Director, EU Funds Management Department (Management Authority), Ministry of Finance,

Mr. Tomas Kubilius, LT04 programme coordinator, Human Rights Monitoring Institute,

Ms. Jovita Valeikaitė, Head of Communications, Human Rights Monitoring Institute,

Mr. Dimitrijus Kucevičius, Director, Innovation Department, Ministry of Economy, Programme Operator (PO),
Ms. Ona Šakalienė, Head, Innovation Policy Division, Innovation Department, Ministry of Economy, PO,
Ms. Jovita Surdokienė, Chief Specialist, Innovation Policy Division, Innovation Department, Ministry of Economy, PO,
Ms. Kotryna Stankevičiūtė, Chief Specialist, Regional Policy Strategic Coordination Division, Ministry of the Interior, PO,
Mr. Artūras Žarnovskis, Director, International Programmes Management Department, Central Project Management Agency (CPMA),
Ms. Sandra Remeikienė, Head, EEA and Norway Programmes Management Department, CPMA,
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. Ieva Stanaitytė, Chief Specialist, International Financial Assistance Coordination Division, Ministry of Finance, NFP,
Ms. Simona Židonytė, Chief Specialist, International Financial Assistance Coordination Division, Ministry of Finance, NFP,
Ms. Indrė Žemaitienė, Chief Specialist, International Financial Assistance Coordination Division, Ministry of Finance, NFP.

OPENING OF THE MEETING

Mr. A. Vitkauskas opened the Meeting by welcoming everybody on the 4th 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 Norway delegation had no additional comments. Agenda was approved.

Ms. L. N. Kleven Grevstad thanked for the hosting the Meeting and noted that now is a very good time to review the implementation status of Financial Mechanisms as most of the calls are finalised and projects are under implementation stage. Also she remarked that recently donors decided to open up a possibility for some of the projects/programmes to be extended under certain conditions, so FMO on 26 May 2015 had sent a letter to the NFP explaining the procedures and special conditions regarding the extension.

A brief economic and political overview of the country

Ms. A. Nikšaitė shortly presented economic and political situation of the country (more detailed information is provided in Slides No. 3-5, Annex 1).

Mr. Vitkauskas added that Lithuania step by step is making progress towards achieving the targets of the National reform Programme. He also noted that the good development in the energy sector i.e. liquefied natural gas terminal building, agreements with Gasprom for cheaper gas and good cooperation with other countries (especially Norway) also makes very significant positive impact on the Lithuanian economy.

Ms. L. N. Kleven Grevstad expressed her satisfaction that Lithuania has a good cooperation with Norway, especially in energy sector.

Status of Strategic Reports

Ms. A. Nikšaitė informed that the Strategic Reports on Implementation of the Mechanisms in Lithuania (2014) were discussed at the Monitoring Committee (MC) Meeting on 21 May 2015. The MC sustained assessment of the progress of the Mechanisms' implementation provided in the Strategic Reports by the NFP and highlighted time-related risks as most critical to the successful implementation of the programmes due to cumulative delays and complexity of the system. In addition to the time-related risk mitigation measures at national level, the MC suggested accelerating the procedures regarding extension of eligibility period for projects in respect to the conditions provided by the donors.

Ms. L. N. Kleven Grevstad remarked that the Strategic Reports for 2014 were very good quality and revealed a good strategic approach and informed about their approval. She also pointed out that for the next report donors would like to get more detailed information about three topics: 1) which programmes have done the biggest progress in relation to the four bilateral outcomes; 2) what are the achievements reached of each programme compared to its respective output indicators; 3) What are the main risks that might affect the contribution of the different programmes to the cohesion objective?

Bilateral Relations

Ms. A. Nikšaitė presented the information on the approved and potential partnerships at all levels of the Mechanisms. She noted, that 9 out of 12 programmes operated by the Lithuanian Programme Operators (PO) were being implemented with the Donor Programme Partners from Norway, 10 pre-defined projects were already known to be implemented with partners from donor states. 36 donor partnership projects out of 74 were selected for financing via open calls (up to date in total) and 25 out of them – under the calls without compulsory partnership requirement (more detailed information is provided in Slide No. 8-12, Annex 1).

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 pre-defined initiatives. 2 pre-defined initiatives related to Lithuanian Presidency of the EU Council were already completed, 2 other are still ongoing. She also pointed out, that initially NFP planned to use NBF by organizing regular open calls, but taking into account disproportionate administrative burden and good experience with pre-defined projects, NFP suggests to update the Work Plan and to have open calls only for project ideas. 2-3 very targeted bilateral co-operation ideas could be selected and further developed as pre-defined projects.

Ms. L. N. Kleven Grevstad noted that donors are very pleased to see many good results on the objective of strengthening bilateral relations. Also she pointed out, that donors welcome the proposal to change the NBF work plan and to have open calls for ideas. As there are still some programmes that didn't use or used only a very small amount of bilateral fund, donors suggest to cooperate more with Royal Norwegian Embassy and reach even better results.

Ms. R. Fidjestøl suggested having closer contact with the Embassy and the FMO regarding identifying further activities within bilateral funds .

Status of Programme Implementation, risk management

Ms. A. Nikšaitė introduced the risks identified by the NFP in implementation of the mechanisms and planned mitigation measures (more detailed information is provided in Annex 1). Also Ms. A. Nikšaitė briefed on the status of the LT programmes and main problems encountered during the reporting period. Ms. A. Nikšaitė informed that up to date, 8 out of 12 programmes are fully contracted also all 22 pre-defined projects contracted and are in actual implementation stage. Although some progress in implementation was achieved, delays were evident in most programmes. The main issues encountered during the reporting period, which effected the actual implementation of the programmes, were longer than expected preparation and approval of calls documents, protracted evaluation and selection procedures as well as insufficient quality of projects' applications. Due to initial cumulative delays and also taking into consideration expected complexity of the procurements in projects with investment component or season-dependent project activities, time-related risks are most critical to the completion of the projects till the set deadlines and consequently, successful implementation of most of the LT programmes (more detailed information on the status of the programmes is provided in Slide No. 22-25, Annex 1).

Ms. L. N. Kleven Grevstad noted a proper attention of the LT side to the risk identification, assessment and mitigation and also to the good results. Also she once more reminded about the donors decision to give a possibility for some of the projects/programmes to be extended under certain conditions and the FMO letter including conditions and time limits for it.

Progress on NGO Fund

Mr. Tomas Kubilius briefed on the status of the LT04 programme “Nongovernmental organization fund” and stressed on the main problems encountered during the reporting period (more detailed information is provided in Annex 2).

Ms. Jovita Valeikaitė outlined the main achievements and lessons learned in promoting the programme (more detailed information is provided in Annex 2).

Ms. L. N. Kleven Grevstad noted that donors are very pleased to see very good results of LT 04 programme.

Ms. R. Fidjestol stressed that the capacity building element is very important objective in civil society programmes and FMO is very satisfied to see Human Rights Monitoring Institute taking very serious actions to reach it. She also noted that as one the main problems is capacity building in grant management, FMO, as programme operator, is conducting audits of management system of NGO programmes to ensure good management of programmes and the achievement of good results.

Operational issues of LT10 and LT12 programme operator

In absence of responsible persons from the programme operator (Ministry of Interior) Mr. A. Žarnovskis presented information on the status of the programme LT10 “Capacity-Building and Institutional Cooperation between Beneficiary State and Norwegian Public Institutions, Local and Regional Authorities”. He stressed that after the open calls for small projects and large projects were closed and evaluation of the benefit and quality was finished, there are not enough applications left to cover all the budget of the calls, so additional open call is needed (more detailed information is provided in Annex 3).

Ms. L. N. Kleven Grevstad pointed out that this programme is very important for contributing to overall objectives of the Grants and improving the capacity building of local and regional

authorities as well as Police Department and other beneficiaries. She also stressed that donors were concerned about the delays in programme implementation and doubt about the abilities of programme operator to implement additional open call in time and have enough time for projects implementation.

Ms. R. Fidjestol also stressed that to have additional open call at this stage would be very risky and suggested to allocate the balance of the calls budget to already approved projects/pre-defined projects or to have new additional pre-defined project.

Ms. A. Nikšaitė noted, that decision on what to do with the balance left should be made by the programme operator (Ministry of Interior) as soon as possible. NFP will contact programme operator and urgently discuss the situation and further steps how to implement the programme properly and how to use all the funds in the best way.

Mr. A. Žarnovskis presented the information on the status of the programme LT12 “Schengen Cooperation and Combating Cross-border and Organized Crime, including Trafficking and Itinerant Criminal Groups”. He noted that both pre-defined projects are under implementation phase and at the moment are implementing public procurement procedures.

Ms. A. Nikšaitė informed that there is a significant sum dedicated for Bilateral fund and Complementary actions. Although programme operator is planning to do additional bilateral activities for enhancing cooperation with partners of pre-defined projects, NFP is concerned about the programme operators abilities to use all the money dedicated to Bilateral fund and Complementary actions.

Ms. L. N. Kleven Grevstad stressed that donors were very concerned about the slow progress and delays in programme implementation.

Ms. R. Fidjestol noted that it is not easy for the FMO to understand why this programme has been confronted with so many delays, but they are pleased to hear that there is some progress made up to date.

Operational issues of LT09 programme operator

Mr. Dimitrijus Kucevičius presented the information on the status of the programme LT09 “Green industry innovation” and the risks the programme operator is dealing with (more detailed information is provided in Annex 4).

Mr. A. Žarnovskis informed about the evaluation process of the third call under the Partnership Project Scheme. He noted that 10 applications are under evaluation and it is likely that 7 applications will be presented to the Selection Committee for consideration and will cover almost all the budget of the call.

Ms. L. N. Kleven Grevstad pointed out that this programme is very important for donors, but they are concerned about the delays in programme implementation.

Ms. R. Fidjestol noted that FMO is also concerned about the fact that previous open calls were unsuccessful and a lot of applicants were rejected during the evaluation phase, but they are pleased to hear that the programme operator has taken steps to improve the situation and the third call for

proposals is much more successful than the previous ones. She also informed that an audit of the LT09 programme is currently ongoing and asked programme operator for cooperation and support.

Publicity and communication

Ms. A. Nikšaitė shortly presented the information on implementation of publicity and communication. She highlighted the main activities implemented during 2014 and the communication activities planned to be implemented during 2015 (more detailed information is provided in Slide No. 27-32, Annex 1).

Ms. L. N. Kleven Grevstad noted that donors were satisfied with the implementation of the publicity of Grants in Lithuania. She also reminded that as the bilateral relations are very important, an appropriate attention in the publicity work should be given to it.

Lessons learnt on EEA and Norway Grants during 2009-2014 period

Ms. A. Nikšaitė briefed on the lessons learnt on EEA and Norway Grants during 2009-2014 period. She pointed out that the main challenges and tasks for the next programming period are to ensure strategic approach in selecting areas and measures of support and to properly manage the time related risk, as it is already clear that delays at EU -donor level negotiations will leave rather short time for development of programmes, selection and implementation of the project (more detailed information is provided in Slide No. 33-35, Annex 1).

Ms. L. N. Kleven Grevstad pointed out that it is very important to share the lessons learned of each country, and that the feedback given by the National Focal Points in the risk seminar in Tallinn last September also had given valuable input to the donors. She also noted that donors would like to continue with what worked well and in the new period they are looking for simplifications how to make implementation of Grants more effective.

Ms. R. Fidjestol noted that although the negotiation between European Union and donors delayed, FMO is preparing for a new period. They have prepared a draft of new Regulation on the implementation of the Grants and will consult the NFPs after EU-donors level decisions are reached.

Introduction in the Lithuanian institutional set-up and priorities within the European Structural and Investment Funds 2014-2020

Mr. Ramūnas Dilba made presentation on the Lithuanian institutional set-up and priorities within the European Structural and Investment Funds 2014-2020. He drew attention to the main changes made to the management and control systems and shared with the lessons learned from the 2007-2013 European Union Structural Assistance administration.

Mr. Vitkauskas summarized that if both sides want to achieve the best possible results, they have to work according to the same priorities. He thanked 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.

- Amended work plan of the NBF approved.

Enclosures:

1. Annex 1: Presentation “4nd Annual Meeting on the EEA and Norwegian Financial Mechanisms 2009–2014”;
2. Annex 2: Presentation “NGO Programme Lithuania: overview of activities, achievements and challenges”;
3. Annex 3: Presentation “LT10 Capacity-Building and Institutional Cooperation between Beneficiary State and Norwegian Public Institutions, Local and Regional Authorities and LT12 Schengen Cooperation and Combating Cross-border and Organised Crime, including Trafficking and Itinerant Criminal Groups”;
4. Annex 4: Presentation “Green Industry Innovation Programme (LT09)”;
5. Annex 5: Presentation “2014-2020 EU Funds: Investment Priorities and Management and control system”.