

16 November 2020 – via TEAMS

Minutes

Opening

The meeting was opened by Mr. Sjur Larsen, on behalf of the Donors, who stated the purpose of the meeting and thanked for the achievements made in the last year and the substantial progress made in Romania in the implementation of the EEA and Norway Grants. Mr Larsen expressed his appreciation for the efficient way in which the NFP approached the mid-term review earlier this year. He thanked the NFP for their efforts and professionalism they have continued to show, particularly during these strange times. This will be even more important given the uncertain future we face today.

The discussions will also relate to the challenges faced in implementation due to COVID situation which affected the grants, especially in what concerns the bilateral relations which is an important component of the EEA and Norway grants. Mr Larsen welcomed the Ambassador of Iceland.

Mrs. Helga Hauksdottir, the Ambassador of Iceland in Copenhagen, who just took over the portfolio for Romania/Bulgaria in Copenhagen thanked the Romanian Government for the 2009-2014 period of the EEA Grants, where Icelandic institutions and organizations participated as partners in an important number of Programmes and projects. Mrs Hauksdottir stated that the number of applications for the Research Programme reflected high interest in the programme in Romania which she finds encouraging. “We are also pleased to note that the Icelandic Centre for Research (Rannís) serves as DPP for the Research programme and National Energy Authority of Iceland (OS) for the Renewable Energy Programme” she stated.

Ms. Mihaela Terchilă, continued with the opening statements, welcoming Mrs Hauksdottir to the team.

2. Draft Strategic Report 2019 – Presentation and Discussions

NFP pointed out that drafting the Strategic Report implied a lot of effort since it had to be drafted twice in 2020 seeing tentative date of AM for March 2020. Concerns about the new template of the Strategic Report were raised, which instead of being easier to fill in, it is even more complicated compared with previous 09-14 version. Also, uploading the Strategic Report in Grace is very difficult and time consuming since it has to be done page by page – not an user-friendly electronic tool. Possible improvements of the system are expected.

Mr. Larsen thanked for the Report which not only was submitted in time, but earlier. The Head of the FMO delegation said that the IT support team in FMO will be informed about the issues raised in what concerns GRACE and will come back with a feedback. Mr Larsen asked, based on the experience, for more info in what concerns the procurement. Furthermore, he stated that even if the Strategic Report gives good level of information about Roma in the programmes where the issue is tackled, he asked to receive a complete overview of the Roma action plan for achieving the 10% objective as a separate Annex to the report in 2021. He also mentioned their concern about the capacity of a few Programme operators to implement the Programmes. He reminded the NFP of the Grants zero-tolerance approach and the importance of monitoring and follow up irregularities.

Mrs. Terchilă assured the Donors that in what concerns the Roma the implementation has just started and there will be made a good overview in a year/2 years time once projects are implemented. The targets are there but it is too early to talk about achieving the outcomes, right now. On the issue of procurement status (not mentioned in the SR since its format doesn't imply), all Programmes targeted the launch of the call/ projects in 2019 while procurement stage will follow in the next period of time.

Mr. Larsen underlined that, despite the few remarks mentioned above, the Strategic report shows that there is the basis for a good implementation and as a conclusion, the *Strategic Report 2019 is approved*. Its final version will be uploaded on the NFP website.

3. Reserve allocation: status of PAs modification

With the full support of the Donors on NFP's proposal submitted in 2020, the reserve allocation and signing the modified Memoranda of Understanding have been achieved in 2020 as per Regulation provisions.

A brief status of the subsequent process of signing the Addenda to the Programmes has been presented by NFP, as follows:

- Research and Health programmes: the PA Addenda were signed both by NFP and Donors based on which additional 10 new projects (from the reserve list) on the Research will be signed by end of 2020 and the increase of the budget of the Tuberculosis project under the Health programme will take place not later than 20.11.2020.
- Local Development and Culture: the modification of the Programme Agreements is still pending with FMO. Their signature is expected to be completed by November 2020, so to allow contracting process of new projects – end of December in case of Local Development and Q1 of 2021 for Culture.
- The last Addendum on Justice programme - NFP hopes that the PA is sent and approved by January/February next year since there is a lot of information to be gathered for the 3 new predefined projects.

Mrs. Terchila underlined that all these modifications will have an impact on the contracting figures of around 70% of total allocation by end of 2020. Moreover, on these grounds the implementation of projects will be in place for all programmes in 2021 with the exception of the Environment programme that started later the process of launching the calls in 2020 but the delays will be overcome.

4. Status of programme implementation including physical and financial progress and audit aspects

The status of each programme was discussed, as presented below:

Local Development

Mr Larsen stated some concerns regarding the complexity of the programme. The NFP stated that the Local Development is the biggest Programme in terms of allocation and the PO is on a good track with no risks. The implementation of the programme is advanced and once the PA modification is signed, all the contracts on the reserve list will be signed.

Mr. Larsen assured NFP that the PA will be signed/approved by the end of the week.

NFP raised the issue of the difficulty faced during the contracting of the projects with IPOs. The format should follow the same rules as all partners under EEA and Norway Grants and transparency of their provisions a role key, as well. Due to their inner rules the signing of the contracts was delayed under this Programme or under National Bilateral and FMO support was asked on each of them. The Head of the FMO delegation confirmed that the FMO will provide support on this contracting aspect. This aspect should be considered as lessons learnt for future programmes of other Beneficiary countries.

Mr. Larsen said he was not aware of this issue and though it is much easier when IPO is involved and asked FMO if they might help somehow. Mr. Arnason assured that FMO will try to find solutions in what concerns the international organizations.

Education

The programme is the most affected by COVID restrictions, since students/professors are restricted from travelling.

However, the PO respected the annually agreed timeframe from the Programme Agreement: 2 calls are already launched and 3 calls will be launched not later than December 2020.

Mr. Larsen confirmed that there are some challenges in what concerns the mobility aspect and asked whether there are any solutions to avoid the delays/problems in case COVID restrictions will last longer.

NFP informed that one million Romanian students don't have access to education in COVID time. The programme needs to be somehow reshaped, to adapt to the new challenges under COVID 19. Probably some outcomes will still be in line - online courses adapted, still, the bilateral aspect remains a key aspect to be achieved. A clear modification of the Programme to the new conditions might be reached with DPPs, so the programme objectives to be avoided – in terms of outcomes and allocation.

Mr. Larsen asked NFP to inform FMO as soon as they have any PA modification request regarding the RO Education Programme.

Research

The programme has a very good level of implementation and the PO is experienced and competent. Contracting is 100% and implementation of projects is on good track. The Donors were also pleased to see the good progress and congratulate the PO and DPP for the work done and results achieved so far.

Culture

There is progress achieved in the programme, but there are a few calls that still need to be launched according to the Programming Agreement provisions. The NFP stated that most of the contracts were signed and there are no risks within this Programme. COVID affected the Programme, but PO was open to adapt their projects, and to reconsider the activities as much as possible seeing that projects are still in an earlier stage.

Health

Mrs. Terchilă said that having in mind the COVID situation, the PO - Ministry of Health made a lot of efforts dealing both with COVID issues and the implementation of the Programme. Their progress is notable. All predefined projects were contracted since 2019 and calls were open in 2020.

They are in the process of signing the addendum to the PDP 5 - Strengthening the TB control in Romania through implementation of the WHO END TB Strategy 2016-2020" (based on the reserve allocation). Once NFP has a copy of the addendum, they will send it to FMO.

Justice

There are no risks foreseen. All projects were contracted. Once the construction under the Correction predefined projects will start (currently under prefeasibility stages), more visible results will be ensured.

Mr. Larsen also mentioned the good progress within the predefined projects and hopes the PA modification request will reach FMO earlier than January/February as stated by NFP, according to the PO's information.

Home Affairs

All the predefined projects are signed. In what concerns the SGS, NFP mentioned about the PO's intention to ask for a modification of the PA in order to reallocate the money within the SGS to the predefined projects as it was initially drafted in the Concept Note. PA modification consultations were initiated with DPPS.

Mr. Larsen expressed his concern about the little progress within the Programme and especially in what concerns the bilateral aspect and the calls postponed in 2021.

Mrs. Terchilă said the PO had to cover activities under COVID process, as well, Delays are not major and projects are on good track. The bilateral part is a major issue, being affected in all programmes not only this one. Monitoring will follow at NFP level.

Environment

Despite some progress achieved in 2020 with full support of NFP and FMO, the programme does not have a sufficient level of quality and the implementation will be problematic as NFP pointed out many times.

Concerning the PO's capacity, Mr. Larsen confirmed that additional monitoring from the FMO is scheduled in the coming period. There is very little room for further delays in the implementation of the Environment programme. The monitoring will cover also Health, Justice and Home affairs programmes.

Next, the status of the Programmes implemented by FMO was briefly presented by Mr. Arnason based on the prepared documents. The main points highlighted were the followings:

Active Citizenship Fund

The Fund Operator has a relevant capacity. The consortium combines significant knowledge of the civil society sector in Romania and Norway. A total of 8 calls were launched in 2020 and projects are now being contracted.

Organisations have been making use of Rapid action grants to deal with issues that have arisen due to the pandemic.

Within the Programme, there are two pre-defined projects:

- The project Developing Youth NGO Leadership began implementation in May 2019 and the first cohort graduated in the summer of 2020. Adaptations were made to move activities online.
- The second pre-defined project focusing on capacity building in the sector is set to be developed and submitted to the FMO by the end of 2020.

Social Dialogue – Decent Work Programme

The programme in Romania is progressing very well. Three projects were contracted from the first round of calls for proposals and are currently under implementation. Five projects were selected under the 2nd call in 2020. The programme budget has been exhausted. All eight projects selected have Norwegian social partners involved.

Fund for Youth Employment

25 projects are in implementation phase following the first open call for proposals. New call was launched on 1 September 2020 for all beneficiary countries with deadline 5 January 2021. 11 Romanian entities take part in the project consortia under the Fund for Youth Employment, three as lead partners.

Fund for Regional Cooperation

Within the Programme, there was only one open call:

- Over 700 applications received.
- 19 projects currently in the contracting phase: implementation will start this autumn– no future open calls are planned.

Innovation Norway presented the status of the programmes for which they act as Fund Operator:

RO-Innovation: SMEs Growth Romania

Mrs. Mute made a presentation of the RO Innovation Programme status. Based on the experience with Blue Growth, IN takes into consideration the possibility of reallocating the amounts for this sector - discussions with FMO/programme partners took place in that respect, in order to avoid losing the funds.

NFP asked IN to speed up their evaluation process which takes too long and, create concerns and frustration for the applicants. IN stated that that 2021 means finalising contracting and that the delays will be recovered under SME growth programme.

Ro Energy

Mr. Odlien made a presentation of the status of the RO Energy Programme in Romania, as follows:

- relaunch Hydropower in Q4 2020
- relaunch electrification – approved by FMO to be launched by the end of the week.
- relaunch Geothermal Q1 2021

Mr. Larsen asked IN if they can assure that from now on the evaluation process will be smoother. At this stage, it is important that delays are overcome and implementation put in place otherwise there will be no time to finalise the projects, especially since some of the projects are complex.

Mr. Larsen said that it is vital that IN do what they presented/promised in this meeting and in case nothing changes in 2021, the donors should be informed so that measures are taken.

Based on all this information, the progress in each of the Programmes, less or more affected by COVID, or based on the PO's capacity to implement the Programme, Mrs. Terchilă brought to the attention of the Donors the possible need to reallocate some funds, probably next year.

Mr. Larsen said that their interest is to focus on the implementation and not on the reallocation. Mr Larsen reminded that reallocation between programmes is considered only as a last resort. He encouraged the NFP to make use of all the flexibility measures proposed in the letter by the FMC Chair in April 2020.

5. Bilateral cooperation including status of the Joint Committee for Bilateral Funds (national and programmes levels)

Mrs. Terchilă presented the figures for the Fund for Bilateral Relations in Romania. Major progress was registered before 2020. Seeing its main objective – bilateral, travel, exchange of expertise the programme is seriously affected by the pandemic in 2020-2021 at least. All open calls at the level of PO were in stand-by, including the one of Timisoara opened by NFP. Therefore, the programme needs to be reshaped or allocate money to other programmes in the next 12 months.

For 2020 2 actions were developed:

- Environment programme - advance payment was transferred by NFP due to opening of the programme bilateral call;
- Local Development programme - 7 bilateral initiatives were submitted for approval of the Joint Committee for Bilateral Fund (JCBF) 30 October 2020, for a total of €956,738, and accepted in writing by Donors in the course of November 2020. The initiatives will cover the rest of the eligibility period of the programme.

Mr. Larsen commended the initiatives carried out in the context of the Romanian EU Presidency in the second half of 2019.

Mr. Larsen highlighted that due to COVID, the launch of calls that go beyond the POs may also be taking into consideration so that more people benefit from the funds. This might help avoiding losing too much funds. A new meeting of the JCBF should be organised as soon as possible in order to discuss and find solutions for the implementation of the Bilateral Fund and absorption of the funds.

The 2 representatives of the Icelandic and Norwegian embassies underlined the importance of the bilateral and also mentioned the need for a meeting of the JCBF with a clear agenda in order to discuss what measures are to be taken, what should be done in this area.

Mrs. Hauksdottir mentioned how important the Bilateral Funds are in order to achieving the objectives of the EEA Financial Mechanism. Iceland wants to offer its expertise in area such as gender equality, renewable energy, research and other areas. She brought to the attention a bilateral initiative on Women's involvement in geothermal energy that has the aim to empower women working in the energy sector in Romania. She also mentioned a bilateral initiative on gender equality with OECD and Norway.

NFP is open for a new meeting of the JCBF in Q1 2021 (the 4th one). NFP waited for appointments of new donor members in JCBF due to changes occurred in August – October 2020. Also, in what concerns the open calls beyond programmes level, NFP was in favour from the beginning of the programme but donors had objected. Nowadays, the problem is not having predefined initiatives or open calls, the pandemic restrictions are affecting both with unclear timeframe of implementation.

Mrs. Terchilă asked the Donors what is the status in the other beneficiary states, in terms of absorption, and whether they have any new ideas on how to avoid losing the bilateral fund.

Mr. Larsen confirmed that all the beneficiary states are facing similar challenges, but it is important to find ways to continue the important work in the JCBF.

Mr. Árnason mentioned that FMO will organise an online workshop on bilateral fund with all NFPs in January 2021 where ideas might be shared.

6. Management and control system issues

Concerning the management and control system all structures were accredited. The last audit report for Ministry of Environment was submitted last week by Audit Authority and conformity on NFP side will follow shortly. The advance under this programme will not be requested, being already transferred to PO by FMO before having the pre-eligibility condition no.1 fulfilled.

Mrs. Diaconescu, Head of Audit Authority mentioned that the audit missions were performed as scheduled, despite the pandemic restrictions. The audit missions were performed with some limitations related to the general situation. The AA re-performed the evaluation of the conformity for Programme Environment which required additional work. This activity put pressure on the AA activity.

Mr. Larsen reminded that FMO will monitor during 2021 those programs that register delays or are implemented by less experienced POs (Environment, Health, Home Affairs and Justice). The aim of the monitoring is to identify both the reasons for the delays and also how to best overcome these through recommended mitigation measures and general improvements related to the future implementation.

Mr. Larsen stated that the Donors hope that as implementation takes off, we will be able to see higher disbursement rates. He also took the opportunity to draw the attention to the importance of being as accurate as possible when making forecasts to FMO, because in his opinion the POs tends to be cautious and foresee very little. Forecasts and disbursement rates are important signals. NFP and CPA confirmed that Romania is performing a very accurate exercise, on both grants and co-financing at all levels PO, NFP, CPA. Moreover, co-financing is constantly scrutinised by the Ministry of Finance.

In what concerns the certification of payments for all Romanian POs, Mrs. Crăciun mentioned that for 2020, the percentage is higher (8% if compared with 2.5% in 2019) proving that the implementation started for all actors and

figures will increase in years to come. CPA underlined that certification is accurate and money well spent. The Programmes with best absorption figures are: Education, Home Affairs, Funds for Bilateral Relations and Research.

It is vital that accurate forecasts are sent to both the Norwegian and Romanian Ministry of Finance

7. Publicity and communication

The main communication tools used by the NFP have been the [eeagrants.ro website](http://eeagrants.ro), as well as the [Facebook](#) account of the EEA and Norway Grants in Romania.

The web page eeagrants.ro and the “Granturi SEE & Norvegiene” Facebook account were employed to provide information on the new programming period and distribute news on important events, such as signing of Programme Agreements, Programme launching events and calls for proposals.

Updates were constantly made on the website with information and press releases with the occasion of relevant events in Programmes

The dedicated Facebook page „Granturi SEE & Norvegiene”, launched in May 2016, was constantly updated with postings on relevant news, events, information on calls for proposals and photographs related to programmes and projects.

In the reporting period (01 September 2019 – 31 October 2020), 64 new posts were published on Facebook.

Also, NFP received via eeagrants email address several request/questions concerning possible financing through EEA and Norway grants 2014-2021. During 01.09.2019 until now a number of 141 answers were formulated/sent.

Beginning with next year, information about finalised projects will also be presented (SME, education).

NFP intends to build a data map (like the one used in 2009-2014, maybe even better). Despite COVID, NFP does the best that the message reaches the people in an adequate and correct manner.

Mr. Larsen confirmed that he noticed the number of followers increased and he underlined once more that communication in this field is very important and everything is done may be useful for others, as well, including the FMO communication team. Mr Larsen pointed out that there is a new communication team at the FMO and the recent communication workshop to which the NFP and the Embassy of Norway participated. The Donors described a good example of mapping the projects, stressing the importance that EEA and Norway grants benefit to all territories. The Donors expect that the communication will be further improved next year thanks to the many new projects that will show results.

In what concerns the Workshop which was organised on 12-13.11 and Mrs. Terchilă mentioned that the NFP participated and took note of the information provided.

8. Financial Mechanisms 2009-2014 – status of the closure of the programmes

With regard to the closure of 2009-2014 programmes, the NFP mentioned that there are 3 more Programmes to be closed:

- RO 04 - Reduction of hazardous substances ((Final balance was sent to FMO in 22.10.2020 following the modifications made by PO and approved by CPA)
- RO 06 – Renewable Energy (The final balance is at PO to make the correction in order to deduct the non-eligible amount declared in the project RO06-0006 "Intelligent Energetic System in protected areas", PP - Gheorghe Asachi Technical University of Iasi)
- RO19 - Public Health Initiatives (The final balance is at PO for modification according to the CPA observations, AA and NFP reports in order to include in the financial part the unspent amounts and recovered from PP following the final verifications made by the PO)

Mrs Crăciun presented the insight data, at CPA level:

- For RO 06, the PO assured the CPA they will send the official documents by 15.11.2020, but no document was received yet.
- In what concerns RO19, official documents are also missing and the PO needs to submit them. CPA submitted another letter asking for the documents but no response from the PO, yet.

CPA hopes all the documents will be received by the end of this year, so that they may send the necessary data to the FMO for closure.

Mr. Larsen stated that the major reason for not having closed all the programmes are open irregularities. “We appreciate your efforts but please note that out of the remaining 35 open irregularities, 22 are in Romania.” The Donors expect to receive the necessary clarifications in order to proceed with the closure of the remaining programmes. We kindly ask you to work closely with FMO offering its support if needed.

Regarding the irregularities CPA mentioned that the 22 irregularities registered (representing only 0,14% from the allocation) will be reflected/ deducted in the revised FPRs to be received by CPA from the POs. The closure of the irregularity cases in DoRIS can only be performed by FMO, which will technically close these irregularity cases once the revised FPRs are submitted and the amounts are confirmed to be deducted.

Mr. Larsen asked that all the final reports are sent by the end of the year so that the irregularities are closed, and not submitted to the donors when they report (in the beginning of 2021). The Donors expect two programmes, including the RO19, to be closed by the end of the year. Mr. Larsen also appreciated the efforts put in detecting irregularities and also support given to POs and PPs to avoid irregularities

The Donors reminded the NFP of the Grants zero-tolerance approach to corruption

For 2014-2021, only 5 irregularities were reported.

[9. Conclusions and closing remarks](#)

Mrs. Terchilă thanked the participants and mentioned that the minutes of the meeting will be sent for comments. NFP is confident for 2021 when full implementation will be in place and hopes that the next programming period negotiations will start so to ensure continuity of programmes. Good premises are that some programmes in Romania will be finalise before 30.04.2024 – research, education, SME.

Mr. Larsen informed that there will be negotiation with the European Commission in 2021 for the next programming period. The Donors will need to know what went well and what went not so well so that improvements can be made for the next programming period. The inputs from the NFP will be very welcomed.

Donors thanked NFP for the organization of the Annual Meeting and for the cooperation and all the efforts put and results obtained in the implementation of Norway and EEA grants in Romania.