

4th Annual Meeting

EEA AND NORWEGIAN FINANCIAL MECHANISMS 2014 - 2021

ROMANIA

7 June 2021

Minutes

Opening

The meeting was opened by Ms. Mihaela Terchilă, Head of the National Focal Point (NFP), welcoming the participants and inviting them to the discussions on the status of the EEA and Norway Grants in Romania based on the supporting documents and Strategic Report prepared and sent by the NFP.

The Donors' representative, Mr. Sjur Larsen, replied by commending the professionalism and the work done by Romanian institutions. In the context of the new EU Funds (the Recovery and Resilience Facility), of which Romania will benefit in the next period, it was discussed if the administrative capacity of the entities managing the EEA and Norway Grants will remain unaffected. The NFP representative replied that there are no changes in the structures dedicated to the Grants, which are actually looking forward to starting the next programming period.

Closure of the 2009-2014 EEA and Norway Grants

The current status of the closure process for the two remaining programmes was discussed; RO06 - Renewable Energy and RO19 – Health, which is very close to be finalized, pending administrative work related to closure of irregularities.

For Programme RO06, it was clarified that the debit note was issued and paid to the FMO on 02.06.2021, as confirmed by the representative of the Certifying Authority (CA), Ms. Eladia Prandea. On RO19, the only 2009-2014 Norway Grants programme that is not yet closed, the debit note is expected to be issued soon, after the technical issues of closing irregularities are resolved.

The Donors informed that the completion letter on the EEA Financial Mechanism 2009-2014 was issued and signed. The final disbursed amount for the EEA part is 134 994,663 EUR (absorption rate: 76.5%). The donors reminded the NFP that the Norway FM 2009-2014 in Romania is the last pending FM and is delaying the closure of the total mechanisms. The donors urged the NFP to expedite the last remaining issues as soon as possible.

Strategic Report 2021

The NFP representative briefly presented the report, which is focused on the progress made during the last year. Since the last Annual Meeting, the programmes carried out calls for proposals and project selection; significant progress was made in contracting, but less in terms of actual implementation and payments.

The contracting of predefined projects is almost finalized, only the ones decided to be financed as part of the reserve reallocation remaining. Some delays are registered in the preparation of the predefined project under the Energy Programme, as well as the project with the OECD in the Local Development programme, which suffered a lot of modifications and is still not finalized. The progress in contracting for the programmes managed by Innovation Norway was deemed less satisfactory.

On the Roma objective, the basis for results is there, with budgets being allocated to open calls and predefined projects. Implementation of projects is on a good track, with a small number already finalized. The dedicated open call under the Local Development programme was relaunched with an impressive number of applications submitted this time. In the Education programme, as the one of the most advanced, the Roma component is registering good results.

The Donors' representative expressed appreciation for the work done, especially in the context of Covid-19, in cooperation with the Donors and FMO. The progress and focus on Roma were duly noted. A separate annex on Roma should be provided in the next strategic report.

The Strategic Report was approved as presented.

The NFP's planned evaluation of the impact of the EEA and Norway Grants was presented and discussed. The NFP representative mentioned that it is not intended as a mid-term evaluation, but to provide a realistic overview of what was done until now, seeing that we have reached the 3rd programming period of the Grants in Romania. The evaluation should focus on the sustainability of the projects and programmes implemented, provide an assessment of the concrete effects brought by the Grants, as well as the longer-term outcome of the interventions supported by the Grants. The report will be used in the programming of the next period of the Grants, as well as in communication.

The Donors' representative expressed their positive attitude towards all evaluations and stressed the difficulty of performing impact evaluations and measuring the actual effects of projects. The donors reminded the NFP of the three monitorings that will take place in 2021 if deemed necessary (Health, Justice and Home Affairs). The Donors asked that a country visit takes place as soon as possible and before the next Annual Meeting. Visits to some projects should be organised on this occasion.

Status of Programmes

The Donors emphasised the importance of providing accurate forecasts of likely payment applications to the FMO, because they constitute the basis for the donor states budgetary estimations. The latest forecasts were off by 50%, which has serious repercussion in terms of credibility.

The CA representative mentioned that the submission of payment forecasts is the task of the CA, from a technical point of view. To this end, the CA monitors and verifies the forecast made by POs and is collaborating with them in order to provide solid justifications for the sums forecasted as needed in the next period. Forecasts for 2-3 years in advance are difficult to make accurately.

The FMO representative, Mr. Aurelien Dierckens, also pointed out that the POs should provide as realistic information about the financial situation as possible. If unexpected financing needs arise, pre-financing can be requested and provided exceptionally.

The NFP took note of the Donors' comments and underlined that it took the necessary measures in order to provide realistic forecast for the programmes managed.

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

Research

The programme is considered to be a model of best practice by the Donors, both in terms of progress and quality of implementation as well as its strong bilateral achievements. The work of the PO is greatly appreciated. The Programme is on track to be successfully finalized.

Education

The programme is very advanced in implementation, with calls launched as scheduled and several projects finalized. A modification to the PA was recently done in order to ensure absorption of funds, by reallocating budgets from areas of the programme affected by the COVID-19 situation (mobilities, vocational education) to other areas which showed promise (such as the Roma inclusion and cooperation in higher education).

Local Development

The Donors pointed out that it is the largest programme in the Romanian portfolio and that some delays are being registered.

The NFP replied that it is a very complex programme, but it is well advanced and there are no significant delays. The POs work is very appreciated. There is only one small grants scheme left to be launched and contracting is progressing.

A significant delay is to be noted in the case of the predefined project with the Romanian General Secretariat of the Government and OECD, caused by the multiple changes made to the project configuration during the last 3 years, as well as the necessary legal clarifications needed in order to prepare the project contract and

partnership agreement in line with the Regulations. The NFP has emphasized the important risks that this project is facing. A meeting with all involved parties - the NFP, PO, FMO, DPP, promoter, partners, OECD - has been scheduled in order to clarify the current situation and the ways forward. The Donors mentioned their support for the project in the Local Development programme in cooperation with the OECD and are looking forward to the meeting.

Health

It is a complex programme, which had to deal with the additional challenge of the COVID situation. In this context, the PO's capacity is an issue to be followed up closely. The programme is progressing well, with the exception of the predefined project related to the registry for medical staff, which is not yet developed.

Culture

The programme is progressing well. The call for the Roma component has been developed and is in public consultation – it will be launched in June-July. The predefined project on Roma cultural heritage is under development, but there is no risk foreseen.

Justice

The implementation of the Programme is on track and there are no significant risks affecting it at this time. The predefined projects are advancing and the Roma objective has been duly taken in consideration.

Home Affairs

There is a lack of progress in the development of the small grant schemes foreseen in the Programme, due to a lack of capacity and experience of the PO in organizing calls for proposals. In order to provide support to the Programme Operator, the NFP facilitated the dialogue with other POs with experience in launching calls but no progress has been made so far. The subject will be closely monitored and support will be provided in order to facilitate the adequate development and implementation of this component of the Programme. The donors also reminded the NFP about the elaboration of the plan for the use of the bilateral fund.

Environment

The Programme managed to recover some of the delays and there are good premises for implementation.

Business Development, Energy, Active Citizens Fund, Decent Work, Fund for Youth Employment and Fund for Regional Cooperation

Mr. Sheamus Cassidy, Head of Priority Sectors Unit, FMO, presented the status of the programmes managed by the Donors - (the presentation is attached to the minutes): ACF with a very high oversubscription, the Energy programme with its social benefits and a new timeline for implementation, Business Programme which is catching up with speed, giving some concrete examples through two projects examples, and Social dialogue – Decent Work, Fund for Youth Employment and Fund for Regional Cooperation with a high number of Romanian entities which the donors are pleased to see involved.

The issue of allowing access to the NFP in the Grace information system to the programmes managed by the Donors was briefly discussed. The FMO will look into it.

Fund for Bilateral Relations

The discussions focused on the lack of progress registered in the implementation of the Fund, with 60% of funds not committed.

In this context, the Donors' representative emphasised the role of the JCBF in the dialogue between donors and beneficiary states as a way of cooperation and an opportunity for new ideas. The donors reminded the NFP of the regulation article 4.2. The NFP should provide leadership and guidance to the JCBF members. Significant funds remain and challenges need to be addressed. Thus, the Donors would appreciate if the NFP would organize a JCBF meeting before the summer leave.

Ms. Siri Barry, Ambassador of Norway in Bucharest, underlined the importance of the bilateral objective and that a meeting of the JCBF should be organized as soon as possible, in order to discuss possible solutions and

ways forwards, including through an informal and interactive brainstorming to develop good strategic activities and new ideas. The committee could also discuss whether an open call could be part of the solution.

The NFP reiterated the risks and difficulties faced in implementing the Bilateral Fund, which were also pointed out in related correspondence in the previous period - the very large allocation compared to the scope of the fund, the shortcomings in the functioning of the JCBF causing delays in taking funding decisions, as well as COVID related restrictions which have affected existing bilateral activities and the development of new initiatives.

According to the decisions taken at the last JCBF meeting the NFP relaunched the call for bilateral initiatives in the context of Timisoara European Capital of Culture 2023, with a total budget of 2 mil. Euros (closing date of the call is 20.12.2021). The NFP also supports the developing of having open calls under the Fund, as was proposed at the start of implementation.

Ms. Helga Hauksdottir, Ambassador of Iceland in Copenhagen, underlined Iceland's continuing support for developing bilateral relations in areas in which Iceland can contribute by sharing its experience, such as gender equality, culture, green energy and good governance. In this respect, the initiative on gender equality with OECD is important and should be discussed again at the next JCBF meeting. Also, a new Romanian Icelandic initiative in the field of research is under development and will be submitted before the JCBF meeting.

Ms. Cristina Radu, representing the Romanian Ministry of Foreign Affairs, expressed appreciation for the donor states' support in implementing the Grants and emphasised the importance of diversifying the scope of the cooperation under the Bilateral Fund. In the current context, cooperation with EEA states is more significant and the JCBF is an important instrument in this collaboration.

Communication

The Donors expressed appreciation for the good work done on communication, in cooperation with the FMO. As implementation is under way, it is the time to prepare to communicate the story of the projects.

The donors encouraged a joint mission FMO-Embassies-NMFA in Romania. This visit should take place before the next annual meeting.