



**MINUTES of the ANNUAL MEETING  
for the  
EUROPEAN ECONOMIC AREA (EEA) and the  
NORWEGIAN FINANCIAL MECHANISMS 2004-2009**

**Date:** 23 November 2010

**Venue:** FMO, Boulevard du Regent 47-48, 1000 Brussels, Belgium

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**LIST OF PARTICIPANTS**

From the Norwegian Ministry of Foreign Affairs

- Ms Ingrid Schulerud, Ambassador – EEA Financial Mechanisms
- Ms Henriette C. Gulbrandsen, Adviser

From the Royal Norwegian Embassy, Rome

- Mr Arne Gjermundsen, Minister Counsellor

From the Financial Mechanisms Office

- Ms Stine Andresen, Director
- Mr Kurt Haugen, Leader for the EEA & Norway Grants 2004-09
- Ms Tove Lise Falch, Financial Controller
- Ms Marie Osnes, Country Officer for Malta

From the Maltese Focal Point (Planning & Priorities Coordination Department, Office of the Prime Minister)

- Mr Stephen Calleja, Director (Programmes and Projects)
- Ms Leonie Aquilina Xuereb, Projects Manager, EEA and Norwegian Financial Mechanisms

From the Maltese Horizontal Stakeholders

- Mr Saviour Falzon, Ministry of Foreign Affairs
- Mr Mario Debono, Internal Audit and Investigations Department
- Mr Emanuel Borg, Paying Authority, Ministry of Finance, the Economy and Investment
- Mr Albert Zahra, Treasury Department, Ministry of Finance, the Economy and Investment

## MINUTES

### INTRODUCTION

#### *Opening remarks by Ms Ingrid Schulerud and Mr Stephen Calleja*

Ms Schulerud opened the session and welcomed all participants to the Annual Meeting. She stressed the importance of such meetings, as they provided the Donors with a good overview of the implementation of the EEA and Norwegian Financial Mechanisms in the various Beneficiary States. Apart from the information gained at these meetings with the National Focal Points however, Ms Schulerud assured that she also followed each project closely.

On behalf of the Maltese delegation, Mr Calleja thanked Ms Schulerud and the Financial Mechanism Office (FMO) for hosting the meeting. He agreed that such occasions allowed the Donors, the FMO, the Maltese Focal Point and the Maltese horizontal stakeholders to take stock of progress and were an opportunity for discussion and for resolving outstanding issues.

The 2004-2009 programme period was drawing to a close and Mr Calleja remarked that the physical and financial implementation of five substantive projects was concluded on the national level. Of the remaining two projects, one (MT0011 'Xrobb l-Għaġin Nature Park and Sustainable Development Centre') would be concluded very soon while the other project (MT0014 'Conservation of Ħal-Saflieni Hypogeum – World Heritage Site') required an extension beyond the current final date of eligibility of 30 April 2011.

### **HIGH-LEVEL SESSION AND JOINT TECHNICAL MEETING FOR THE EEA AND NORWEGIAN FINANCIAL MECHANISMS 2004-2009**

#### *Overview of the implementation of the EEA and Norwegian Financial Mechanisms 2004-2009 in Malta from September 2009 till September 2010*

Ms Leonie Aquilina Xuereb gave an overview of developments of the EEA and Norwegian Financial Mechanisms in Malta by means of a brief description of each project's progress in the year under review. The presentation also made reference to the contents of the Annual Reports and developments between the cut-off date of the Reports (30 September 2010) and 22 November 2010.

At that point in the presentation on project MT0010 'Setting up an Oil Spill Response Capability for the Protection of Our Seas', Ms Schulerud intervened to inform that the United States authorities had appointed Norway to look into the incident of the massive oil spill in the Gulf of Mexico. She added that Norway was at the forefront in the development of risk assessment techniques and in oil spill prevention and management. Ms Schulerud felt that the involvement of Norway in projects targeting marine environment protection, such as MT0010 could, therefore, bring the benefits of the country's expertise.

Ms Schulerud asked about the sustainability of project MT0011 'Xrobb l-Għaġin Nature Park and Sustainable Development Centre'. Mr Calleja explained that the Project Promoter, Nature Trust (Malta), was a long established, proactive NGO in the environment sector with a positive track record in the implementation of such projects, including ones co-financed by the EU. Furthermore, this Project Promoter had expressed interest in applying again under the new programming period 2009-2014 for a second phase of the 'Xrobb l-Għaġin Nature Park and Sustainable Development Centre'.

As was also described in the Annual Reports for the year under review, MT0012 'Consolidation of Terrain and Historic Ramparts Underlying Council Square, Mdina' had served as a pilot for a much larger project that was being part-financed by the ERDF concerning the restoration of fortifications around Malta and Gozo. Ms Schulerud was pleased that a Norwegian-funded project, such as MT0012, had served as a spring board for a larger scale project of great national importance to Malta.

In terms of MT0014 'Conservation of Hal-Saflieni Hypogeum – World Heritage Site', Mr Calleja recounted the difficulties faced throughout the project's implementation and the challenging situation the Project Promoter had to deal with in relation to the public procurement process. The standard of the services to be carried out within such a sensitive underground complex was of critical importance and no compromises on the technical specification could be made during the tendering process. To complicate matters, the final contract for this project could not be awarded until an appeal lodged by an aggrieved bidder had been determined. Although that contract had now been awarded, the contractor require twelve months of monitoring on site, taking the project's completion beyond April 2011, and thus beyond the current eligibility period. In this situation, the Maltese Focal Point had submitted a duly justified extension request to the FMO.

Mr Kurt Haugen stated that requests from Beneficiary Countries for extensions beyond the final eligibility date of April 2011 would be discussed with the Donors in the next few days, with the outcome expected to be communicated by mid-December 2010.

Mr Calleja then moved on to explain the payment system adopted by the Maltese authorities whereby the Treasury Department executed payments to the contractor out of national funds following detailed vetting of invoices and supporting documentation. The reimbursement of the EEA/Norwegian share of such payments was subsequently claimed from the FMO through the PIRs.

Mr Calleja added that the Maltese Focal Point was aware that a number of PIRs and PIPs were still outstanding. However one needed to appreciate that there was only one officer working full-time on the Financial Mechanisms 2004-2009 at the Maltese Focal Point and that a number of other tasks had to be given priority. These included preparations for the Monitoring Committee, the Annual Meeting and the launch of the tender for the information and publicity campaign. Having taken care of those, Mr Calleja reassured the FMO that the Focal Point would now be turning its attention to the pending PIRs and PIPs.

Mr Calleja agreed that the past twelve months of the Financial Mechanisms' implementation in Malta had been very successful, with each individual project having its own story to tell. The Maltese Focal Point had worked closely with Ms Marie Osnes and was satisfied at the manner in which issues that came up had been handled. Mr Calleja was confident that the new programme (2009-2014) would set off in the same spirit of collaboration.

Ms Schulerud echoed Mr Calleja's comments for the Donor's side. She expressed her satisfaction that the disbursements had increased (in the past year), but progress on disbursements was still of concern. Of equal value from the Donors' perspective however, was the importance of the Grants themselves which allowed the Donor States to participate in the European Economic Area. The Grants were also assisting in strengthening solidarity within the EEA, acting as a means to improve relations with EU member states. Ms Schulerud looked forward to the implementation of the new funding being made available by the Donor States to advance the common interests of Malta and the Donor States.

She also complimented Malta for having selected its projects well for the 2004-2009 programme. The results of interventions co-financed by the EEA and Norwegian Financial Mechanisms in the areas of environment, cultural heritage and Schengen were proof that Malta had invested sufficient effort to choose responsibly. Ms Schulerud was overall content with the Annual Reports, which

were informative and provided good descriptions on status and results. She observed that the rates of project implementation were high in comparison with the level of reimbursements made by the FMO. Overall, Ms Schulerud was satisfied with physical progress and expressed her satisfaction with the increase in disbursements compared to last annual meeting. However, progress on disbursements was still of concern and improvements were needed. The reporting on project progress did not reflect the actual level of implementation. It was important to keep the reporting up to date to provide an accurate reflection on the projects' status. Moreover, Mr. Haugen pointed attention at the reporting and payment claim deadline of October 2011, which is of importance. The FMO iterated that reporting is on the right track, but progress needs to be ensured to make the deadline. On another note Ms Schulerud expressed the appreciation of the Donors and the FMO for the good working relations with the Maltese Focal Point. Ms Schulerud added that she was pleased by the fact that the Maltese Focal Point followed the national projects very well, following up pending issues, where necessary and regularly paying visits to the project sites. She also found the Annual Reports, drawn up in respect of each Financial Mechanism, easy to read and understand.

The discussion then turned to the general publicity plans that would wrap up the 2004-2009 period and Ms Schulerud stated that the Donors were pleased with the conceptual idea the Maltese Focal Point had devised for the publicity campaign.

Mr Calleja went on to explain how the call for tenders to organise the publicity campaign had been issued twice in 2010, resulting in one offer the second time. As the offer had been deemed not technically compliant, the Evaluation Committee had sought the approval of the Departmental Contracts Committee and the Ministry of Finance, the Economy and Investment for a direct agreement with the sole bidder in view of (i) the relatively low budget (€15,254) (ii) the tender having been issued twice already and (iii) the looming implementation deadline (April 2011). This approval had been granted and preparations were currently underway to start implementing the campaign.

Ms Schulerud mentioned the possibility of involving the Norwegian embassy in Rome in the events, especially since the Norwegian embassy also had a budget for publicity of the EEA and Norway Grants. In addition, the possibility to combine an event from the publicity campaign of the FM 04-09 with a launch event for the FM09-14 was mentioned. This might not be possible from the point of view of the Maltese Focal Point though, since the costs would have to be incurred within the FM 04-09 eligibility period. The Maltese Focal Point promised to get back to the FMO and Donors with a time line of the publicity campaign. On another note, Ms Schulerud suggested that the Norwegian embassy liaise with the FP about a short write-up on project success stories and the importance of the grants for Malta (more strategic level than technical details). The embassy would then forward the write-up to the FMO for inclusion in a possible print publication covering projects in all the Beneficiary States.

As a means of generating awareness in the Donor States themselves about the results of the Grants, Mr Calleja suggested that a conference could be organised along the lines of the event held by SDC/SECO for the Swiss Contribution.

Towards the end of the meeting, Mr Mario Debono informed that checks on three projects, namely MT0005, MT0010 and MT0012 were being concluded and that sample check audits on the remaining four projects (MT0008, MT0011, MT0013 and MT0014) would be carried out in the coming year depending on when expenditure was certified in each case.

Mr Saviour Falzon expressed satisfaction at the good bilateral relations with the Donor States and on behalf of the Ministry of Foreign Affairs thanked the Donors and the FMO for their continuous support to Malta.

## **CONCLUDING REMARKS**

### ***Closing remarks by Mr Stephen Calleja and Ms Ingrid Schulerud***

Mr Calleja thanked everyone for their participation. He again thanked the FMO for hosting the Annual Meeting and for their ongoing support. He also warmly thanked Ms Osnes for her active interest, support and assistance to the Maltese Focal Point.

On her part, Ms Shulerud thanked everyone present and added that the meeting had served as a good basis for future collaboration in the coming programme period.

Leonie Aquilina Xuereb  
Secretary