



## MINUTES of the ANNUAL MEETING

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### EUROPEAN ECONOMIC AREA (EEA) FINANCIAL MECHANISM and the NORWEGIAN FINANCIAL MECHANISM 2004-09 / 2009-14

**Date:** 7 March 2012

**Venue:** Auberge de Castille, Valletta

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#### LIST OF PARTICIPANTS

##### Norwegian Ministry of Foreign Affairs

- Ms Vibeke Rysst-Jensen, Head of Donor State delegation / Deputy Director General
- Ms Henriette Gulbrandsen, Adviser

##### Royal Norwegian Embassy, Rome

- Mr Tord Tukun, Minister Counsellor

##### Financial Mechanisms Office

- Mr Kurt Haugen, Deputy Director
- Ms Marie Osnes, Country Officer for Malta

##### Office of the Prime Minister

- Ms Marlene Bonnici, Permanent Secretary (EU Funds)

##### National Focal Point (Funds and Programmes Division, Office of the Prime Minister)

- Mr Raphael Scerri, Head / Director General (Funds and Programmes)
- Mr Stephen Calleja, Director (Programmes and Projects)
- Ms Antonella Seguna, Senior Manager (Bilateral, Other Funds and Programmes)
- Ms Leonie Aquilina Xuereb, Projects Manager

##### From the Maltese Horizontal Stakeholders

- Mr Saviour Falzon, Ambassador, Ministry of Foreign Affairs
- Mr Emanuel Borg, EU Paying Authority, Ministry of Finance, the Economy and Investment
- Mr Francis X Darmanin, Internal Audit and Investigations Division, Office of the Prime Minister
- Mr Manfred Barbara, Treasury Department, Ministry of Finance, the Economy and Investment

## MINUTES

### INTRODUCTION

#### ***Opening remarks by Ms Marlene Bonnici***

Ms Bonnici opened the session and welcomed all present for the Annual Meeting. She informed that the Monitoring Committee for the 2004-09 Financial Mechanisms had been convened on 3 February 2012 at the site of one of the projects which benefitted from these grants in the 2004-09 period.

Ms Bonnici emphasised the importance of such meetings between the Donor States and the Beneficiary State. These annual occasions allowed the Donors, the FMO, the Maltese Focal Point and the local horizontal stakeholders to meet around the table to discuss and resolve outstanding issues.

#### ***Overview of the implementation of the EEA and Norwegian Financial Mechanisms 2004-09 in Malta since October 2010***

Ms Leonie Aquilina Xuereb gave a presentation on the overall progress registered locally through the 2004-09 programming period, which was drawing to a close. Given that this was the last annual meeting on the 2004-09 grants, emphasis was placed on the results attained through the eight co-financed projects. Reference was also made to the contents of the Annual Reports covering the period under review. There were no additional developments to report upon since the reports' cut-off date of 31 January 2012.

When project MT0005 'Masterplan for the Cittadella, the old fortified city of Gozo' was being discussed in the presentation, Ms Bonnici added that the necessary interventions recommended in the Masterplan were now being actively followed and applied through a project on a much larger scale being co-financed by the ERDF.

Ms Rysst-Jensen expressed her satisfaction on the good cooperation that existed between the Maltese Focal Point and the FMO. She remarked that Malta's absorption rate of the funds was high and that the results achieved through these projects were sustainable. She added that it was positive that two projects from the 2004-09 period were being followed up through new projects in the 2009-14 period. Despite the relatively small allocation to Malta in the 2004-09 period, Ms Rysst-Jensen said that the EEA still managed to find its niche within the Maltese context.

As for the publicity actions undertaken by the Focal Point at programme level during the 2004-09 period, Ms Rysst-Jensen commented that although the budget for publicity actions was low the Maltese Focal Point managed to effectively and efficiently address a wide audience. She also showed approval for the way publicity involved the participation of school students, adding that it should serve as a model for other publicity actions undertaken across the Beneficiary States.

Ms Rysst-Jensen thanked the Maltese Focal Point for the project visits that were organised for the Norwegian delegation each time they visited the Maltese Islands. She added that the reports submitted for the period under review were well-written and covered all the salient points. Hence, Ms Rysst-Jensen and Mr Kurt Haugen, on behalf of the Donors and the FMO respectively, agreed that the reports were approved. At that point in time, the last financial elements were being wrapped, she added, and in due course the 2004-09 Financial Mechanisms would be officially declared closed by means of an exchange of letters. From the experience of the 2004-09 period, Ms Rysst-Jensen was confident that the good cooperation that existed between the Donor States, the FMO and Malta would continue into the 2009-14 period.

Mr Haugen agreed that Malta has generally presented work of good quality and delivered timely and efficiently.

Ms Bonnici thanked the Norwegian delegation for their kind words and added that Malta's efficiency in delivering good quality and on time work was due to the joint effort invested by the Focal Point and the horizontal stakeholders, the latter being knowledgeable about their roles and tasks and what to look for in order to mitigate and manage difficulties given their years of experience. Additionally, the fact that the all external funds to Malta were managed under one roof meant that lessons were shared and applied across funding programmes. Ms Bonnici added that the same rigour was applied regardless of programme or allocation size.

Mr Stephen Calleja intervened briefly to inform that the information and publicity campaign carried out for the 2004-09 Financial Mechanisms was very well received when Ms. Antonella Seguna, on behalf of the Maltese Focal Point, gave a presentation during the Communications Workshop held for Focal Points at the FMO in Brussels on 1 March 2012.

### ***Overview of the implementation of the EEA and Norwegian Financial Mechanisms 2009-14 in Malta***

Ms Antonella Seguna opened the second half of the meeting by giving an overview of the new Mechanisms period and key activities carried out to date. These included the signing of two MoU – one for each Financial Mechanism – on 27<sup>th</sup> September 2011 and the signing of the TA agreement in November 2011, amongst others. Ms. Seguna explained that preparations for submitting the Programme Proposals for each Financial Mechanism were underway.

She also described the current state of affairs in the preparatory work for pre-defined projects, including the contacts being established between some local project promoters and Norwegian project partners. Ms Seguna also touched upon the Fund for Bilateral Relations at national level, other programmes not being operated by the Funds and Programmes Division, the status of progress on the national implementation set-up, the Monitoring Committee for the new programme period and an assessment of identified risks that could effect the smooth implementation of the programme and how these could be mitigated. Ms Seguna reported on the submission of the Communication Strategy and the different measures taken to date by the National Focal Point to promote the 2009-14 grants. In a bid to reinforce the Communication Plan at Programme Operator level in message impact and financially, it was planned that a joint approach would be taken between the two communication instruments.

Ms Seguna concluded by presenting an indicative implementation plan covering the period March 2012 to March 2013.

Ms Rysst-Jensen thanked Ms Seguna for the comprehensive reports that were submitted prior to this annual meeting. She reminded that as had been agreed upon, a combined strategic report was to be prepared by the National Focal Point and that next year's deadline for such report would be 15 February 2013.

She also expressed the Donors' gratitude on the fact that Malta's TA agreement for the 2009-14 period was the first to be signed across all Beneficiary States.

Ms Rysst-Jensen underlined the significance of bilateral cooperation, which is a new overall objective in the EEA and Norway Grants. Some Beneficiary States had found it difficult to include bilateral cooperation within their programmes in the 2004-09 period, primarily due to procedures and regulations that failed to cater for this. In light of this the Donor States this time have ensured that regulations will enable easier adoption of this concept by creating a fund for bilateral relations at both the national and programme levels.

Stakeholders in the Donor States were committed and had been trained to contribute in the area of bilateral cooperation. Ms Rysst-Jensen added that it was a pleasure to see the first project partnerships being formed between Malta and Norwegian counterparts, making particular reference to a pre-defined project that will be implemented by Transport Malta. She suggested that given the fact that Malta's programmes would consist solely of pre-defined projects, there could be a certain degree of deviation from the Regulations in the use of bilateral funding at national and programme level,

Ms. Rysst-Jensen said that in countries such as Malta, where a MoU contained only pre-defined projects, certain aspects of the Regulations and procedures may at times be found inappropriate. She added that in such cases the Regulations could be adapted to better suit Malta's situation.

In this regard, Mr Calleja said that one such difficulty concerning the programme proposals has already arisen. Given that each pre-defined project targeted one programme area, and two or three programme areas were to be covered by each programme proposal, the Programme Operator was finding it difficult to put everything into one consolidated document for each Mechanism because of the different objectives and expected outcomes of multiple programme areas which the programme proposal templates did not foresee. Mr. Calleja added that in the meantime, the National Focal Point had enough information in the individual project description forms and the problem was fitting it into a programme proposal template not designed for this purpose.

Ms Rysst-Jensen acknowledged that the programme proposal templates in Excel were designed to cater for Beneficiary States that would compile a proposal for each programme area. The DoRIS version of the templates however was more flexible in this regard and could meet Malta's requirements. She added that it was not the intention of the Donors and the FMO to place a disproportionate administrative burden on smaller Beneficiary States like Malta. Ms Marie Osnes reassured the NFP that DoRIS was set up in a way that allowed for the inputting of projects under different programme areas into one programme proposal. Hence the Maltese Focal Point could start inputting the information straightaway.

Mr Haugen said that the FMO had already received a good number of programme proposals. Given the Maltese context, he said that it would be enough for the FMO that the Maltese programme proposals included the main principles and a good description of the projects, which were already agreed in the MoU. He strongly advised the Maltese Focal Point to submit their programme proposals without undue delay to avoid the unnecessary build up in deadline pressure. He advised that the FMO was expecting a heavy workload in due course and this could mean that feedback to Beneficiary States on programme proposals submitted later on might take longer. Besides this, the Focal Point staff using DoRIS might encounter teething problems which take time to overcome, hence causing further delay in submitting the programme proposals.

The meeting then went on to discuss the main upcoming meetings organised by the FMO this year. Ms Rysst-Jensen reported that these would include a workshop on gender equality and gender-based violence on 23<sup>rd</sup> May 2012 and a follow up on anti-corruption risk measures on 11<sup>th</sup> September 2012 which would be held in Sofia. Maltese experts on these topics should be encouraged to participate. Funds for bilateral cooperation at national level could be utilised to cover travel and per diem expenditure. Ms Rysst-Jensen added that funds should also be set aside for similar workshops that would take place beyond 2012.

Mr Tord Tukun pledged on the Embassy's support and assistance on local initiatives that the Maltese Focal Point may take to enhance bilateral relations.

Ms Rysst-Jensen asked which NGOs were being chosen to sit on the new Monitoring Committee. Ms Bonnici replied that the NGOs chosen represented the sectors of environment, culture, equal

opportunities and social inclusion. She added that there would be one MC for both Financial Mechanisms given that most members are the same. This decision was taken to favour participant convenience and secure attendance.

Still on the subject of NGOs, Ms Rysst-Jensen said that the FMO planned to carry out an exercise to gauge the level of interest among local NGOs to act as Fund Operator for Programme Area 10 under the EEA Financial Mechanism (call for expression of interest to act as Fund Operator). Following that, the FMO would issue a call for proposals from a shortlist of potential Fund Operators to manage the NGO fund in Malta. The FMO bound itself to submit the timelines on the NGO fund. She said that having a consortium of NGO to act as Fund Operator might work out better than having a single NGO. Ms Bonnici agreed with the concept of amalgamating NGOs given the fragmentation and lack of resources in the Maltese voluntary sector. Furthermore, it would be to the ultimate benefit of NGOs to partner together in a way that would enable them to handle certain procedures that some might find cumbersome.

Ms Rysst-Jensen moved on to discuss the Global Fund for Decent Work and Tripartite Dialogue which was covered by Programme Area 22 under the Norwegian Financial Mechanism. This was a new programme area for the Donors and little was known as to what was to be expected. This complex programme encompassed the involvement of 12 Beneficiary States. A call had been launched and its deadline has been extended to 22 April 2012.

Ms Bonnici referred to MEUSAC (Malta-EU Steering & Action Committee), one of whose remits was to serve as an Information Centre about such funding opportunities. The Focal Point had contacted MEUSAC and an information session to promote programme area 22 was to be held on 8 March 2012. Potential beneficiaries had been invited to attend.

Ms. Rysst-Jensen confirmed that feedback on the Communication Strategy that the Maltese Focal Point submitted in mid February would be given by end of March.

In addition to the potential risks that the National Focal Point envisaged for the 2009-14 programme at local level, Mr Haugen explained that the FMO had followed up on with what was learnt in the previous period and was currently preparing a risk strategy, entailing possible risks that could be encountered and how these could be mitigated and managed. This model should also assure the public that the EEA and Norwegian Financial Mechanisms were managing risk properly. Mr Haugen encouraged the Focal Point to take the provisions in the Regulation on the issue of risk management into account during implementation.

Ms Bonnici said that experience had repeatedly shown that the majority of risks faced at national level were linked to delays in implementation. These could be brought on by various factors, e.g. Cabinet reshuffles, planning permits (which involve a lengthy procedure in Malta) and public procurement procedures.

Mr Francis X Darmanin asked Mr Haugen whether the risk mitigating model being prepared by the FMO would also incorporate guidance on how to build a risk assessment and how to communicate it. Mr Haugen answered that each Beneficiary State was requested to prepare an assessment of each programme, score risk levels and identify consequences. The FMO would then report to the Donors on the various risks assessed by the Beneficiary States. Furthermore, the FMO had released irregularity reports (after deleting identification data) on the EEA grants website with the aim of sharing experiences.

Towards the end of the meeting, Ms Rysst-Jensen thanked everyone, especially the Maltese Focal Point, for the good work done so far. Mr Raphael Scerri reciprocated by thanking the delegation and the local stakeholders for participating in the meeting.

Leonie Aquilina Xuereb  
Secretary