



**Minutes of the 3rd Annual Meeting of the EEA
and Norway Grants held on 27 May 2020
by video conference**

The meeting commenced at 12:00 and ended at 14:00.

Participants

Ms Torill Johansen, Head of Delegation and Senior EEA and Norway Grants Adviser, Section for Central Europe, NMFA
Mr Geir Bringedal Senior Adviser, Section for Central Europe and EEA Grants, NMFA
Ms Marianne Krey-Jacobsen, First Secretary, Norwegian Embassy in Rome
Ms Thury Bjork Bjorgvinsdottir, First Secretary, Embassy of Iceland in London
Mr Árni Páll Árnason, Deputy Director and Head of Country and Bilateral Cooperation Department, FMO
Ms Mualla Cirakli, Country Officer, FMO
Ing Anthony Camilleri Director General, FPD, MFEA
Ms Carmen Dalli, Director Programmes and Projects, FPD, MFEA
Ms Angele Azzopardi, Programme Manager EU Funds, FPD, MFEA
Ms Alison Grech, Programme Manager EU Funds, FPD, MFEA

Acronyms

AM: Annual Meeting
AOB: Any other business
CA: Certifying Authority
CARS: Computerized Accounts Record System
CSAR: Combined Strategic and Annual Report
DPP: Donor Project Partner
EEA: European Economic Area

FBR: Fund for Bilateral Relations
FM: Financial Mechanisms
FMC: Financial Mechanism Committee
FMO: Financial Mechanism Office
FPD: Funds and Programmes Division
FSWS: Foundation for Social Welfare Services
GRACE: Grants Administration and Collaboration Environment
IAID: Internal Audit and Investigations Department
IFR: Interim Financial Report
JCBF: Joint Committee for Bilateral Funds
KS: Norwegian Association of Local and Regional Authorities
LC: Local Council
LGD: Local Government Division
MCESD: Malta Council for Economic and Social Development
MCS: Management and Control System
MEDE: Ministry for Education and Employment
MEUSAC: Malta-EU Steering and Action Committee
MFEA: Ministry for Foreign and European Affairs
MFH: Ministry for Health
MFIN: Ministry for Finance
MOPs: Manual of Procedures
MoU: Memorandum of Understanding
MT: Malta
NFP: National Focal Point
NGO: Non-Governmental Organisation
NMFA: Norwegian Ministry of Foreign Affairs
NO: Norway
OK: Opportunity Knocks
OPM: Office of the Prime Minister
PA: Programme Agreement
PDP: Predefined Project
PO: Programme Operator
PP: Project Promoter
SGS: Small Grant Scheme
SGSO: Small Grant Scheme Operator
SOS Malta: Solidarity Overseas Service
SIT: Sensory Integration Therapy
TA: Technical Assistance
TOR: Terms of Reference
WP: Work Plan

Welcome and Opening Address

A short welcome was given by Ing Anthony Camilleri, who remarked that he has only been in the position as Head of the National Focal Point (NFP) for around 2 months since 1 April 2020, but was looking forward to a continued cooperation as inherited from his predecessor, Mr Raphael Scerri. Ing Camilleri said that this was his first Annual Meeting and remarked how, due to COVID-19, the Annual Meeting (AM) had to be held in such circumstances via video link. He then gave an overview on the

significant progress of the Programme, outlining the milestones achieved during 2019 namely:

- A dedicated training session on indicators and setting of baselines in collaboration with the Donors on 7 and 8 February 2019;
- Visit to the Water Conservation Centre by the Communications Unit at the Financial Mechanism Office (FMO) and the production of a 360-degree video on water conservation, in April 2019;
- Attendance by NFP staff to the commemoration of the National Day of Norway in May 2019;
- Participation by six Beneficiary countries (including Malta) and FMO in a celebration, which also included a Drawing Competition, marking the 25th Anniversary of the Grants, held during Notte Bianca in October 2019;
- The signing of the Agreements with the Programme Operator (PO) by the 4 pre-defined projects at the beginning of 2019 and the holding of regular bilateral meetings throughout the year with the Project Promoters;
- The signing of the Covenant by the Small Grant Scheme Operator (SGSO) with the PO and the signing of the Agreement by SGSO with the Norwegian Donor Partner KS (Norwegian Association of Local and Regional Authorities) in June 2019. These milestones were followed by the first meeting of the Projects Stakeholders' Committee wherein the Terms of Reference (TOR) of the Committee, were discussed and approved. The documentation for the first Call for Proposals under the Scheme was also discussed during the meeting and later revised and approved through a written procedure with the first Call launched in November 2019. Inġ Camilleri continued that the selection process of the first projects funded under the Scheme were expected to be known in June 2020.
- The efforts by the Bilateral Funds Unit within FPD to encourage the national Project Promoters to strengthen Bilateral relations with the Donor countries through partnerships with counterparts on the Predefined Projects (PDPs). Inġ Camilleri mentioned also how the NFP and PO staff were continuously and tirelessly following up on potential national authorities, which could propose and work on Bilateral initiatives with Donor Partners. As proposals had not poured in, notwithstanding efforts to contact and meet personally with a number of local players in the priority areas selected by the Joint Committee for Bilateral Funds (JCBF), alternative ways to encourage participation or other strategic priorities, would have to be discussed during the next JCBF meeting (which would probably be held in October or November) so as to find the best solution to this problem.

Inġ Camilleri then gave the floor to Ms Torill Johansen, who headed the delegation, and Mr Arni Pall Arnason, to give an introduction on behalf of the Donor States and the FMO respectively.

Ms Johansen thanked the NFP for facilitating the meeting via Skype and remarked that on behalf of all the Donors, she had been looking forward to travelling to Gozo for the AM and hoped that this would still be possible next year, adding that she would like to visit the projects as when the projects are seen, does one understand what the Grants are all about. Ms Johansen praised the dedication and

professionalism carried out by the NFP and the PO, which was deemed paramount for the successful implementation and completion of the previous Financial Mechanism and hence counted on the same continued positive and supporting role to the Programmes in the current Mechanism. Ms Johansen closed by saying that she was looking forward to a fruitful discussion during the Meeting.

Ms Marianne Krey-Jacobsen welcomed Inġ Camilleri and conveyed greetings from HE Amb Margit Tveiten saying that the latter had been looking forward to participating in the Gozo meeting and hoped that the Ambassador would participate in next year's meeting, which would hopefully be held in Gozo, as this would probably be the last meeting before her term ends.

Mr Arni Pall Arnason welcomed Inġ Camilleri and looked forward to the similar cooperation he had with his predecessor Mr Raphael Scerri. At this juncture, Mr Arnason conveyed his thanks and regards to Mr Scerri. Mr Arnason agreed that it would have been better to meet in person and the opportunity to meet in Gozo was very much appreciated. Mr Arnason further thanked Inġ Camilleri for the flexibility shown in meeting online. He said that it was important to meet, thus keeping formalities in check and to do all things possible to maintain the rhythm and the pace of implementation, even though dealing with the Pandemic.

Inġ Camilleri informed the participants that it was being understood that the Agenda was approved by all and hence, adopted. The participants were informed that the meeting was being recorded and that Minutes of the meeting would be taken and these would be made available for review after the meeting.

2019 Combined Strategic and Annual Report (CSAR) – Presentation and Discussions

Ms Carmen Dalli was then invited to facilitate the discussion regarding the Combined Strategic and Annual Report (CSAR) for 2019. Ms Dalli welcomed the participants, informing them that the CSAR was submitted in January 2020 and feedback from the FMO was received the week before the meeting. Ms Dalli remarked that she was pleased to learn that the CSAR had been accepted almost in full. Ms Dalli informed the participants that a discussion would follow after Ms Alison Grech's presentation¹ wherein the latter would outline the current implementational state of play of the projects.

Ms Alison Grech then commenced to give an overview of the implementation of the Grants for 2019, by outlining the key activities throughout 2019, the overviews of the Technical Assistance (TA) and PO Costs and their activities and the Project Expenditure recorded.

With regards to disbursements, Ms Torill Johansen said that she was pleased to learn that the NFP had worked closely with the FMO re the Interim Financial Reports

¹ <https://eufunds.gov.mt/en/EU%20Funds%20Programmes/Bi-lateral%20Programmes/Pages/EEA--Norway-Grants-2014-2021.aspx>

(IFRs) thus clearing any misunderstandings, since the Donors would need accurate forecasts to enable them to report to Parliament and request funding. She continued that several questions are received when forecasts for requesting funding are incorrect. Ms Grech informed the participants that it would be better to report amounts being disbursed in the next IFR, since the larger amounts for works, especially those related to Ministry for Health (MFH) expenditure for instance, could now be claimed. Amounts in the next IFR scheduled in September 2020 would thus include those expenditures uploaded and verified on the Computerised Accounts Record System (CARS) till the end of June 2020. In this sense, the NFP was chasing the Project Promoters (PPs) so that the amount as per the Financial Estimates, was actually reached by June. As an example, Ms Dalli mentioned that the expenditure related to the Health Assessment Tools was also included in the total amount, even though due to COVID-19 and works taking place on site, these could not be physically verified. The aim was to register as much expenditure as possible in the next IFR.

With regards to the Sensory Integration Therapy (SIT) project, Ms Johansen asked whether it was realistic that the Centre would be operational this year due to COVID-19. Ms Dalli replied that COVID-19 did not really have an impact on the ongoing works. However, the operations of the Centre could be somewhat delayed, and in this sense, it was hoped that the Centre would be launched in November/December 2020 so that the first clients would be received in the beginning of 2021. Ms Dalli remarked that she had informed the Project Leader that, by the next AM, it was expected that the Centre would be fully fledged with the clients already using the Centre for therapy. Ms Grech commented on the progress of works registered at SIT Centre. There was an issue regarding the delivery of goods and material from UK and Italy, but progress on the construction works continued even during COVID-19. Ms Dalli commented that shipping had been affected, but if the airport shall be opened by the end of June, importation would definitely pick up. Ms Dalli concluded that by the end of the year, the SIT Centre should be ready.

With regards to updates on PDP3 and the Small Grant Scheme (SGS), Ms Dalli informed the participants that DG Natalino Attard, Director Robert Tabone and Mr Fabian Galea, who had been invited to participate in the meeting to give a direct overview on the projects, could not join in due to unforeseen circumstances just before the meeting.

Risks Associated with the Projects

Ms Grech then gave an overview of the Programmatic and Operational Risks associated with the Projects.

Ms Dalli commented that the risks mentioned by Ms Grech were different from the ones listed in the Annual Report as during the time that the report was being drawn up COVID-19 was not prevalent. Furthermore, Ms Dalli said that the operational risk of not reaching some of the results was highlighted by the PPs during the April Bilateral meeting. During these Bilateral meetings, the two/three most crucial risks, which may impact the attainment of goals by the end of projects, due to delays resulting from the nature of the services being provided, were listed.

With regards to PDP1, Ms Dalli said that the targeted value of reaching 800 children with autistic problems in a Centre, which would have just launched its services, may not be reached by the end of the project in December 2021. Ms Dalli thus proposed that the result of 800 be reached by the end of the Programme instead of at the end of the Project.

Ms Dalli also mentioned that PDP4 took a setback during COVID-19, due to the lack of tourists. In this sense, reaching the target of 25,000 visitors up to the end 2022, could pose a problem. Ms Dalli proposed that the target could be reached at the end of 2023. Ms Dalli emphasized that this risk was not envisaged in the Annual Report and hence it was to be seen as a new risk. Ms Dalli moreover stressed how Malta always managed to reach results before the end date of the projects.

Ms Johansen thanked Ms Dalli for the thorough risk assessment. She understood that one had to change the whole risk approach in view of the COVID-19 situation. Ms Johansen mentioned that the Chairman of the Financial Mechanism Committee (FMC) sent out a letter to all the Focal Points explaining what could be done to ease the situation. Ms Johansen mentioned that all the projects would be finished well before the end of the Programme that is April 2024, so there was still ample time. Ms Johansen then invited the FMO to comment further as she reckoned that the latter had more details regarding the COVID-19 situation.

Mr Arnason reiterated that the Chairman of the FMC sent a letter to the Focal Points outlining the main measures undertaken and the FMO would thus be flexible in the circumstances within the legal framework. Mr Arnason mentioned that there were certain parameters within which FMO operated which would not be changed, such as the final date of eligibility. He said that the situation would be assessed once they could see the end and the extent of the COVID implications. Hence, he continued, one could not really prejudge the outcome at this stage.

Ms Dalli said that the Malta Maritime Museum (MMM), which has the longest project term, ends in December 2022. Hence, she appreciated that there was still ample time before the end of the Programme and would somehow manage to meet targets. Ms Dalli continued that one should however face the risk now knowing very well that it existed.

Ms Johansen said that the FPD should keep close contact with the FMO and look into the issue with a view to find a solution to the problem. The deadline that the Donors were concerned about was April 2024, that is the date when the Programme ends.

Ms Johansen enquired on the sustainability of PDP1 and PDP2. Ms Dalli informed that with regards to PDP1 (SIT project), she had no doubt that it would be sustained as there was commitment by the Government already and in fact there was a Memorandum of Understanding (MoU) signed between the Ministry for Education and Employment (MEDE) and MFH. Ms Dalli explained how therapeutic services currently offered at *Karen Grech Hospital* would be moving to this new Centre and how the Government was looking at the new Centre as a political flagship as well. Ms Dalli further commented that the Centre would bring the educational and health

services together as a one stop shop. Furthermore, the Deputy Prime Minister (DPM) was looking forward to launching the Centre, which is being regarded as a highly child-friendly place with a playful, as opposed to a clinical, environment.

With regards to PDP2, Ms Dalli commented how the said project is intangible and tangible at the same time. Ms Dalli said that every time there was a bilateral meeting, the PP would inform that the Government was committed to opening another new home. For example, in Paola a new place was renovated from national funds. Infrastructurally, this had nothing to do with the project, but then the interdisciplinary team would also work in this place. So, the youths could make use of the internet café within, meet their mentors there, be assessed and have the opportunity to discuss their employability possibilities as well as meet other youths in the same situation. Ms Dalli thus emphasized that sustainability was not a question. They already had 3 homes running. Youths were given attention but at same time trained to be independent. Ms Dalli informed that PDP2 was moving at a slow pace due to COVID-19, but residential homes were in place and carers continued working with the youths and the contact with youths continued online. So in actual fact, implementation did continue and did not stall as was feared. Ms Dalli thus assured Ms Johansen that sustainability of the two projects would continue.

Bilateral Relations and JCBF

The presentation by Ms Angele Azzopardi was the next item on the agenda. Ms Azzopardi outlined the key activities held during 2019 in relation to the Fund for Bilateral Relations (FBR). She outlined the fact that, even though a lot of effort was put into finding Donor Project Partners (DPPs) interested in working together on a particular initiative, it was difficult to bring the DPPs on board. Ms Johansen said that the Donors fully understood that the NFP was constantly trying to locate Norwegian partners. She mentioned a collaboration with a Maltese partner under the Fund for Regional Development and congratulated Malta for being able to apply as partners under such funds and being selected to work with other beneficiary countries on interesting projects.

Ms Johansen was glad to hear that the Foundation for Social Welfare Services (FSWS) had finally received a reply from the Norwegian Ministry for Justice. Ms Azzopardi explained that, due to Covid-19, the initiative that was scheduled in March 2020, had to be postponed to a later date. At least the Norwegian Donor Partner was still interested in providing its service when restrictions were lifted.

Ms Azzopardi outlined the difficulties encountered in many bilateral initiatives namely:

1. Difficulty in trying to find DPPs interested in working together with a Maltese partner as already outlined above;
2. Difficulty for Maltese partners, especially non-Government Organisations (NGOs), to cover the costs of their personnel since they did not have the staff complement to man a project;
3. Many interesting initiatives included equipment. It is yet to be established whether equipment is eligible for funding under these Funds;

4. Cancellation of initiatives due to the Covid-19 pandemic.

Ms Dalli remarked that the above issues were becoming the reason why many initiatives were being lost. She enquired with the Donors whether it was possible to consider such expenditure as eligible. Ms Johansen explained that the Bilateral Funds were set aside from the other European Economic Area (EEA) and Norway (NO) Funds. She remarked that if these funds were open for refurbishing of spaces and other hard components, then the bilateral initiative would be lost. The FMO agreed with Ms Johansen's remarks. Ms Dalli enquired whether an initiative, having a small part dedicated to these hard components, could be considered as eligible. Ms Johansen said that it was difficult to comment on concrete amounts and/or percentages and that it would be best to liaise with the FMO on this and seek more guidance from them and the JCBF Committee during the next JCBF meeting.

Ms Azzopardi remarked that the MFH participated in the first network meeting for Children and Adolescents' Health. Seven countries namely Romania, Poland, Estonia, Lithuania, Czech Republic, Malta and Norway presented the challenges in children and adolescents in their respective country. Ms Johansen was delighted to hear about this initiative and said that should the MFH continue with the development of this initiative, the Donors could help with identifying Norwegian Partners under the Health sector.

Ms Azzopardi asked whether an open call for Bilateral Initiatives should be issued at this stage of implementation. Ms Johansen said that during last year's JCBF meeting, the Donors were reluctant to launch open calls but now that they could actually see the hard work and struggles, they felt that it was time to launch an open call. However, Ms Johansen suggested that the possibility of an open call be discussed during the next JCBF meeting.

Ms Dalli thanked the Donors for all their efforts in helping Malta find partners. She continued by asking how such funds were promoted in NO. Ms Johansen explained that there were no advertising campaigns. The information is provided within the frameworks and networks like the Norwegian Helsinki Committee. Ms Johansen said that she would ask the Donors to look further in publicizing the FBR in NO.

Approval of the 2019 Combined Strategic Annual Report

Ms Dalli explained that the comments put forward by Mr Anton Popic would be addressed directly to him and amended on the Grants Administration and Collaboration Environment (GRACE) accordingly. She then asked the floor whether the CSAR was approved or not. Ms Johansen confirmed that the CSAR was approved by the Donors.

Discussion on the Mid Term Review and possible modifications of the Programme Agreement (PA)

Ms Dalli explained that the mid term review was not applicable to Malta since the latter does not have a reserve. Therefore, this Agenda item was being used for the

modifications in the Programme Agreement (PA). The changes requested in the PA had been previously sent to Ms Cirakli. The changes included the following:

1. Amendment in the official name of the Ministry under which portfolio the Funds and Programmes Division (FPD) falls;
2. Amendment related to the baseline value for PDP4 that was sent to and approved by the FMO within six months' deadline;
3. Amendment to Condition No 3 of the PA namely that no more than 50% of the total eligible expenditure of the Programme is allocated to hard measures (infrastructure). The NFP is requesting an increase to the percentage allocated to hard measures from '*no more than 50%*' to '*no more than 70%*' of the total expenditure of the Programme;
4. Amendment in Article 4 '*Indicative Timing*' of Annex II to the PA;
5. Amendment in the name of the Ministry under which the Local Government Division (LGD) falls;
6. Amendments in the names of the DPPs for PDP1 and PDP2, and an addition of a Local Project Partner under PDP3;
7. Amendment in the project activities related to PDP3;
8. Amendment in the payment flow related to the SGS.

Ms Johansen explained that with regards to the Mid Term review, even though there was no reserve for Malta, the Donors and the FMO would be requesting a template from the NFP to be filled in by the end of the year. As for the changes under the PA, Ms Johansen explained that the FMO needed to review these changes on a case by case scenario, therefore it would be best to contact Malta's desk officer.

Ms Cirakli informed the floor that in the case of Malta, the Mid Term review could be used as an exercise for transfer of funds between projects. She confirmed that most of the changes brought forward by the NFP were somewhat straightforward to implement and therefore could be accepted. In the case of the 50% allocated to hard measures, Ms Cirakli explained that this needed to be discussed with the Donors first.

Ms Dalli asked what needed to be prepared by the NFP in order to implement the changes in the PA. Ms Cirakli informed that the change would be done on GRACE. Ms Dalli thanked Malta's desk officer for accepting almost all the changes put forward and informed that another document related to a six-month extension to the PDP2 project's end date was also sent separately to the desk officer. Ms Cirakli confirmed that there was nothing alarming in the implementation of the project and that a six-month extension to the project's end date should not be a problem. Ms Dalli once again thanked Malta's desk officer and stated that the six months' extension to PDP2 would be a relief to the Project Promoter due to the problem of recruiting staff and keeping them beyond the end date of the project.

Programmes under FMO's responsibility

Ms Dalli invited the FMO to give the floor some information related to the Programmes under their responsibility. Mr Arnason said that he was looking forward to seeing how the current open call under the *Civil Society Fund* to which the *Solidarity Overseas*

Service SOS Malta being the Fund Operator, would be enhancing the capacity and sustainability of the Civil Society in Malta. He explained that there was not a great success in the open call launched in October and was aware that Civil Society Groups found it difficult to participate in such calls due to lack of capacity building. He said that *SOS Malta* would be launching another call in Autumn 2020. Ms Dalli confirmed that the problem during the first call was capacity building since the NGOs did not have the necessary resources to manage these projects. Ms Dalli hoped that in Autumn, *SOS Malta* would have a better result. Mr Arnason explained that individual assistance was needed in these circumstances. Mr Arnason said that there was an online course that was launched last year on the Effective Management of an NGO, which could help in solving some of the difficulties encountered. *SOS Malta* was currently also working with counterparts in Estonia and Portugal in order to work on strengthening their capacity building.

Mr Arnason then passed onto the Social Dialogue and Fund for Decent Work explaining that the first call was launched in October 2018. One application was received from Malta and the project was being implemented. A restricted call followed and a proposal from the *Malta-EU Steering and Action Committee (MEUSAC)* would be submitted in order to absorb the rest of the allocated funds for Malta. Ms Cirakli said that to their knowledge, MEUSAC had to submit the application but they did not know whether this application was successfully submitted. The FMO would be checking with Ms Grethe Haugoy regarding the status of this restricted call.

Regarding the *Fund for Youth Employment*, one project with a Maltese partner was selected. This project included partners from Spain, Greece, Iceland, Latvia, Lithuania, Romania and Malta. A new call for proposals was to be issued on 1 September 2020 targeting unemployed groups. As for the *Fund for Regional Cooperation*, there were two separate projects having a Maltese partner on board. The Maltese partners are *AIS Malta* and *Greenhouse Malta*. Mr Arnason congratulated Malta for having several projects under these Programmes. Ms Dalli asked whether FMO was expecting to launch another call under the *Fund for Regional Cooperation*. Ms Johansen explained that the Fund Operator received a lot of applications, so the fund was now fully absorbed.

Any other business – Information on expected activities in the upcoming period

Ms Dalli thanked Mr Arnason and Ms Johansen for their updates and passed on to the next item on the agenda. With regards to expected activities in the upcoming period, Ms Dalli explained that the NFP was looking forward to the launch of the SIT Centre until the end of this year. Ms Dalli said that she saw good progress under PDP4 and that the JCBF meeting could be held in October 2020. Regarding SGS, the NFP would be seeing some progress since the calls received were being reviewed.

Ms Johansen explained that the FMO was performing an assessment on the Programme development phase and all the relevant stakeholders would be contacted via online surveys or through interviews in June 2020. Malta like all other beneficiary countries would be contacted by the consultants. Ms Dalli said that no emails were

received to date. Ms Cirakli confirmed that the email was still to be sent to the beneficiary countries.

Ms Dalli asked whether there were any more questions in order to give the floor to the DG and close off the meeting. Ms Johansen thanked the NFP for organizing the AM. She concluded that the Donors together with the FMO had some items that needed to be followed up including the PA amendments especially the 50% capping allocated to hard measures and the DPP contacts for partners.

Ing Camilleri thanked everyone for the valuable cooperation and support throughout the year. He looked forward to utilizing the Grants to their fullest potential for the benefit of Malta and to further enhance bilateral relations with the Donor countries. He informed that the presentations would be uploaded on the website and the Minutes would be forwarded to all the participants. He hoped to be able to meet in a non-virtual environment at the earliest possible.

The meeting ended at 1400.