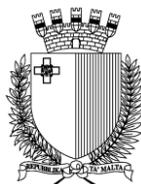


MINISTERU GHALL-AFFARIJJIET EWROPEJ U  
L-UGWALJANZA

SEGRETARJAT PARLAMENTARI GHALL-FONDI  
EWROPEJ U ID-DJALOGU SOCJALI



MALTA

MINISTRY FOR EUROPEAN AFFAIRS AND  
EQUALITY

PARLIAMENTARY SECRETARIAT FOR EU  
FUNDS AND SOCIAL DIALOGUE

*Id-Divizjoni għall-Fondi u Programmi*

*Funds and Programmes Division*



**Minutes of the 7<sup>th</sup> and Final Annual Meeting of  
the EEA and Norway Financial Mechanisms  
2009-2014 and the 1<sup>st</sup>  
Annual Meeting of the 2014-2021 EEA and  
Norway Financial Mechanisms, held on 20  
March 2018  
at PARDO Hall, Ministry for Foreign Affairs and Trade Promotion,  
Valletta, Malta**

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The meeting commenced at 09:15 and ended at 12:45

**Participants**

Mr Sjur Larsen – Director, NMFA

Ms Henriette C. Gulbrandsen – Senior Adviser, Section for Central Europe, NMFA

Ms Margot Skarpeteig – Minister Counsellor, Norwegian Embassy in Rome

Mr Falk Lange – Senior Country Coordinator, FMO

Mr Thorsteinn Bjornsson – Country Officer, FMO

Ms Annabelle Shawish Mifsud – Director European Affairs, MFTP

Mr Emanuel Borg – Senior Manager, EU Paying Authority, MFIN

Ms Letizia Mintoff – Senior Manager, Treasury Department, MFIN

Ms Diane Camilleri – IAID Executive (Compliance and Risk), IAID

Mr Raphael Scerri – Director General, FPD, MEAE

Ms Carmen Dalli – Director Programmes and Projects, FPD, MEAE

Ms Angele Azzopardi – Officer in Grade 4, FPD, MEAE

Ms Alison Grech – EU Fund Manager, FPD, MEAE

## Acronyms

FMC: Financial Mechanism Committee  
NMFA: Norwegian Ministry of Foreign Affairs  
EEA: European Economic Area  
FMO: Financial Mechanism Office  
MFTP: Ministry for Foreign Affairs and Trade Promotion  
MFIN: Ministry for Finance  
IAID: Internal Audit and Investigations Department  
FPD: Funds and Programmes Division  
MEAE: Ministry for European Affairs and Equality  
FM: Financial Mechanisms  
MoU: Memorandum of Understanding  
MT: Malta  
NFP: National Focal Point  
JCBF: Joint Committee for Bilateral Funds  
MT: Malta  
NFP: National Focal Point  
PO: Programme Operator  
CA: Certifying Authority

## Welcome and Opening Address

A short welcome was given by DG Mr Raphael Scerri, followed by Mr Sjur Larsen Head of the donor Delegation, who expressed his satisfaction at both the continuity as well as the coordination from both sides, whilst auguring for progress to be registered during the forthcoming period.

Mr Scerri then gave a brief run through of the Agendas of the 7<sup>th</sup> and last Annual Meeting of the Programming Period 2009 – 2014 and the 1<sup>st</sup> Annual Meeting of 2014 – 2021 mechanisms.

## Presentation of the Final Strategic Report covering 2009 – 2014 FMs

Ms Alison Grech gave a detailed presentation<sup>1</sup> on the final Strategic Report covering 2009 – 2014 Financial Mechanisms. Ms Grech outlined the key activities held during 2017 and then moved on to the Final Conferences for the four projects held in April, namely *MT02/2-Oil/HNS Spill Response Capacity Building for the Protection of Malta's Seas*, *MT02/3 -A New Environmental Management System for the Hal Saflieni Hypogeum World Heritage Site*, *MT02/7-Malta Water Conservation Awareness Centre* and *MT04/2 - Renewing the Centre of Residential Restorative Services (CoRRs)*

With regards to the project MT02/7, Mr Scerri explained to Mr Larsen that water

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<sup>1</sup><http://eufunds.gov.mt/en/EU%20Funds%20Programmes/Bi-lateral%20Programmes/Pages/EEA--Norway%20Grants-2009-2014.aspx> (under *Other Documents*)

conservation was high on the Government Agenda, hence this Centre was proving very useful for the Government and being visited primarily by students following the signing of the MoU with Education Department.

On enquiring how the Manual was received by the Local Councils regarding project MT04/1 – A Partnership for Creative Governance held in 2016, Mr Scerri informed Mr Larsen that, notwithstanding the training carried out, none of the Local Councils reached the desired standards. In this sense, further training was to be given during the Financial Mechanisms programming period 2014-2021<sup>2</sup>.

Regarding project MT04/2, CoRRS, Mr Scerri explained how, thanks to the funds for such a project, rehabilitation staff received valuable training in restorative services and resulted also in the building of a new wing to cater for young and female offenders.

Ms Grech then gave a brief overview of the Bilateral Relations at Programme Level under both the EEA and Norway Grants. Mr Sjur Larsen remarked that it was pleasing to see that, with regards to Malta, a relatively high number of bilateral visits had indeed taken place. Moreover, he encouraged the Malta side to make use of funds throughout the programming period, not only towards the end. Mr Scerri remarked that the new projects under the Financial Mechanisms 2014-2021, were bound to start on a strong baseline. Moreover, Mr Scerri emphasized that he would ensure that the strong collaboration and continuation between both sides, would proceed into the new programming period.

Mr Scerri then gave a brief explanation on the term *Non eligible expenditure* wherein he highlighted how this expenditure reflected any unforeseen additional expenditure as in the case of project MT02/7 due to archaeological findings, VAT and over commitment of funds.

Mr Bjornsson commented how under the new programming period there is now one joint programme agreement for the EEA and Norway Grants. This will be a simplification as compared with the '09-'14 period when the two were managed separately.

With regards to Irregularities and Audits, Ms Camilleri said that the Audit Authority's checks were being currently concluded and so could not comment further. On being asked by Mr Larsen whether there was anything to report from the MT side, Mr Scerri said that at FPD, there were multiple checks made and gave an overview of such. Mr Scerri gave a lengthy explanation of the work of the Financial Control Unit and how financial corrections were applied before the Final Financial Report was certified by the Certifying Authority. Mr Scerri continued that Public Procurement was the main cause for irregularities while there was no cause for concern regarding fraud. Mr Larsen remarked how he was satisfied that a good system was in place to pick up any irregularities, and this of course augured well for the future.

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<sup>2</sup> It is worth noting that the ELoGE benchmarking was re-launched during 2017 (after the project end-date) for all Maltese and Gozitan LCs. Four local authorities (Dingli, Pembroke, Naxxar and Qormi) expressed an interest in applying for ELoGE and specific training was organised in October 2017 for both their elected and administrative representatives.

Ms Grech ended her presentation by showing a video on the successful stories of the EEA Norway Grants predefined projects. The video is available on the NFP webpage: <https://eufunds.gov.mt/en/EU%20Funds%20Programmes/Bilateral%20Programmes/Pages/EEA--Norway%20Grants-2009-2014.aspx#Other> (under *Project Completion*)

With regards to communication, Mr Scerri explained how it was being envisaged that the video shown would be edited to a 1-minute video to be aired during the Eurovision Song contest, as viewership would be very high during this time. Ms Skarpeteig and Mr Larsen encouraged the NFP to pursue further the idea. Mr Scerri also mentioned how it was being envisaged to have a booklet and a launch of an app on the mobile / responsive website. Mr Larsen was happy to note how Malta was making use of the right logos and reminded the MT side to keep any communication under EEA and Norway Grants distinct from any EU website as the former were not part of EU funds. Mr Larsen also commented on the great effort registered in communication during the last year. Ms Dalli remarked how the 5 predefined projects were promoted on a bus wrap to which Mr Larsen enquired if there were any enquiries by the public. Ms Skarpeteig was also very impressed by the high level events and the media coverage. Mr Larsen congratulated the MT side on the good results achieved and hoped that the close cooperation with the FMO would be maintained during the forthcoming programming period.

Mr Larsen enquired if there was any additional pressure during the EU Council Presidency. Mr Scerri informed Mr Larsen that all project closing events were held in April during the Presidency period. The coverage was indeed very good, and in fact the relevant Ministers and, at times the Prime Minister himself, opened the events, which meant that press coverage was more robust and effective.

Mr Lange made a reference to the 12 projects selected by SOS Malta under the civil society fund, who he added, carried out a very good job and looked forward to working again with the same Fund Operator in the new programming period. Mr Scerri also had praise for SOS Malta saying that he was happy that they were re-appointed and was confident for an equally good delivery in the 2014–2021 programming period. Mr Scerri added that during the closing event, SOS Malta was present as well as the project leaders. In fact, 2 project promoters, out of these 12, were asked to deliver a presentation.

Mr Larsen informed that, contrary to the previous programming period, there would be no extensions during this current period and hence advised that projects needed to start early so that it is ensured that the programme would finish on time. When prompted what the main stumbling blocks were for the Project Promoters during the period, Mr Scerri informed the participants that Public Procurement and Planning Authority permits were the main causes of concern.

## **Evaluation of results and good practices – ex-Post Evaluation of the EEA and Norway Grants**

A presentation<sup>3</sup> was then delivered by Mr Ramon Muscat from EMCS, which was contracted to conduct an ex-Post Evaluation of the '09-'14 mechanism in Malta. Mr Scerri informed the participants that the draft evaluation report would be shared with the delegates once the first draft was presented.

Mr Muscat was asked to evaluate, in so far as possible, the bilateral aspect of the initiatives undertaken by the pre-defined projects since they are deemed to be part and parcel of the latter. Nonetheless, this matter would be further discussed with the contractor.

With regard to Bilateral checks, Mr Scerri informed Mr Larsen that, after carrying out all checks on expenditures, all funds had been disbursed and certified with the exception of some €6,000. Mr Larsen stressed the importance that, in order to avoid this occurrence in the future, bilateral activities should be planned to take place throughout the programming period and not only at the end.

Mr Bjornsson concluded by informing the meeting that the preliminary version of the 2009-2014 final strategic report should not be approved given that the deadline for the final version is only in June 2018 and some updates and additions are expected by that time.

## **Presentation of the Final Strategic Report covering 2014 – 2021 FMs**

Ms Dalli then commenced to deliver her presentation<sup>4</sup> on the new Programming Period 2014 – 2021. Mr Bjornsson clarified that the Programme Agreement for the Local Development programme shall be prepared by the FMO following the Supplementary Information prepared by the NFP. In April, the FMO would be responding to this additional information. Mr Scerri emphasized the importance of knowing much beforehand when the Agreement would be concluded so as to earmark a date for the signing of the Agreement, which could possibly be in May 2018, and in this sense would ensure that Hon Dr Aaron Farrugia would be present for the signing.

With regards to the time needed for concluding the Concept Note, Mr Larsen explained that the concept note phase required tough work from all the parties involved, but this would be translated into easier implementation phase. In this sense, it followed that any clarifications were to be done now during the programme development phase.

With regards to charging of expenses to the 09-14 Programming Period or the 14-21 period, Mr Larsen warned that one had to be careful that expenditures affected are to be charged to the correct mechanism where they fall due.

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<sup>3</sup> <http://eufunds.gov.mt/en/EU%20Funds%20Programmes/Bi-lateral%20Programmes/Pages/EEA--Norway%20Grants-2009-2014.aspx> (under *Other Documents*)

<sup>4</sup> <http://eufunds.gov.mt/en/EU%20Funds%20Programmes/Bi-lateral%20Programmes/Pages/EEA--Norway-Grants-2014-2021.aspx> (under *Annual Meetings*)

Regarding the Progress registered by the JCBF, Mr Larsen remarked that this should be a well-functioning Committee, clarifying what was to be expected from each party so as to ensure a speedier and smoother outcome re initiatives/projects.

Ms Dalli informed the participants that there was a significant increase in interest shown by Partners from Donor countries when comparing the current programming period to that of 2009-2014, which in this sense, signified stronger bilateral relations.

With regards to major proposals put forward for bilateral activities, Ms Skarpeteig clarified that the proposal regarding Valletta as the European Capital of Culture in 2018 was proposed by the MT side and not by the Norwegian side and this shall be noted accordingly.

Mr Scerri requested an update on the Fund for Youth Employment and particularly on the Maltese application submitted by the Ministry for Education. Mr Bjornsson explained that the selection process is still on-going since there was a high demand for such funds.

Mr Scerri explained how during the past twelve months a number of milestones were concluded including the drafting of the description of the Management and Control system, the development of the Manual of Procedures and the Communication Strategy, the development of a new IT payment system and the JCBF working manual and work programme. Mr Larsen commented with satisfaction that Malta was one of the first countries to conclude the Concept Note. Mr Scerri informed the participants that the main challenge throughout the past months was to align all the pre-defined projects to the selected single Programme Area 10. He informed the members how the pre-defined projects used to address various programme areas but following the bilateral meetings and the stakeholders meeting held in March 2017 all projects were aligned to Programme Area 10. Mr Larsen agreed that challenges were indeed evident and hoped that the Programme Agreement would be another success story like the Concept Note.

Regarding the Maritime Museum Project, the Norwegian side was surprised that Heritage Malta involved no donor partners. Efforts had to be made so that bilateral funds were used in bringing on board partners from Stavanger and/or Oslo Maritime Museums. Mr Larsen explained that it was important for both sides to register mutual interest and for this to be done early in the programming period. He continued that with regard to Stavanger Maritime Museum, Malta is in an advantageous position in ensuring partnership at this early stage. Mr Larsen mentioned also the need to find a good balance between the hard and soft measures implemented in each project.

Discussions then ensued with regard to the FPD Organigram. Mr Scerri gave an overview of the staffing situation within EEA/Norway Grants Unit at FPD and mentioned how the new staff would soon be recruited. The Donor side highly recommended that the NFP and the PO roles should be delineated and should not be overlapping. Mr Bjornsson mentioned that additional resources would likely be needed for conducting the NFP tasks. Mr Larsen continued by emphasizing on

clarity of duties between the PO and the NFP although the donors should also take into consideration the specificities of Malta. Mr Bjornsson stressed that MT needed to be careful with budgeting if there was overlapping of NFP and PO duties. Mr Larsen was pleased to hear about the new recruitment in order to ensure continuity and management of capacity on the new programme. Moreover, he was happy to learn that the same people would be working on the new programme.

Mr Larsen welcomed the EU Funds Maltapps application idea since general public can access any funding opportunity available on line.

Mr Scerri spoke about the possible shift of the Certifying Authority from MFIN to MEAE. The date of the move was still under discussion, but once the shift takes place, the CA would still be fully independent from NFP and PO. Mr Larsen enquired the reasoning behind this proposed move. Mr Scerri explained that since Malta had a designated Ministry for European Affairs ever since 2013, it seemed it's more feasible that the CA, also linked to bilateral funding and outside the remit of MFIN, should instead be placed under MEAE. Mr Larsen asked for a clear written justification explaining the reasoning of such move and the segregation to be applied since such move would result in a revision of the MOUs.

With regard to the programming period 2014-2021, Mr Larsen emphasized that there would be no extension possibilities so all payments had to be made within the given period.

Reference was also made by Mr Larsen to the EEA and Norway Grants Fund for Regional Cooperation. He said that there was an overwhelming interest and the call was very open covering every area within the Blue Book with a minimum of €1M for each project with a disbursement of €15M. There was no template for the Concept Note. Ms Dalli explained how the NFP is planning to promote further the call by organizing a dedicated seminar during the month of May 2018.

Regarding the call on Decent Work PA5, the Donor side informed that this call was progressing well. Further feedback will be provided in due course,

With regard to the Bilateral Initiatives, Mr Scerri said that these would be discussed further during the JCBF meeting on the following day. Mr Larsen mentioned that the Bilateral Fund was eligible for projects throughout the programming period. In this sense, although it was good to have open calls, it was preferable that these are done towards the end and not at the beginning of the programming period. The main initiatives were mentioned; Our Oceans, the implementation of the Istanbul Convention and the European Capital of Culture.

Regarding the MoUs modifications, the changes currently needed were only editorial ones. No changes will be made in their substance. An official letter should be received from the donors and once the NFP accepts the modifications the new revised MOUs will be uploaded on the FMO and the NFP websites.

Before concluding the meeting, the 2014-2021 Strategic Report was approved.

Mr Larsen concluded by saying that he sensed good cooperation between both

sides. On his part, Mr Scerri thanked the good services of Mr Bjornsson and augured the same cooperation in the new programming period.