



**EEA and Norwegian Financial Mechanisms**  
**2014-2021**

**4<sup>th</sup> Annual Meeting**

**Minutes**

**16 March 2023**

The 4<sup>th</sup> Annual Meeting of the EEA and Norwegian Financial Mechanisms 2014-2021 in Cyprus was held on the 16<sup>th</sup> of March 2023 at the Directorate General Growth, Ministry of Finance, in Nicosia. The list of participants at the meeting is attached as **Annex 1**.

### **1. Combined Strategic and Annual Programme Report**

The Donors expressed their satisfaction for the quality of the Report and were very pleased to see that the recommendations from last year's Annual Meeting have been addressed. They provided a few recommendations on how the report could be further improved in the future (e.g., focus on the results achieved in implementing the projects and link the narrative part to the planned results framework; highlight the results of the bilateral initiatives and the added value of the bilateral element in those). As in previous years, the Donors also encouraged the National Focal Point (NFP) to continue working closely with the FMO in elaborating future reports to ensure their quality. Finally, the Report was approved by the Donors.

### **2. Progress of the Programmes and Risk Assessment**

The NFP/Programme Operator (PO) gave an update on the 11 pre-defined projects included in the "Local Development and Poverty Reduction" Programme (attached as **Annex 2**) and the Donors expressed their overall satisfaction for the progress of the projects.

The Donors emphasised the importance of the sustainability of the Projects after the end of the Programming Period. The NFP noted that the issue of sustainability was a key factor in assessing and selecting the pre-defined projects, thus mitigating the risks and ensuring that sustainability is ensured.

It was also noted by the NFP that risks identified during the implementation process are dealt with by the Project Promoters in cooperation with the PO, thus marking the overall risks of the Programme "Local Development and Poverty Reduction", medium to low.

Furthermore, due to inflation and high prices, as a result of Covid-19 and Russia's invasion of Ukraine, it was pointed out that Project Promoters revised their time-plans and/or searched for other markets for purchasing equipment or construction materials.

Despite of the various challenges faced by the Project Promoters, the NFP pointed out that all planned results are expected to be achieved by the end of the implementation period.

### **3. Progress with respect to the Active Citizens Fund and the Decent Work Programme.**

The Donors were very pleased with the progress of the two pre-defined projects, the "Home for Cooperation" and the "Centre for Visual Arts and Research", as well as of the 17 small projects under the Active Citizens Fund, which are progressing according to schedule and without any delays. The progress of all 19 projects under the Active Citizens Fund was presented by the Fund Operators. The Donors underlined the importance of close cooperation between the Fund operator and the Norwegian Embassy in Athens concerning outreach activities including a planned conference in September.

As far as the progress of the Social Dialogue and Decent Work Programme is concerned, the third open call for proposals was launched in 2021, with two project applications received and with one being selected. It was noted however that the selected applicant withdrew its application and the Fund Operator together with the FMO is analysing the situation and how to address it.

Furthermore, the Donors mentioned briefly the progress made under the Funds for Youth Employment and Regional Cooperation, where both Funds implement projects with Cypriot partners.

#### **4. Bilateral Cooperation**

The NFP presented the main outcomes from the 4<sup>th</sup> meeting of the Joint Committee for Bilateral Funds (JCBF) which took place ahead of the Annual Meeting.

It was noted that out of the 8 approved bilateral initiatives, 4 initiatives were completed by 2022. Two initiatives are expected to be completed by May 2023 and the other two initiatives have not started yet. One initiative is planned to start by May 2023 and for the other one the reply from a bilateral partner is awaited, to set the plan for the cooperation. All funds have been committed.

Furthermore, it was noted that the JCBF is open to discuss to allocate potential savings from bilateral initiatives to support to Ukrainian refugees in Cyprus.

#### **5. Management and Control System**

Updates on the Management and Control System of the PO “Local Development and Poverty Reduction”, programme included in 2022 a number of amendments, such as to include the allocation of the reserve amount and the re-allocation of the amount of the cancelled pre-defined project no.5, to two pre-defined projects. Furthermore, some updates were also necessary after the FMO audit recommendations in May 2022.

The Donors reiterated the importance of providing accurate and realistic disbursement forecasts and a Grants zero-tolerance approach to corruption.

#### **6. Communication Plan**

The NFP briefly presented the progress made under the Communication Plan (attached as **Annex 3**) and noted that the first communication event will take place in Nicosia, on 29 March 2023, where all the Project Promoters will present their projects and the progress made. Additionally, 11 short videos were prepared for each project, and these will be presented at the event. After the event, the videos will also be uploaded on the NFP social media.

The Donors expressed their satisfaction with the communication updates and stressed the importance of the close cooperation with the Norwegian Embassy in Athens on communication issues. It was also noted that as projects have more visible results at this point, it is important to promote them.

Additionally, the Donors mentioned that it will be the 20<sup>th</sup> Anniversary of the EEA/Norway Grants in 2024 and that this could be a good opportunity for celebrating the grants in Cyprus, as well as showcase the results obtained from the Programmes/Projects implemented in the 20-year period.

## **7. Main conclusions**

- The Combined Strategic and Annual Programme Report for 2022 was approved.
- Project implementation is progressing and all results are expected to be achieved.
- The submitted Forecasts of likely payments by the NFP should be accurate and realistic.
- Keep the close cooperation of the NFP with the Norwegian Embassy in Athens on communication issues.