

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

**6th ANNUAL MEETING**

**6 June 2023**

**Venue: Hotel Narutis, Pilies str. 24 Vilnius**

**MINUTES**

1. **Opening words**

Ms. Kotryna Tamoševičienė, Head of the National Focal Point, welcomed the participants to the 6th Annual Meeting to discuss the progress of the implementation of the 2014-2021 EEA and Norwegian Financial Mechanisms in Lithuania. Ambassador Ole Terje Horpestad expressed his appreciation for the NFP’s work and good cooperation, and also to colleagues from other institutions working with the implementation of the Grants. Ambassador Harald Aspelund and Ms. Torill Johansen thanked for organising the project visits.

1. **Overview of Strategic Report 2022 (including Management and Control System Issues, Irregularities and Complaints)**

Ms. A. Svirkė presented the Strategic Report for the implementation of the 2014-2021 EEA and Norwegian Financial Mechanisms in Lithuania during the reporting period. The NFP had submitted the strategic report on 5 April 2023. The rapidly increasing prices of goods, services, construction works, energy prices and inflation have had a negative impact on project implementation. Measures have already been put in place to mitigate the risk of increasing prices by reallocating savings to projects and conducting market analysis before the start of public procurement procedures. After summarising the results of the audit of the effectiveness of the functioning of the national Management and Control System (MCS) of the EEA and Norwegian Financial Mechanisms 2014–2021, the final estimate of the effectiveness of the functioning of the national level MCS was as follows: works well or works. The declared expenditure of the programmes is correct, legal, reasonable and eligible for funding. Speaking of the implementation, Ms. A. Svirkė presented financial status of programmes. Total amount of grants given: 110,3 million Eur. Funding paid during the reporting period: 20,4 million Eur. Total funding paid: 50,2 million Eur.

Ms. Milda Kaminskaitė gave a short review about management and control systems (MCSs). During the reporting period, amendments of the MCS were made. On 23 May 2022 there were structural changes of the CPMA, and on 30 January 2023 there was a transfer of PO functions from Agency for Science, Innovation and Technology to the Innovation Agency (Programme Agreement amendment entered into force on 4 July 2022).

On behalf of the donors, Ms. Torill Johansen thanked the NFP for a good strategic report and announced that donors were ready to approve it.

1. **Progress of programmes managed by Lithuania (results, risks, challenges, open discussion after each programme presented by the National Focal Point)**

Ms. Vilija Šemetienė presented the progress of the implementation of Justice and Home Affairs programme. 40,44 mill euros has been allocated to this programme, and 42 percent of has been paid to projects by now. She briefly presented status of all five projects.

1. Project “Increasing the Quality, Services and infrastructure in Lithuanian Court” faces challenges in implementing infrastructure activities, which has caused the delay of the project. Thus, the objects of support were changed – Klaipėda Regional Court was switched to reconstruction of three other courts: Vilnius Court, Panevėžys District Court and Kaunas District Court. Total amount funding is 6,76 million euros and 1,72 million euros has been paid.

2. Project “Building up Modern and Open Prosecution Service in the Republic of Lithuania”. Total amount funding is 2,21 million euros and 1,27 million euros has been paid.

3. Project “Development of Quality based Lithuanian Correctional Service system” is the largest project of the programme. Total amount funding is 20,58 million euros and 5,7 million euros has been paid.

4. Project “Improving Work Quality and Enhancing Competences of the Justice Chain to Protect Victims of Domestic and Gender-Based Violence”. Total amount funding is 3,59 million euros and 2,83 million euros has been paid.

5. Project “Strengthening of Inter-agency Cooperation and Increasing of Crime Investigation Quality in the Lithuanian Police”. Total amount funding is 4,31 million euros and 3,80 million euros has been paid. The donors asked the Programme Operator how they were planning to finalise the projects, and Ms. Vilija Šemetienė said they were currently discussing the possibility of over-contracting a project that can absorb money from the high-risk projects.

Ms. Laura Sabulienė presented the progress of the programme “Business Development, Innovation and SMEs”. She informed about the status of the implemented projects under 3 open calls (disbursements that have already been made and those expected in the near future, trends, risks and decisions to manage them, status of indicators achievement). Moreover, the results of the evaluation process of the last call projects, the possibilities of financing projects included in the reserve list (from the savings of the terminated projects and the planned over contracting) were discussed. She assessed the changes in human resources in Innovation Agency (Programme Operator) as smooth, as well as the fast involvement of new employees in the implementation and administration of the Innovation programme.

The donors asked the Programme Operator whether they foresee sufficient time to pay the remaining amounts to projects in the coming year. The Programme Operator assessed that although it had taken them some time to gain speed in implementing the projects, they expected a high absorption rate in the end by closely monitoring their progress and encouraging project promoters to submit the necessary claims as early as possible.

Ms. Gabija Ramšaitė presented a short overview of the implementation of the Environment, Energy, Climate Change programme. Programme progress is moderate. The main activities in most of the projects implemented are completed (5 of 7 projects). The programme risk has decreased. Most projects have extended terms due to late procurement procedures.The total amount for programme is 14,12 million euros, and 5,8 million euros is declared. On 25 April 2023 Environment programme agreement was amended in order to manage the risks of the programme.

The donors asked if the programme had enough funds to cover the price increases. The Programme Operator replied that they did not see any risks relating to the budget itself, and that the main risk in the programme was the two ongoing public procurement processes for the largest projects. Ms. Gabija Ramšaitė said there was a risk for complaints due to the competitiveness among companies, but that they were hoping to pay the remaining amounts by April 2024 and finish the projects by the end of next year.

Mr. Sigitas Miškinis presented progress in the implementation of the Research programme. The rapporteur noted that this is a specific programme with an element of internationality, as the projects are implemented jointly by researchers from the Baltic States by attracting scientists from one of the donor countries. There is no risk of projects not being implemented on time. One of the elements of the programme is the promotion of international cooperation, which is lacking in the Lithuanian scientific space. S. Miškinis noted that there is a risk of not reaching some of the indicators, namely patent applications and joint applications for further funding (e.g. from the European Horizon Program). The bilateral initiative initiated by the Programme Operator, Lithuanian research council, is funded – visits of Lithuanian scientists to donor countries, thus ensuring the continuity of the established cooperation.

The donors asked for an assessment of the multilateral approach of the Baltic Research Programme, and the Programme Operator said it had been a good platform for cooperation, also in the Cooperation Committee.

Ms. Banga Vaitkutė presented the implementation status of the Health programme. A total of 17,96 million euros in funding has been allocated to the programme. 69 projects are contracted for 16,4 million euros. There were 9 calls planned for six different measures. Total amount paid to project promoters is 12,1 million euros.

Activities are proceeding according to plan, part of the projects are ending soon and there are no high risks. 1 project contract may be terminated because the project is not implemented according to the project contract.

Ms. Banga Vaitkutė presented the progress of the implementation of the Culture programme. A total of 8,24 million euros in funding has been allocated to the programme. Total amount paid to project promoters is 4,47 million euros. Total projects contracted – 16 (7,41 million euros). Activities are proceeding according to plan and there are no high risks. Implementation period of some projects was extended because of prolonged public procurement procedures and activities planned with NOR partners.

The donors asked whether the projects that had received an extension would still be able to finish in due time. The Programme Operator confirmed that these projects would indeed finish by April 2024 or possibly by mid-2024 at the latest.

1. **Progress of programmes managed by FMO (Presentation by FMO)**

Ms. Katrine Steinfeld presented the status of the Active Citizens Fund in Lithuania, the Social Dialogue – Decent Work programme, the Fund for Youth Employment and the Fund for Regional Cooperation. The Active Citizens Fund is progressing well and is on track to finalise all project activities by 30 April 2024. The programme is also likely to achieve a high level of absorption by the end of the period. The Social Dialogue – Decent Work programme is progressing well, and seven projects have been selected in Lithuania under two calls for proposals: six of these with a Norwegian project partner. Many Lithuanian organisations are very active in the Fund for Youth Employment by taking part in ten projects, including two as lead partner. The Fund for Regional Cooperation is also experiencing high interest from Lithuanian organisations, and out of 19 projects selected under the fund, six Lithuanian entities are involved in four projects, two as lead partners.

1. **The Status of the Fund for Bilateral Relations (FBR)**

Mr. Matas Cancingeris presented the status of the Fund for Bilateral Relations. In the Memorandum of Understanding, 2,3 million euros is allocated to bilateral relations. The highest amount of funds – 1,3 million euros is allocated to bilateral initiatives under the program. Regarding the initiatives outside the programme, total funding reaches amount of 956,000 euros. Yet to be disbursed is 66,000 euros. The JCBF has so far approved 17 pre-defined bilateral initiatives, out of which eleven are already successfully completed. In addition, 1 project proposal is under development and 1 project proposal is on the reserve list. Moreover, 74 % of the disbursed funds have been incurred.

The Ambassadors of Iceland and Norway expressed their appreciation for the excellent bilateral cooperation and thanked the NFP for the excellent running of the JCBF.

1. **Communication**

Ms. E. Petrauskaitė presented the main communication activities of the 2014-2021 EEA and Norway Financial Mechanisms in Lithuania in the year 2022. In 2022, 33 news items were added to the joint website of the European Economic Area and the Norwegian Financial Mechanisms website, eeagrants.lt, 47 news items were posted on the social network Facebook. The logo of the mechanisms is quite well known. Awareness of the Financial Mechanisms increased to 42 percent.

During the meeting, E. Petrauskaitė presented as an example of good practice implemented by the Active Citizens Foundation the campaign "Promotion of volunteering work in "Child line": recruitment of new volunteers, training of current volunteers, strengthening of motivation". She also presented the main activity of the NFP in 2022 and the activities that will be carried out in the future.

1. **Conclusions and closing remarks**

Ms. Kotryna Tamoševičienė summarised the discussions followed by closing remarks by Ms. Toril Johansen, Ambassador Ole Terje Horpestad and Ambassador Harald Aspelund**.**

**Decision taken:**

The donors approved the Strategic Report.

**Participants**

**Donors:**

**Norway**

1.Ms. Torill Johansen, Deputy Director, Section for Central Europe and EEA, Ministry of Foreign Affairs, Norway (Head of delegation)

2. Ms. Elin Graae Linnestad, Senior Adviser, Section for Central Europe and the EEA and Norway Grants

3. Mr. Ole Terje Horpestad, Ambassador of Norway to Lithuania, Royal Norwegian Embassy, Vilnius

4. Ms. Inga Rudzinskaite-Colman, Adviser, Royal Norwegian Embassy, Vilnius

**Iceland**

1. Ms. Sigrún Bessadóttir, Senior Advisor and Consular Affairs Officer, Icelandic Embassy in Helsinki **(online)**

2. Mr. Harald Aspelund, Ambassador of Iceland to Lithuania, Icelandic Embassy in Helsinki

**FMO:**

1. Ms. Katrine Steinfeld, Head of Country and Bilateral Unit, Financial Mechanism Office

2. Mr. Niels Bekkhus, Bilateral Officer, Country officer Lithuania, Financial Mechanism Office

3. Ms. Tyra Bernardshaw, Junior professional, Financial Mechanism Office

**Lithuania:**

1. Ms. Kotryna Tamoševičienė, Director, Investment Department, Ministry of Finance (NFP) – Head of NFP
2. Mr. Matas Cancingeris, Chief Specialist, Investment Policy Division (NFP) - responsible for Bilateral Fund
3. Ms. Jolanta Vaičiūnienė, Advisor, Investment Policy Unit, Investment Department, Ministry of Finance (NFP)
4. Ms. Vaida Zigmantaitė, Chief specialist, Investment Policy Division, Investment Department, Ministry of Finance (NFP) – contact point
5. Ms. Banga Vaitkutė, Advisor, Social Investment Division, Investment Department, Ministry of Finance (NFP) – responsible for Health and Culture programmes
6. Ms. Vilija Šemetienė, Advisor, Social Investment Division, Investment Department, Ministry of Finance (NFP) – responsible for Justice programme
7. Ms. Irma Patapienė, Head of the Investment for Growth Division, Investment Department, Ministry of Finance (NFP)
8. Mr. Sigitas Miškinis, Chief specialist, Investment for Growth Division, Investment Department, Ministry of Finance (NFP) – responsible for Research programme
9. Ms. Gabija Ramšaitė, Chief specialist, Green Investment Division, Investment Department, Ministry of Finance (NFP) - responsible for Environment programme
10. Ms. Laura Sabulienė, Chief specialist, Investment for Growth Division, Investment Department, Ministry of Finance (NFP) – responsible for Innovation programme
11. Ms. Edita Petrauskaitė, Chief specialist, System Expertise Division, Investment Department, Ministry of Finance (NFP) – responsible for Communication
12. Ms. Milda Kaminskaitė, Advisor, Management and Control Systems Maintenance Division, Ministry of Finance (NFP) – responsible for Management and control system
13. Ms. Akvilė Svirkė, Head of the Investment Analysis Division, Investment Department, Ministry of Finance (NFP) – responsible for Reporting
14. Ms. Asta Druskienė, Chief specialist, Investment Analysis Division, Investment Department, Ministry of Finance (NFP) – responsible for Reporting
15. Ms. Aušra Baliukonienė, Director, Investment Expenditure Declaration Department, Ministry of Finance – Head of CA /IrA
16. Mr. Rolandas Pauža, Head of the Centralised Internal Audit division, Ministry of Finance (AA)
17. Ms. Jurgita Kvetkauskaitė, Advisor , Centralised Internal Audit division, Ministry of Finance (AA)
18. Ms. Aušra Urniežė, Head of the Expenditure Declaration Division, Ministry of Finance (CA)
19. Ms. Aurelija Naudžiūnienė, Advisor, Expenditure Declaration Division, Ministry of Finance (CA)
20. Ms. Odeta Vaitkuvienė, Chief specialist, Recoveries and Expenditure at Risk Assessment Division, Investment Expenditure Declaration Department, Ministry of Finance (CA/IA)
21. Ms. Sandra Remeikienė, Head of the European Economic Area and Norway Programs division, Central Project Management Agency – representative of PO
22. Ms. Monika Kemežytė-Vaitiekūnienė, Manager, Creative and International Investments division, Innovation Agency – representative of PO
23. Ms. Giedrė Indriulienė, Head of the Creative and International Investments division, Innovation Agency
24. Ms. Jūratė Devižienė, programme coordinator, Research Council of Lithuanian
25. Ms. Sandra Adomavičiūtė, Managing Director of Open Lithuania Foundation