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

**3rd ANNUAL MEETING**

**9 June 2020**

**Venue: Microsoft Teams Hub**

**MINUTES**

**Agenda:**

1. Opening remarks
2. Draft strategic report
3. Bilateral cooperation (JCBF and bilateral cooperation in programmes)
4. Progress of programmes and risk assessment
5. Communication
6. Conclusions and closing remarks
7. Presentations of projects:

1. *Cooperation Between the Lithuanian and Norwegian Labour Inspectorates* (programme *"Social Dialogue – Decent Work“*)

2*. Safety Enhancement of Ignalina Nuclear Power Plant Radioactive Waste Management* (programme *"Environment, Energy, Climate Change“*)

1. **Opening remarks**

Ms. R. Dapkutė – Stankevičienė (National Focal Point, NFP) and Ms. P.G. Holm (Ministry of Foreign Affairs, Norway) opened the meeting by welcoming everybody to the 3rd Annual Meeting to discuss the progress of the implementation of the 2014-2021 EEA and Norwegian Financial Mechanisms in Lithuania. Then a formal introduction of the meeting participants, introductory speech by Ms. R. Dapkutė – Stankevičienė and official greetings from Mr. A. Atlason (Icelandic Ministry of Foreign Affairs, Iceland), Mr. B. E. Brustad (Royal Norwegian Embassy in Vilnius, Lithuania) and Ms. P. G. Holm followed. All participants noted the unusual (due to COVID-19) way of organizing the meeting as well as a particular importance of effective and targeted use of the 2014-2021 EEA and Norwegian Financial Mechanisms in reducing the COVID-19 effects for the Lithuanian and world economy.

1. **Draft strategic report**

Ms. A. Vilutienė (NFP) presented the process of the preparation of the Strategic Report and key achievements in the implementation of the 2014-2021 EEA and Norwegian Financial Mechanisms in Lithuania during the reporting period. She briefly presented the status quo of programme agreements, progress in their implementation as well as in developing the management and control systems, use of the Fund for Bilateral Relations (FBR) and other important achievements. Ms. A. Vilutienė pointed out that a clear template and on-going consultation with the Financial Mechanism Office (FMO) fastened this process. The donors communicated their appreciation for a good and informative Strategic Report and still proposed to approve it. The Strategic report 2019 was approved.

1. **Bilateral cooperation (JCBF and bilateral cooperation in programmes)**

Ms. J. Vaičiūnienė (NFP) presented the major activities of the reporting period with regard to the Bilateral Relations (BR). She noted that in total 2.35 MEUR was allocated for the FBR in Lithuania, where the sum of EUR 267,000 was still left for the Joint Committee for Bilateral Funds (JCBF) decisions to support the initiatives for the 2019–2021 period. Ms. J. Vaičiūnienė pointed out that the last-year call for designated institutions was prolonged 3 times due to the lack of new BR initiatives.

Ms. Vaičiūnienė also presented the BR strategic themes that are covered by BR initiatives in the Work Plan: cooperation between municipalities in the field of cultural heritage; sharing best practices between institutions and/or relevant organizations in the sphere of innovation (investment approach in social investment area, social innovations in business, services delivery sector, health technology assessment), children rights and human rights (still not covered are: climate change, cyber security, cooperation between Lithuanian and Norwegian municipalities in the field of entrepreneurship, energy and environment; civil society; emigrants; structural reforms and crosscutting issues), their implementation status (which is smooth) and the implementation timeframe of approved BR initiatives. She mentioned that due to the situation caused by COVID-19, some activities might be postponed until autumn 2020 and some savings might be made (due to changes in a form of implementation of activities: webinars instead of seminars, etc.).

In order to promote and facilitate the BR in Lithuania, she invited the Donor Countries’ representatives to communicate the possibility to submit the BR initiatives. She noted*"Research”* Programme’s and *"Business Development, Innovation and SMEs“* Programme’s Operators (POs) reported facing challenges in attracting the entities of the Donor Project Partners (DPPs) to participate in the BR events organized in Lithuania and in maintaining their interest in these activities. Donors stressed the importance that the NFP, together with the JCBF members, should look into ways to increase outreach and interest by using the bilateral funds available. Afterwards, the information on new initiatives under development was provided: by the Ministry of Transport and Communications of the Republic of Lithuania (together with the representatives from Iceland), The Office of the Equal Opportunities Ombudsperson (hereinafter – Ombudsperson), Ministry of Justice of the Republic of Lithuania (the information has been already provided to the members of the JCBF for evaluation). Ms. Vaičiūnienė also mentioned the main concerns of the NFP, which will be raised at the JCBF meeting on 10 September 2020:

1. The COVID-19 effects on BR activities, absorption of the FBR and revision of the BR strategic themes;
2. Enhancement of the DPPs’ interest in joint BR activities, a greater role of the NFP and JCBF in this matter;
3. Distribution of remaining FBR allocations for the period of 2019-2021 and additional funding to programmes allocated through the expression of interest (at this point POs informed that additional funding for programmes is not needed).

Mr. B.E. Brustad (Royal Norwegian Embassy in Vilnius, Lithuania) welcomed further cooperation and dialogue with the NFP on bilateral cooperation and any related challenges. He informed about the Embassy’s initiatives under development between ISM University of Management and Economics and Ombudsperson (mentioned by the NFP). Ms. S. Bessadóttir (Icelandic Embassy in Helsinki, Finland) expressed support for the NFP’s suggestion to revise the strategic BR themes (research and innovation would be one of them) and to discuss the facilitation of the BR initiatives.

1. **Progress of programmes and risk assessment**

Mr. A. Jautakis (NFP) presented the progress of the implementation of programmes, the existing and potential impact of COVID-19 on it, lessons learned as well as the timelines of the actions already performed and future steps to be taken. He also submitted for evaluation by donors the possible options of the allocation of the reserve referred to in Article 1.11 of the Memoranda of Understanding proposed by the NFP.

Mr. Jautakis noted that after the signature of all programme implementation agreements, the expenditure by the end of the year 2020 are planned under all programmes, except for the programme *"Business Development, Innovation and SMEs“*(the first expenditure under this programme is planned in the year 2021).

The donors emphasized a special importance of a successful cooperation with the PO Central Project Management Agency (CPMA) in the implementation of the programmes *"Health“, "Environment, Energy and Climate Change“, "Culture“, "Justice and Home Affairs“* and directly contracted programmes as well as the communication difficulties with the PO of the programme *"Business Development, Innovation and SMEs“*, i.e. theAgency for Science, Innovation and Technology.

The donors have expressed concerns about the possible impact of COVID-19 on meeting the deadlines for projects under the programmes *"Business Development, Innovation and SMEs“* and *"Culture“*. Mr. Jautakis and Mr. Žarnovskis (CPMA) assured that due to the risk management measures implemented by the CPMA, COVID-19 would not have a significant impact on the project implementation deadlines.

The donors also paid attention to the potential risks associated with possible delays in the implementation of projects under the programmes *"Environment, Energy and Climate Change“* and *"Justice and Home Affairs“*. Mr. A. Jautakis noted that the implementation of these projects is proceeding according to the schedule and potential risks of delays are planned to be managed by organizing a preliminary verification of public procurement documents. The donors requested the NFP to keep in close contact with the FMO on developments, in particular regarding any possible further delays.

The donors also highlighted a particular importance of maximally accurate forecasting of the disbursements.

Ms. P. G. Holm (Ministry of Foreign Affairs, Norway) presented the progress, achievements and challenges in the implementation of directly contracted programmes.

Mr. Jautakis introduced three options for allocations of reserves which are currently under consideration. The NFP is expected to submit a draft proposal in late September of 2020.

1. Option 1 is estimated at 0,9 MEUR and envisages a new measure which entails support to people in Lithuania to deal with the traumas caused by the COVID-19 crisis. Discussions with the Lithuanian Ministry of Health are on-going.
2. Option 2 envisages allocating additional funds to existing calls with a high number of eligible applications under the programmes "*Research“*, "*Business Development, Innovation and SMEs“* and "*Health“*. Currently, it is too early to say which calls would realistically be able to absorb additional funds, this will depend on the quality of projects on the reserve list.
3. Option 3 is an idea of providing additional funds for public procurement risk mitigation, as public procurement processes increase costs in programmes. This is particularly relevant under "*Justice and Home Affairs“* and "*Environment, Energy and Climate Change“* programmes.

The FMO expressed its readiness to provide any support in the preparation of the Midterm assessment based on the template provided.

1. **Communication**

Ms. I. Skukauskaitė (NFP) presented the main communication developments of the 2014-2021 EEA and Norway Financial Mechanisms in Lithuania in the year 2019. She noted that the Communication Strategy of the EEA and Norwegian Financial Mechanisms was approved and the contract for the new website [www.eeagrants.lt](http://www.eeagrants.lt) of 2014-2021 period was opened. Ms. I. Skukauskaitė also presented the main communication activities implemented in the year 2019: *Norwegian – Lithuanian Business Forum*, *Baltic Pride 2019 LGBT awareness raising festival* and *International Human Rights Conference*.

The donors emphasized a particular importance of keeping them constantly informed about the main communication activities being carried out.

1. **Conclusions and closing remarks**

Ms. P. G. Holm (Ministry of Foreign Affairs, Norway) and R. Dapkutė – Stankevičienė (NFP) summarised the discussions. Ms. R. Dapkutė – Stankevičienė thanked the donors for a good cooperation and raising issues.

1. **Presentations of projects**

1.Mr. A. Petrevičius (State Labour Inspectorate, Lithuania) presented the most important achievements in the implementation of the Cooperation Agreement between the Lithuanian and Norwegian Labour Inspectorates (under the programme *"Social Dialogue – Decent Work“).* He mentioned the main cooperation activities implemented: joint inspections of the Lithuanian and Norwegian enterprises, a visit of a group of the Norwegian labour inspectors to Lithuania and etc. Mr. A. Petrevičius also reviewed the key objectives, achievements and challenges in the implementation of the project *"Cooperation for Decent Work“.*

The donors expressed their satisfaction with the cooperation in the implementation of theprogramme *"Social Dialogue – Decent Work“.*

2.Ms. D. Arelytė (Ignalina Nuclear Power Plant, Lithuania) presented the status quo, main activities, areas of and the progress in the implementation of the project *"Safety Enhancement of Ignalina Nuclear Power Plant Radioactive Waste Management“* (under the programme *"Environment, Energy, Climate Change“).* She also noted a special importance of the 2014-2021 EEA and Norway Financial Mechanisms for the implementation of this project: the State financial support for the implementation of the project activities, i.e. the establishment of a deep geological repository, was insufficient and the EU funding for this project was also unavailable.

The donors drew attention to a special importance and complexity of the project under implementation. They were also interested in the main challenges in the implementation of the project and the possible impact of COVID-19 on meeting the project implementation deadlines. Ms. D. Arelytė assured that the implementation of the project was proceeding as planned and COVID-19 should not affect its compliance. She also noted that the biggest challenge in the implementation of this project was its duration and volume, which was managed thanks to a high professionalism of the staff and project partners.

**Decision taken:**

The donors approved the Strategic Report.

**Follow up for NFP:**

1. Rules for managing bilateral cooperation need to remain as flexible as possible, especially during uncertain times like COVID-19 as bilateral initiatives are particularly affected by the crisis;

2. Keep in close contact with the FMO on developments, in particular regarding any possible further delays;

3. Ensure the maximally accurate forecasting of the disbursements;

4. Ensure constant information of FMO about the main communication activities being carried out.

**Participants:**

**Lithuania**

Ms. Rūta Dapkutė-Stankevičienė, Director, Investment Department, Ministry of Finance (NFP) – Head of Delegation;

Mr. Andrius Jautakis, Advisor, Social Investment Unit, Investment Department, Ministry of Finance (NFP);

Ms. Jolanta Vaičiūnienė, Advisor, Investment Policy Division, Investment Department, Ministry of Finance (NFP);

Ms. Ilma Skukauskaitė, Advisor, Management and Control Systems Maintenance Division, Investment Department, Ministry of Finance (NFP);

Ms. Aistė Vilutienė, Chief Specialist, Investment Analysis Division, Investment Department, Ministry of Finance (NFP);

Ms. Aušra Baliukonienė, Director, Investment Expenditure Declaration Department, Ministry of Finance (CA /IrA);

Mr. Rolandas Pauža, Head, Internal Audit Division, Ministry of Finance (AA);

Mr. Artūras Žarnovskis, Head, Lithuanian and International Programmes Department, Central Project Management Agency (PO with delegated functions of NFP);

Mr. Aras Petrevičius, Advisor, State Labour Inspectorate;

Ms. Daiva Arelytė, Deputy Director of Decommissioning Department (for projects) of Ignalina Nuclear Power Plant.

**Norway**

Ms. Pia Gjesme Holm, Deputy Director General, Ministry of Foreign Affairs, Norway;

Mr. Tønnes Svanes, Senior Advisor, Ministry of Foreign Affairs, Norway;

Ms. Inga Rudzinskaite, EEA/Norway Grants Political Advisor, Royal Norwegian Embassy, Vilnius;

Mr. Bjørn Erik Brustad, Chargé d’Affaires, Royal Norwegian Embassy, Vilnius.

**Iceland**

Ms. Sigrún Bessadóttir, Senior Advisor and Consular Affairs Officer, Icelandic Embassy in Helsinki;

Mr. Auðunn Atlason, Incoming Ambassador, Icelandic Ministry of Foreign Affairs, Iceland.

**FMO**

Mr. Tom Tjomsland, Head, Compliance and Administration Department, FMO;

Ms. Jana Trošt, Senior Country Officer for Lithuania, FMO;

Mr. Viktor Stefansson, Trainee, Country and Bilateral Cooperation Department, FMO.