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grants



MINISTRY OF
DEVELOPMENT FUNDS
AND REGIONAL POLICY

Strategic Report for Republic of Poland EEA and Norwegian Financial Mechanisms 2014-2021

Warsaw, 1 April 2020

Abbreviations glossary

AA - Audit Authority
ABW - Internal Security Agency
ACP – Association of Polish Cities, Poland
AIBA - National Agency of International Education Affairs, Lichtenstein
CA – Certifying Authority
ACN - Arts Council Norway
ACF – Active Citizens Fund
CN – Concept Note
COPE - European Projects Implementation Centre, Poland
CZSW - Central Board of the Prison Service, Poland
BFIA – Bilateral Fund Implementation Agreement
DA - Norwegian Courts Administration
DPP – Donor Programme Partner
DSB - Norwegian Directorate for Civil Protection
EEA FM – European Economy Area Financial Mechanism
FFI - Norwegian Defence Research Establishment
FMC – Financial Mechanism Committee
FMO – Financial Mechanism Office
FRSE - Foundation for the Development of the Education System, Poland
HDIR - Norwegian Directorate of Health
IA - Irregularities Authority
IFR – Interim Financial Report
IN - Innovation Norway
IPO – International Partner Organisation
JCBF – Joint Committee for Bilateral Funds
JD - Norwegian Ministry of Justice and Public Security
KDI - Directorate of Norwegian Correctional Service
KRS - National Council of the Judiciary of Poland
KS - Norwegian Association of Local and Regional Authorities
LGU – Local Government Unit
MCS – Management and Control System
MFiPR – Ministry of Development Funds and Regional Policy, Poland
MKiDN – Ministry of Culture and National Heritage, Poland
MoU – Memorandum of Understanding
MS – Ministry of Justice, Poland
MSWiA – Ministry of Interior and Administration, Poland
MZ – Ministry of Health, Poland
NCBiR – National Centre for Research and Development, Poland
NCN – National Science Centre, Poland
NEA – Norwegian Environment Agency
NVE – Norwegian Water Resources and Energy Directorate
OS - National Energy Authority of Iceland
NFM – Norwegian Financial Mechanism
NFOS – National Fund for Environmental Protection and Water Management, Poland
NFP – National Focal Point in Poland
NMFA – Norwegian Ministry of Foreign Affairs
NO Emb – Embassy of Kingdom of Norway in Poland
OECD – Organisation for Economic Cooperation and Development
PA – Programme Agreement
PARP – Polish Agency for Enterprise Development
PIA - Programme Implementation Agreement
PDP – predefined project
PO – Programme Operator
RA - Norwegian Directorate for Cultural Heritage
RANNIS - Icelandic Centre for Research
RCN - Research Council of Norway
SIU - Norwegian Centre for International Cooperation in Education

1. Executive summary

This Strategic Report is to inform you about the recent developments as regards EEA and Norway grants in Poland, activities already undertaken and these still ahead of us, challenges and issues that we have to address.

With the *Environment, Energy and Climate Programme Agreement* signed on 7th February 2020, we have now **8 Polish programmes at the stage of implementation**.

Nine out of 16 predefined projects have already been appraised positively and notification of such appraisal has been submitted to the FMO.

End of March in Poland there are 27 launched open calls (4 concluded, 8 in assessment, 15 currently open), 18 still to be announced. They were preceded by huge number of information and matchmaking measures (eg. conferences/seminars/study visits/travel grants). In the 13 closed open calls (concluded and at assessment phase) 827 applications were received. Hitherto experience proves high demand for the Grants exceeding several times available allocation. The assessment workload on one hand and strict time frames on the other foreshow serious challenges to be faced by all stakeholders. Basing on the experience, we can assume the project contracting (including the assessment) takes at least one year from that time.

The **tight schedule of the EEA and Norway Grants programmes implementation**, and one must highlight difficult case of investment projects, is the main risk factor.

Additionally, in the beginning of 2020 WHO announced the **pandemic of COVID -19**, having a growing impact on the global economy and social networks.

The NFP activities in 2020 shall be focused on Mid Term Review of the Grants. MoU reserve of € 21 157 000 (and additional funds from Justice programme, if approved) allocation proposal shall be submitted to the Donors by the end of 2020, either in the form of a new programme or as an addition to already implemented programme or programmes. Secondly, as the effects if the coronavirus outbreak are definitely considerable to public health and economy, the mitigating measures in the Grants implementation system should be identified and implemented.

Total expenditures in this financing period amounted to over **EUR 8 million**¹ (PLN Mln 35) and increased comparing to the previous year (PLN Mln 12). Growth of expenditures resulted from higher number of activities that might have been undertaken after programmes' approval.

2. Political, economic and social context

2019 was the year of double elections, hence an important time for the political situation in Poland. On May 26, 2019 the elections to the European Parliament were held. Polish voters elected 52 MEPs.² The country's ruling party, the right-wing Law and Justice (PiS) received 45.38% of the votes, whereas the Coalition of the opposition parties – Civic Platform (PO), Polish People's Party (PSL), Democratic Left Alliance (SLD), .Modern party and the Greens - came in second with the result 38.47%. Third party that managed to win seats in the European Parliament was a new formed, left-wing Spring with 6,06% of votes. As a result, 26 MEP seats were taken by PiS, joining the European Conservatives and Reformists

¹ The amount includes expenditures certified in IFRs in September 2019 and amounts reported in IFRs foreseen to be submitted till 15 March 2020 which are in the process of verification.

² Compared to 51 in the 2014 election. The 52nd MEP, the Law and Justice candidate, took up his mandate after the UK left the European Union in February 2020.

Group. The opposition joined the Group of the European People's Party (17 MEP from the Coalition) and the Group of the Progressive Alliance of Socialists and Democrats in the European Parliament (5 MEP from the Coalition and 3 MEP from the Spring party).

On October 13, 2019 Poles voted in the parliamentary elections. The turnout (61.74%) was the highest since the first free elections after the fall of communism in 1989. In total 460 members of the Sejm and 100 senators of the Senate were elected. The outcome for the ruling Law and Justice (PiS) was 43,59% for the Sejm and 44,56% for the Senat, whereas the opposition Civic Coalition (Civic Platform, .Modern, iPL and the Greens) received 27,40% and 35,66% votes respectively. Among the parties that entered the Parliament there were also the Polish People's Party (PSL) allied with Kukiz'15, the Democratic Left Alliance (Razem, SLD and Spring) and the Confederation. The latter is a radical far-right coalition established in 2018 with parties KORWiN, the National Movement and other parties. It did not win any seats at the EU election in 2019. As a result of the elections, the ruling Law and Justice (PiS) retained its majority in the Sejm but lost its majority in the Senate to the opposition.

2019 saw the continuation of the current policy of the ruling party. Throughout 2019 the Polish government of the right-wing coalition of Law and Justice, United Poland and the Agreement has been headed by Mateusz Morawiecki. As a result of the changes in the government that followed the elections, on November 15, 2019 the Ministry of Investment and Economic Development, performing the role of the National Focal Point of the EEA and Norway Grants in Poland, was replaced by a new Ministry of Development Funds and Regional Policy, headed by Małgorzata Jarosińska-Jedynak. Furthermore, the Ministry of Climate was created by transforming the Ministry of Environment. The Ministry of Climate took over the tasks of the Programme Operator of the Environment, Energy and Climate Change Programme.

Polish foreign policy goals indicated in the current "Polish Foreign Policy Strategy 2017-2021" focus on three interlinked priorities: firstly security, understood as developing Poland's own defence capabilities, strengthening Poland's position in NATO and the EU and pursuing an active regional policy; secondly international endeavours to promote economic growth and social development; thirdly - shaping a positive image of Poland and bolstering its credibility in Europe and globally. The goals formulated in this way seem to be largely consistent with the general objective of the EEA and Norway Grants of reducing economic and social disparities in Europe, as well as the objectives set for the particular programmes.

2020 may bring about further challenges, but also opportunities for Poland. The presidential elections scheduled for May 10, 2020 may have significant consequences for the Polish political scene. The situation with the elections needs to be constantly monitored due to coronavirus pandemic. New challenges for the EU as a whole and for Poland as its member state should also be expected in the context of Brexit.

Going into the economic and social context, it should be reminded that the overall objectives of the EEA and Norway Grants are to contribute to the reduction of economic and social disparities in the EEA (objective – cohesion) and to strengthen bilateral relations between the Donor States and the Beneficiary States.

The process of monitoring the cohesion objective progress uses macroeconomic and social indicators illustrating, among others, economic growth, unemployment, poverty and income inequalities. The purpose of annual reports is to present the progress made in these fields and the attempt to determine the impact of the above-mentioned grants on its achievement.

While analysing cohesion indicators, attention should be given to a few aspects, e.g. substantial differentiation of the initial situation which for the purposes of monitoring was established for 2005.

The gap which existed between particular states at that time had a significant impact on the pace of convergence that should be the fundamental measure of achievements. The second important factor affecting the convergence level in the period of 2009-2017 was the global economic crisis which particularly severely influenced economies of some EU member states.

The developments of selected indicators monitoring the progress made in Poland in comparison to other beneficiary states as well as donor states in the period of 2009-2018 are presented below. 2008 is treated as the base year for the analysed 2009-2014 period of implementation of the discussed funds. The source data for analysis of monitoring indicators is the EUROSTAT data base.

Human Development Index (HDI), being a synthetic measure, describes the changes in social and economic development of individual countries and evaluates the countries on three planes: long and healthy life, knowledge and prosperous life standard. Since 2010, the following indicators have been used for measurement purposes: life expectancy, average number of years of education received by inhabitants aged 25 and older, expected number of years of education for children beginning the education process and national income per capita in USD calculated according to purchasing power parity of a given currency.

Table 1. Human Development Index (HDI)

	2005	2009	2013	2014	2015	2016	2017	2018	Change of the index in years 2009-2018
Bulgaria	0.75	0.77	0.78	0.78	0.79	0.81	0.81	0.81	0.04
Croatia	0.78	0.80	0.81	0.82	0.83	0.83	0.83	0.84	0.04
Cyprus	0.83	0.85	0.85	0.85	0.86	0.87	0.87	0.87	0.02
Czech Republic	0.84	0.85	0.86	0.87	0.88	0.89	0.89	0.89	0.04
Estonia	0.82	0.84	0.84	0.86	0.87	0.87	0.87	0.88	0.04
Greece	0.85	0.86	0.85	0.87	0.87	0.87	0.87	0.87	0.01
Hungary	0.81	0.82	0.82	0.83	0.84	0.84	0.84	0.84	0.02
Latvia	0.79	0.82	0.81	0.82	0.83	0.85	0.85	0.85	0.03
Lithuania	0.81	0.83	0.83	0.84	0.85	0.86	0.86	0.87	0.04
Malta	0.80	0.83	0.83	0.84	0.86	0.88	0.88	0.88	0.05
Poland	0.80	0.82	0.83	0.84	0.86	0.87	0.87	0.87	0.05
Portugal	0.79	0.81	0.82	0.83	0.84	0.85	0.85	0.85	0.04
Romania	0.75	0.80	0.78	0.79	0.80	0.81	0.81	0.82	0.02
Slovakia	0.80	0.82	0.83	0.84	0.85	0.86	0.86	0.86	0.04
Slovenia	0.85	0.88	0.87	0.88	0.89	0.90	0.90	0.90	0.02
Norway	0.93	0.94	0.95	0.95	0.95	0.95	0.95	0.95	0.01
Island	0.89	0.89	0.92	0.93	0.93	0.93	0.94	0.94	0.05
Liechtenstein	0.89	0.90	0.91	0.91	0.91	0.92	0.92	0.92	0.02

Source: UNDP

It should be noted that both the difference between the indicators for individual countries and the gap between Poland and Norway decreased. Norway, as a leader of the world ranking, may be treated as a reference point (*benchmark*) for evaluations of progress in implementation of sustainable development strategies. Therefore, the fundamental objective of cohesion policy which is contributing to the reduction of economic and social disparities within the European Economic Area is being implemented.

Another important indicator of economic cohesion is GDP per capita in relation to the EU average, including differences in purchasing power parity. In the group of the analysed countries, significant

differences are visible. In 2009 the lowest economic development indicator – about 4 times lower than in the case of Norway – was recorded by Bulgaria (43% of the EU average) and Romania (51% of the EU average). In 2017 these differences substantially decreased – indicators for Bulgaria (51%) and Romania (65%) were about 3 times lower than for Norway (151%). However, they are still very high.

Table 2. GDP per capita (in PPS) in relation to the EU average (%).

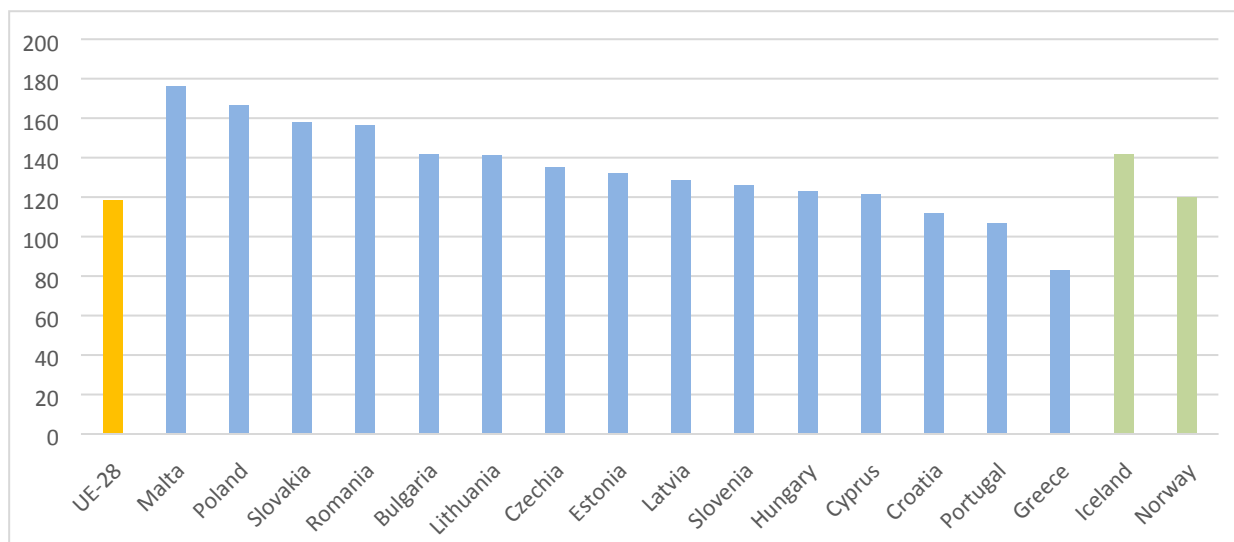
	2005	2009	2013	2014	2015	2016	2017	2018	Change in the years 2009-2018 [p.p.]
Bulgaria	37	43	45	47	47	48	50	51	8
Croatia	55	62	60	59	59	60	61	63	1
Cyprus	101	105	84	81	82	84	85	89	-16
Czech Republic	79	85	84	86	87	87	88	91	6
Estonia	60	63	75	77	76	77	79	82	19
Greece	93	94	72	71	70	68	68	68	-26
Hungary	62	64	67	68	68	67	68	71	7
Latvia	50	52	62	63	64	65	67	69	17
Lithuania	53	56	73	75	75	76	79	80	24
Malta	81	81	85	88	93	94	95	98	17
Poland	50	59	67	67	68	68	70	70	11
Portugal	82	82	76	77	77	78	77	77	-5
Romania	35	51	54	55	56	58	62	65	14
Slovakia	60	71	76	77	77	77	77	73	2
Slovenia	87	85	82	82	82	82	84	87	2
Norway	173	172	184	176	160	148	149	151	-21
Island	135	130	121	122	126	130	131	130	0
Liechtenstein	n.d.	n.d.	n.d.	n.d.	n.d.	n.d.	n.d.	n.d.	n.d.

Source: Eurostat

In the period from 2009, Poland – next to Lithuania, Estonia and Latvia – belongs to the group of countries which made significant progress in economic convergence. In relation to the EU average, southern countries affected by economic recession as a result of the crisis (Greece, Cyprus, Portugal) and the most developed countries (including Norway), lost due to the lower pace of growth in comparison to the so called catching-up countries.

Cohesion in the economic sphere is conditioned mostly by the pace of economic growth. The figure below presents higher pace of GDP growth (cumulated, 2018 in comparison to 2005) in the majority of beneficiary states than in the case of Norway. It must be emphasized that the difference in terms of economic development between the group of beneficiary states and donor states significantly decreased.

Figure. The change in GDP in the analysed group of countries in 2018 in relation to 2005 (%)



Source: Eurostat

Differences between the countries are also visible in the change of situation on the labour market. In comparison to 2009, i.e. the pre-crisis situation, in 2018 vast majority of countries from the researched group recorded a significant increase in unemployment rate, provided that in Greece and Cyprus it was more than double. Poland – which in 2005 was the country with the highest rate of unemployment in the researched group of countries, recorded the greatest improvement of this indicator in relation to the period before the economic downturn. Furthermore, the gap between the level of the unemployment rate in Poland and Norway significantly decreased and in 2018 the rate reached the same value in both countries.

Table 3. Unemployment rate in total (BAEL, %)

	2005	2009	2013	2014	2015	2016	2017	2018	change in 2009-2018 [p.p.]
EU-28	9.0	9.0	10.9	10.2	9.4	8.6	7.6	6.8	-2.2
Bulgaria	10.1	6.8	13.0	11.4	9.2	7.6	6.2	5.2	-1.6
Croatia	13.0	9.3	17.4	17.2	16.1	13.4	11.0	8.4	-0.9
Cyprus	5.3	5.4	15.9	16.1	15.0	13.0	11.1	8.4	3.0
Czech Republic	7.9	6.7	7.0	6.1	5.1	4.0	2.9	2.2	-4.5
Estonia	8.0	13.5	8.6	7.4	6.2	6.8	5.8	5.4	-8.1
Greece	10.0	9.6	27.5	26.5	24.9	23.6	21.5	19.3	9.7
Hungary	7.2	10.0	10.2	7.7	6.8	5.1	4.2	3.7	-6.3
Latvia	10.0	17.5	11.9	10.8	9.9	9.6	8.7	7.4	-10.1
Lithuania	8.3	13.8	11.8	10.7	9.1	7.9	7.1	6.2	-7.6
Malta	6.9	6.9	6.1	5.7	5.4	4.7	4.0	3.7	-3.2
Poland	17.9	8.1	10.3	9.0	7.5	6.2	4.9	3.9	-4.2

Portugal	8.8	10.7	16.4	14.1	12.6	11.2	9.0	7.0	-3.7
Romania	7.1	6.5	7.1	6.8	6.8	5.9	4.9	4.2	-2.3
Slovakia	16.4	12.1	14.2	13.2	11.5	9.7	8.1	6.5	-5.6
Slovenia	6.5	5.9	10.1	9.7	9.0	8.0	6.6	5.1	0.8
Norway	2.6	7.2	5.4	5.0	4.0	3.0	2.8	2.7	-4.5
Island	4.5	3.3	3.5	3.5	4.4	4.7	4.2	3.9	-0.6
Liechtenstein	n.d.	n.d.	n.d.	n.d.	n.d.	n.d.	n.d.	n.d.	n.d.

Source: Eurostat

When analysing the risk of poverty and social exclusion, substantial diversification of individual countries in this regard as well as divergent course of processes taking place in 2009-2018 must be indicated. In some countries, situation in this regard was deteriorating, e.g. in Greece. In this respect, Poland stands out positively, recording the noticeable – similarly as in Hungary, Romania and Latvia - improvement by over 8 p.p. (from the level of nearly 28% in 2009 to less than 19% in 2018). Thereby, Poland shifted from the group of countries with the highest risk of poverty and exclusion to the group countries with the indicator below the EU average.

Table 4. The proportion of the population at risk of poverty and social exclusion (%)

	2005	2009	2013	2014	2015	2016	2017	2018	change in 2009-2018 [p.p.]
EU-28	25.8	23.3	24.6	24.4	23.8	23.5	22.4	21.9	-1.4
Bulgaria	n.d.	46.2	48.0	40.1	41.3	40.4	38.9	32.8	-13.4
Croatia	n.d.	n.d.	29.9	29.3	29.1	27.9	26.4	24.8	x
Cyprus	25.3	23.5	27.8	27.4	28.9	27.7	25.2	23.8	0.3
Czech Republic	19.6	14.0	14.6	14.8	14.0	13.3	12.2	12.2	-1.8
Estonia	25.9	23.4	23.5	26.0	24.2	24.4	23.4	24.4	1.0
Greece	29.4	27.6	35.7	36.0	35.7	35.6	34.8	31.8	4.2
Hungary	32.1	29.6	34.8	31.8	28.2	26.3	25.6	19.6	-10.0
Latvia	46.3	37.9	35.1	32.7	30.9	28.5	28.2	28.4	-9.5
Lithuania	41.0	29.6	30.8	27.3	29.3	30.1	29.6	28.3	-1.3
Malta	20.5	20.3	24.0	23.8	22.4	20.1	19.2	19.0	-1.3
Poland	45.3	27.8	25.8	24.7	23.4	21.9	19.5	18.9	-8.9
Portugal	26.1	24.9	27.5	27.5	26.6	25.1	23.3	21.6	-3.3
Romania	n.d.	43.0	41.9	40.3	37.4	38.8	35.7	32.5	-10.5
Slovakia	32.0	19.6	19.8	18.4	18.4	18.1	16.3	16.3	-3.3
Slovenia	18.5	17.1	20.4	20.4	19.2	18.4	17.1	16.2	-0.9
Norway	13.3	11.6	13	11.2	12.5	12.2	n.d.	n.d.	x
Island	16.2	15.2	14.1	13.5	15.0	15.3	16.0	16.2	1.0
Liechtenstein	n.d.	n.d.	n.d.	n.d.	n.d.	n.d.	n.d.	n.d.	n.d.

Source: Eurostat

Income inequalities in the researched group of countries measured by Gini coefficient in 2017 ranged from nearly 20 in the case of Slovakia and Slovenia to nearly 40 for Bulgaria. In the period of 2009-2018, these inequalities increased in many countries (e.g. in Hungary, Bulgaria and Lithuania). In nine countries from the analysed group - including Poland - income inequalities in 2018 were lower than in 2009. Gini coefficient for Poland decreased from the level of 31.4 in 2008 to 27.8 in 2018. Thus, the scale of improvement of the inequality issue was, in the case of Poland, almost the highest in the analysed group of countries. Currently, its level is below the EU average.

Tab.5. Gini coefficient (%)

	2005	2009	2013	2014	2015	2016	2017	2018	change in 2009-2018
EU-28	n.d.	n.d.	30.5	31.0	31.0	30.8	30.7	30.9	x
Bulgaria	n.d.	33.4	35.4	35.4	37.0	37.7	40.2	39.6	6.2
Croatia	n.d.	n.d.	30.9	30.2	30.4	29.8	29.9	29.7	x
Cyprus	28.7	29.5	32.4	34.8	33.6	32.1	30.8	29.1	-0.4
Czech Republic	26.0	25.1	24.6	25.1	25.0	25.1	24.5	24.0	-1.1
Estonia	34.1	31.4	32.9	35.6	34.8	32.7	31.6	30.6	-0.8
Greece	33.2	33.1	34.4	34.5	34.2	34.3	33.4	32.3	-0.8
Hungary	27.6	24.7	28.3	28.6	28.2	28.2	28.1	28.7	4.0
Latvia	36.2	37.5	35.2	35.5	35.4	34.5	34.5	35.6	-1.9
Lithuania	36.3	35.9	34.6	35.0	37.9	37.0	37.6	36.9	1.0
Malta	27.0	27.4	27.9	27.7	28.1	28.5	28.3	28.7	-1.3
Poland	35.6	31.4	30.7	30.8	30.6	29.8	29.2	27.8	-3.6
Portugal	38.1	35.4	34.2	34.5	34.0	33.9	33.5	32.1	-3.3
Romania	n.d.	34.5	34.6	35.0	37.4	34.7	33.1	35.1	0.6
Slovakia	26.2	24.8	24.2	26.1	23.7	24.3	23.2	20.9	-3.9
Slovenia	23.8	22.7	24.4	25.0	24.5	24.4	23.7	23.4	0.7
Norway	25.1	29.6	24.0	22.7	24.7	24.1	n.d.	n.d.	x
Island	28.2	24.1	22.7	23.5	23.9	25.0	26.1	24.8	0.7
Liechtenstein	n.d.	n.d.	n.d.	n.d.	n.d.	n.d.	n.d.	n.d.	n.d.

Source: Eurostat

The results of analysis of the selected monitoring indicators indicate the progress in the group of 15 beneficiary states of the EEA and Norway Grants in the scope of reducing economic and social disparities within the European Economic Area in the period of 2009-2018. In this regard Poland belongs to the leaders.

In the beginning of 2020 WHO announced the pandemic of COVID -19, which definitely has an influence on the global economy and social networks. At this stage it is difficult to measure the negative effects of the situation. Nevertheless mitigation measures are being analysed and changes within EEA and Norway Grants framework are inevitable.

The first actions connected with the pandemic was postponing the deadlines in the open calls to give potential applicants the chance to submit their applications on time. Another issue was connected with the eligibility of expenses due to coronavirus – the flexibility in the certification of expenses that were already paid and couldn't be avoided. The issue of further simplifications and mitigation measures are now being analysed.

3. Effects of the Grants

Since EEA and Norway Grants in Poland are at the early stage of implementation (commenced actually in April 2019 with the PA for Education, 7 additional PAs signed throughout 2019 and a PA for Environment signed in February 2020) no results are to be reported yet. Bilateral initiatives under JCBF launched in 2019 are elaborated on in the Status of bilateral funds section.

The Social Dialogue – Decent Work programme and Civil Society programme, included in the allocation to Poland, are managed by FMO in accordance with Article 6.13 of the Regulation. The status is presented below, in point 4.1 of the Report. The general information on the Fund for Regional Cooperation is also included.

4. Status of programmes

4.1 Overview

Poland is to receive € 809.3 million of a total contribution of € 2.8 billion that has been agreed for the period 2014-2021. It makes Poland the biggest beneficiary country consuming ca. 30% of the funds available.

Programmes in each priority area shall be implemented by Polish public entities (Programme Operators), with an exception of *Civil society* and *Social Dialogue - Decent Work* priority areas, managed by FMO in Brussels and Innovation Norway accordingly.

Table 1. EEA and Norway grants 2014-2021 programmes in Poland (MoU)

FM	PA	programme	grant €	national contribution €	bilateral ambitions €	PO	DPP	IPO
NFM	Business Development, Innovation and SMEs	Business Development and Innovation	85,000,000	15,000,000	600,000	Polish Agency for Enterprise Development (PARP)	Innovation Norway	N/A
NFM /EEA FM	Research	Research	110,000,000	19,411,765	650,000	National Science Centre (NCN) with support from the National Centre for Research and Development	Research Council of Norway (RCN)	N/A
NFM	European Public Health Challenges	Health	20,000,000	3,529,412	300,000	Ministry of Health	Norwegian Directorate of Health (HDIR)	N/A
NMF /EEA FM	Local Development and Poverty Reduction, Good Governance, Accountable Institutions, Transparency	Local Development	100,000,000	17,647,058	400,000	Ministry of Economic Development	Norwegian Association of Local and Regional Authorities (KS)	Organisation for Economic Cooperation and Development (OECD)
NMF	Correctional Services and Pre-trial Detention; Effectiveness and Efficiency of the Judicial System, Strengthening Rule of Law; Domestic and Gender-based Violence	Justice	70,000,000	12,352,941	400,000	Ministry of Justice	Norwegian Ministry of Justice and Public Security, Norwegian Courts Administration (DA), Directorate of Norwegian Correctional Service (KDI)	N/A
NMF	Strengthened rule of law	Home Affairs	20,000,000	3,529,412	250,000	Ministry of Interior and Administration with support from the European Projects Implementation Centre	Norwegian Ministry of Justice and Public Security, Norwegian Directorate for Civil Protection (DSB)	N/A

EEA FM	Education, Scholarships, Apprenticeships and Youth Entrepreneurship	Education	20,000,000	3,529,412	250,000	Foundation for the Development of the Education System	Norwegian Centre for International Cooperation in Education (SIU), National Agency of International Education Affairs (AIBA), Icelandic Centre for Research (RANNIS)	N/A
EEA FM	Renewable Energy, Energy Efficiency, Energy Security; Climate Change Mitigation and Adaptation; Environment and Ecosystems	Environment, Energy and Climate Change	140,000,000	24,705,882	900,000	Ministry of Climate with support from the National Fund for Environmental Protection and Water Management	Norwegian Environment Agency (NEA), Norwegian Water Resources and Energy Directorate (NVE), National Energy Authority of Iceland (OS)	N/A
EEA FM	Cultural Entrepreneurship, Cultural Heritage and Cultural Cooperation	Culture	75,000,000	13,235,294	600,000	Ministry of Culture and National Heritage	Arts Council Norway (ACN), Norwegian Directorate for Cultural Heritage (RA)	N/A
EEA FM	Civil Society	Civil Society	53,000,000	N/A	N/A	FMO in accordance with Article 6.13 of the Regulation	N/A	N/A
NMF	Social Dialogue – Decent Work	Social Dialogue - Decent Work	6,120,000	N/A	N/A	FMO in accordance with Article 6.13 of the Regulation. Innovation Norway is appointed Fund Operator in accordance with paragraph 4 of Article 6.13 of the Regulation	N/A	N/A

Programming has been completed successfully in case of 9 out of 10 Programme Operators. With the *Environment, Energy and Climate* Programme Agreement signed recently on 7th February 2020, there is now 9 Polish Programmes in the stage of implementation³. It means that since recent *Strategic Report* we managed to conclude Programme Agreements for 7 programmes. However, to achieve all ambitious results foreseen through Grants in Poland, it is crucial for *Justice* programme to conclude all the decisions, to sign PA and finally to come into the implementation phase with no further delays.

Table 2. Agreements' status

³ *Research* programme is divided into *Basic Research* managed by National Science Centre and *Applied Research* managed by National Centre for Research and Development. There are separate PAs, PIAs and BFIs and two reporting paths in GrACE.

	Programme Agreement	Programme Implementation Agreement	Bilateral Fund Implementation Agreement
EDUCATION	8 March 2019	2 April 2019	
LOCAL DEVELOPMENT	25 March 2019	29 April 2019	
BASIC RESEARCH	7 June 2019	17 June 2019	
APPLIED RESEARCH	7 June 2019	19 August 2019	
CULTURE	12 September 2019	18 October 2019	12 November 2019
BD & INNOVATION	12 September 2019	11 December 2019	
HEALTH	12 September 2019	18 November 2019	3 December 2019
HOME AFFAIRS	12 September 2019	24 October 2019	29 October 2019
ENVIRONMENT	7 February 2020	7 February 2020	7 February 2020
JUSTICE	in preparation		

2019 was a year of concluding the programming period and starting the actual implementation for most of the programmes in Poland. A lot of preparatory activities have been done by all of the institutions engaged in EEA and Norway Grants to go for the implementation smoothly and not to lose time. The Programme Implementation Agreements and Bilateral Fund Implementation Agreements have been signed soon after PAs, the call documentations have been consulted in the framework of CC meetings early enough to launch the calls as soon as possible, the predefined projects assessment notifications were submitted on a regular basis.

All the institutions are devoted to their tasks and many processes are performed in parallel.

NFP cooperates closely with the FMO to facilitate both - programming and implementation. The cooperation on a daily basis is extremely important when it comes to the coordination of all the tasks. Taking into consideration that there are working groups of experts for each individual programme at the FMO side, the role of a task manager is crucial. He is responsible for both - the internal coordination and sharing the information with all the stakeholders. The good practise here is to keep everybody in a loop of the process and to indicate the deadlines for particular tasks or milestones.

At the horizontal level, the organised forum of information and experience sharing is much welcomed. It was already indicated by NFPs during the workshops that it would be very helpful to build a platform to exchange opinions, views, identified solutions. FMO could coordinate the platform and make it easily accessible for all NFPs. Simple Q&A instrument would be the simplest one to use.

In May 2019, a two-day training was dedicated to PA preparation, PA conditions, calls for proposals requirements, FMO/NFP roles in the process, programme modification, Bilateral Funds, GrACE, financial procedures and documents. In the beginning of October FMO team provided Polish POs and NFP with a training on result-based monitoring and reporting. On 22nd January at the NFP premises FMO team took opportunity to review each programme development and address issues that may hamper the programmes implementation. NFP and FMO covered also horizontal issues, including current financial status of Grants, GrACE (update on the functionalities), FMO evaluations, assessments – plans for 2020 and initial arrangements for Annual Meeting 2020.

This kind of interaction is beneficial for both sides. Polish entities may better understand the requirements and get clarifications in case of any doubts. FMO receives valuable feedback from the system users, like in case of GrACE modalities.

Moreover, Poland hosted all beneficiary countries POs for the annual FMO communication workshop on October the 22-23 (more information in the *Communication* part).

NFP representatives took part in the FMO two NFP workshops: in January (risk analysis and result-based management) and October 2019 (good governance).

In 2019 NFP organized two Joint Committee for Bilateral Fund meetings: on 26th of March and 2nd of December.

Considerable milestones in the bilateral relations building were high-level meetings, including this of Minister Jacek Czaputowicz with Minister Ine Marie Eriksen Sørensen in Oslo on 8-9 May, referring also to the 100. anniversary of Polish-Norwegian diplomatic relations.

Polish Focal Point participated also in the conference organised by the Norwegian Embassy in Warsaw on the celebration of the Polish - Norwegian relations in November 2019. It was a platform to share the experience and talk about plans.

100th anniversary of Polish – Norwegian diplomatic relations was also a subject of many events organised in Poland. For instance, the President of Cracow and Ambassador of Norway Olav Myklebust planted in October 2019 a linden tree in the Congress Centre ICE, near the sculpture “Pyramid” by Maurice Gomulicki, which was created as part of the "*Multiculturalism does not work. Artists against violence*" co-financed by Norwegian funds under the first open call for the culture diversity cooperation projects 2009 - 2014. Linden tree has a symbolic character – it is a long-living tree, that reaches up to 30 meters in height and is one of the most beautiful in Poland.

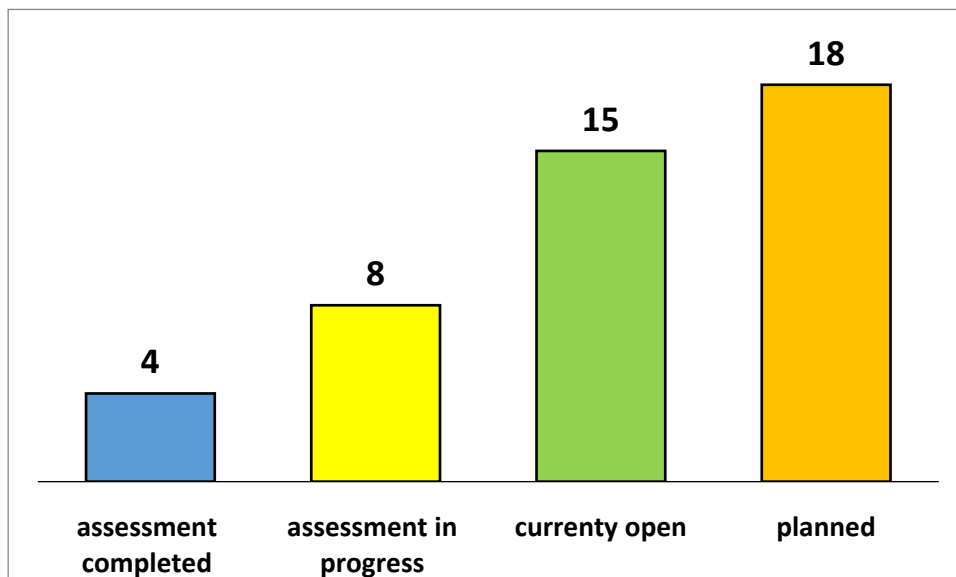
4.2 Calls for proposals

NFP assists POs in drafting the calls for proposals documentation, verifies it and once it fulfils the requirements set out in article 7.3.2 and all other obligations foreseen in the Legal Framework that might be relevant, submits the call text to the FMO pursuant to article 7.3.5. It was a standard for POs to share calls for proposals documentation drafts both with DPPs and FMO, discussing it on CC and ad-hoc appointments.

NFP followed the Regulations (Art 7.3.4 and 5) and submitted relevant call documentation to the FMO at least two weeks in advance of their announcement. Each call for proposals was/is published on the PO's in Polish and English. NFP's website also informs the audience of the calls and refers to the call announcements.

Considering the wide scope of the open calls, their number and overlapping, last year was a time of intensive teamwork, numerous meetings, video- and teleconferences, engrossing discussions on the call provisions. The efforts resulted in **27 launched calls** (including 2 Small Grant Schemes dedicated to female researchers and entrepreneurs – in *Basic Research* and *Business Development and Innovation* respectively), that allowed for significant Grants acceleration. Some of them are still ongoing, some already completed with first projects selected. Due to the COVID-19 related obstacles in successful applications concluding, open calls that were expected to be closed in March were extended – in case of Culture till 30th March and Business Development and Innovation – till 14th May 2020 and Local Development till 30th of October 2020. PO for Home Affairs took a decision to postpone announcement of the open call for asylum and migration.

Table 3. Calls for proposals status



Full overview of the calls for proposals in all programmes implemented or foreseen (*Justice*) in Poland is presented in the table below. Colours refer to the stage of development, as in the graph above.

Table 4. Calls for proposals – overview

	2019			2020				2021			
	II	III	IV	I	II	III	IV	I	II	III	IV
LOCAL DEVELOPMENT	1. stage			2. stage							
EDUCATION	component I										
	component II										
	component III										
	component IV										
					component I						
					component II						
					component III						
					component IV						
BASIC RESEARCH	GRIEG										
	IdeaLAB 1. stage	2. & 3.		SGS (POLS)							
APPLIED RESEARCH	POLNOR										
	POLNOR CCS										
		ILAB 1	2. & 3. stage								
BD & INNOVATION			blue growth								
			welfare technologies								
			green industry innovation								
			SGS								
HOME AFFAIRS		police cooper.					asylum & migr.				
CULTURE		infrastructure									
		cooperation 1.					cooperation 2.				
								cooperation 3.			
ENVIRONMENT				green-blue infr.							
				climate change							
				ecosystem man.							
				invasive alien sp.							
				energy efficiency							
				cogeneration							
				municipal heat.							
			SGS								
								biomass			
									circular		
									geoth.		
									hydro		
HEALTH											
JUSTICE									SGS 1		
									SGS 2		

Most of the calls shall be announced till the end of 2020. Remaining 12 open calls are to be launched in 2021, leaving up to 2,5 years for the projects' implementation.

PO undertook various activities targeted at potential beneficiaries to promote the calls: info days, thematic fairs and conferences, matchmaking event for Polish and Donor states entities (details in part 4.4 and 5. of the Strategic Report).

It needs to be noted, that the interest with EEA and Norway Grants from the potential beneficiaries is huge. The number of submitted applications until end of March 2020 is 827 in total. The table below shows how much (x-fold) the total amount requested (R) exceeds the amount available (A) and what

percentage of the amount available covers the amount requested. Numbers show clearly that demand for the Grants is big and competition strong. On one hand high demand allows to choose the most valuable projects, on the other however many good-quality initiatives are failing and success rate is extremely low.

Table 5. Calls for proposals – demand rates

calls / €	amount available (A)	applications received	amount requested (R)	R/A	%
LOCAL DEVELOPMENT	102 647 058	213	n/a	n/a	n/a
EDUCATION (I-IV)	7 201 257	183	18 704 877	2,60	38%
BASIC RESEARCH: GRIEG	37 340 107	306	340 854 864	9,13	11%
APPLIED RESEARCH: POLNOR	49 745 454	74	96 087 632	1,93	52%
APPLIED RESEARCH: POLNOR CCS	11 764 706	17	35 740 143	3,04	33%
HOME AFFAIRS: asylum & migration	4 701 069	34	23 000 000	4,89	20%
CULTURE: infrastructure	60 170 588				
CULTURE: cooperation 1	3 705 882				
		827			
amount highlighted in yellow is the result of currency exchange calculation from PLN					

In case of *Local Development* call initial project proposals were not yet calculated, but considering that budget available allows to finance probably at most 15 projects, it makes success rate at the level of only 7 %. In case of Basic Research IdeaLab 4 full project proposals amounted to € Mln 4,8.

Enormous number of applications will have an influence on the schedule of the assessment process, as the larger number of applications means more time needed for formal and content related evaluation . POs have already taken this risk into consideration in their programmes risk assessment (in the annexes to SR).

As the open calls have been in the process, in most cases the assessment phase of the applications received is ongoing. At this stage, very few granting decisions have been made. They will be reported on in the next strategic report.

In case of the *Justice Programme*, where no PA has been signed, the issue of calls is still open and will be discussed at the later stage.

4.3 Predefined projects (PDPs)

According to the PAs and *Justice PA* draft, there are 16 predefined projects envisaged in 6 programmes. Nine of them are already positively appraised, verified and notified to the Donors, which marks the expenditures eligibility and allows for their implementation. Notified PDP budget makes 38% of the PDP allocation foreseen in Poland.

Justice PDPs make significant (53%) share of the PDP allocation. Considering the amount (€ Mln 60) and infrastructure character of one of them , risk of not implementing them shall affect the Grants considerably.

As the PDPs were notified in general at the beginning of 2020, it is too early to report on the general results. Most of the PDPs are complex initiatives, planned to be implemented till 2023 or 2024. They all envisage execution of activities in partnership, most with institutions from Donor States or with

international organizations. The individual milestones for some of the PDPs (like in *Local Development*) are presented in the part of the programmes description.

Due to COVID-19, definitely the schedules of PDPs implementation need a revision. The analyses are now being made by POs, project promoters and their partners and the necessary measures will be taken within the next weeks.

programme		PDP title	maximum eligible costs/grant amount €	notification date
LOCAL DEVELOPMENT	1	Strengthening capacity of medium and small cities in Poland for implementing effective development policies	13 000 000	29.04.2019
ENVIRONMENT	1	Strengthening of atmospheric deposition assessment in Poland based on Norwegian experience	2 000 000	
	2	Services provided by main types of ecosystems in Poland – An Applied Approach	1 752 940	
	3	Capacity Building of Key Stakeholders in the Area of Geothermal Energy	900 000	
CULTURE	1	Jewish Cultural Heritage	10 000 000	02.03.2020
HEALTH	1	Tackling social inequalities in health with the use of e-health and telemedicine solutions	5 800 000	02.02.2020
	2	Healthy lifestyle of children and youth	5 000 000	20.01.2020
HOME AFFAIRS	1	Protect minors, including unaccompanied minor asylum seekers, from abuse	461 000	31.10.2019
	2	Improving the process of gathering, analysis and estimation of evidence in the area of fight against cross-border cybercrime with use of IT labs network of the Polish Police	4 424 625	
	3	Police and non-police international cooperation in the search for the most dangerous criminals in Europe	262 000	31.10.2019
	4	Documents – Safety and Control, including Tactical ID-control	776 629	31.10.2019
	5	Strengthening of the EU borders protection through the development of cynological training activities, infrastructure expansion, redevelopment and upgrading	535 030	31.10.2019
	6	The Process of Coordination and Standardisation in the Field of CBRNE as an Element of Prevention, Preparedness and Response	7 250 000	12.02.2020
JUSTICE	1	The pilot rehabilitation complexes for inmates	56 470 588	
	2	The Integrated System of Domestic Violence Prevention	2 000 000	
	3	Preventing violence against the elderly and people with disabilities	1 500 000	
	16		112 132 812	43 084 659
				38%

4.4 Programmes implementation status

Business Development and Innovation

Programme was launched at the conference on 30th October 2019 and shortly afterwards (on 19th November 2019) PO announced open calls in all the 4 areas envisaged in the PA: Green Industry Innovation, Blue Growth, Welfare Technologies and Small Grant Scheme for female enterprises. Simultaneously, a call for travel grants was open, with aim to help establishing partnerships for the purpose of the main calls. Due to COVID-19 related crisis in networking and cooperation disrupted, PO decided to prolong the calls till 14th May 2020.

Programme was widely promoted during thematic fairs and conferences, matchmaking event for Polish and Norwegian companies as well as info meetings and webinar for entrepreneurs being the target group of the call. There were several b2b events for entrepreneurs co-organised during which participants were informed about the possibilities of establishing partnerships with the Norwegian entities. Huge interest in the calls was reflected in the great number of participants of the informational meetings, numerous phone and e-mail consultations as well as social media statistics.

Having the calls closed in May 2020, PO shall focus on the applications assessment. The Selection Committee meeting is planned for autumn 2020. Signing the projects contracts should be completed in 2020.

In 2020 PO plans several informational meetings in different Polish cities, matchmaking and b2b events targeted at creating project partnerships, e.g. workshop on mentoring and a matchmaking session for applicants of Small Grant Schemes for female entrepreneurs and their potential mentors from Norway and Poland.

Basic Research

Mid 2019 PO launched two calls for proposals: the GRIEG call for Polish-Norwegian research projects covering all areas of basic research including polar research and social sciences and the IdeaLab call for ground-breaking, interdisciplinary research projects targeting challenges facing European societies today and in the future.

There was a great demand for the Grants: within the GRIEG call 306 applications were submitted. It is expected that only about 12% of them shall be awarded with a grant. The results of the GRIEG call will be published in March/April 2020 and the project contracts are going to be signed in the period from March to September 2020.

Within the pilot scheme - IdeaLab call 205 participants' applications were received out of which 34 were selected for participation in the IdeaLab workshop. During the workshop, 25 participants from Poland and 9 participants from Norway developed 8 interdisciplinary project ideas and 4 of those concepts were submitted in the form of full proposals. Programme Committee recommended 3 out of 4 projects submitted, that shall consume almost € Mln 4. The final results shall be announced March/April 2020. Mid March 2020 Small Grant Scheme for incoming mobility of researchers named POLS was launched. This call for proposals was determined by a thorough assessment of its added value and thus postponed by one quarter.

The visibility of the programme was ensured through numerous promotional and informational activities. The activities included the establishment of the programme website, sending the press releases to various professional media, posting on social media, arrangement of informational chats and meetings promoting the program. The similar activities will be continued in 2020 along with the programme conference planned for June 2020.

Applied Research

With beginning of autumn 2019 Programme Operator launched two open calls for bilateral Polish-Norwegian research projects: POLNOR 2019 Call and POLNOR CCS 2019 (Carbon Capture and Storage).

Up to December the 12th, that marked the calls' deadline, PO received 74 applications in the POLNOR call and 17 applications in the POLNOR CCS call. Assessment is pending and should be concluded with a decision till end of June 2020, then followed by project contracts in the 3rd quarter of the year.

On 4th November the invitation for candidates to the IdeaLab workshop 'Cities for the future: services and solutions' was published. 123 potential participants answered the invitation to the IdeaLab workshop, among which 37 was finally selected. Full project proposals are expected till 18th May 2020.

In the 3rd quarter 2020 the PO is planning to launch the last call planned within the programme: a Small Grant Scheme for female researchers in applied technical sciences.

Wide promotion of the calls was channeled through programme website, social media, info-days (2) in Warsaw and Oslo (1) as well as press advertisements.

Health

Although the PA was signed in September 2019, preparation of two pre-defined projects was delayed until the beginning of 2020 due to long-lasting consultations with project partners on the final content of the projects as well as additional pre-eligibility conditions, thus the implementation of the activities was rescheduled from IVQ 2019 to IQ 2020.

PO planned promotional activities such as the launching event in March 2020, but due to COVID-19 related crisis the event shall be postponed. The launch of open call (testing model pilot solutions, conducting prophylactic actions addressed to medical entities, such as supra-regional hospitals and institutes) is planned for 2021, when the first results of pre-defined project no. 1 on e-health will be worked out.

Having received positive opinion in the Cooperation Committee, it is expected that partners of the bilateral initiatives shall formalise initial co-operation and present soon the tentative budget allocated for the mutual activities on the vaccinations and inequalities in health.

Local Development

Since launching the programme in April 2019, PO's and the partners' main activity is a call for proposals addressed to 255 medium-sized towns by means of a two-step procedure announced on 6 May 2019.

213 project outlines were submitted, 212 of which were subject to content-related appraisal. Nearly 30% (54) qualified for the second stage launched on 13 January 2020. Project promoters were initially expected to submit full project proposals until the end of July 2020, but given COVID-19 situation, PO decided to extend the deadline by three months (i.e. until October 30, 2020). This will influence also the timetable of the whole programme, as the finalization of the assessment of the projects is planned now on March 2021 (instead of end 2020) and there is limited time for projects implementation (unless extension will be given). PO facilitates the procedure with numerous events: launching conference, meetings with local government officials in Kraków, Poznań, Gdańsk, Katowice and Warsaw dedicated to mayors/ presidents of eligible towns. Meetings proved popular and reached each potential beneficiary. The result of the II stage of the call for proposal are expected in IVQ of 2020 which will be followed by signing the agreements with the beneficiary cities 2020/2021.

Predefined project is at the implementation phase. Over 50 advisors assigned to work with ca. 50 cities applying for the II stage of call for proposals took part in a 2-day training session per each week in the timespan from June till December 2019. OECD experts' team have participated in 2 missions to Poland: one in September 2019 and the second in October 2019. Both were related to preparatory discussions between OECD team and LGUs, Marshal Offices, Voivodship Offices as well as relevant ministries and sectoral, national agencies on designing the questionnaire to collect information on quality of institutional potential of the Polish Local Government Units. The preparatory works on designing the schedule and detailed agendas of OECD visits to the 10 representative LGUs in order to conduct the in-depth interviews on institutional potential were initiated. OECD shall continue activities related to instructional capacity building and present the report and design the self-assessment tool on quality of the institutional potential of the LGUs in Poland. Some activities need rescheduling due to the pandemic situation.

The Association of Polish Cities (APC), continues providing technical assistance to project teams in cities, but moved fully on-line, building at the same time the capacity of participating cities pursue group on-line work. APC and the Program Operator will start in the first week of April a series of weekly on-line seminars for cities as well as a series of topical webinars on subjects related to Local Development Plans and Institutional Development Plans. OECD work continues but in future months will be more difficult as development and testing of OECD institutional development self-assessment tool (in cooperation with APC) will have to be moved on-line. Under the bilateral funds, the DiverCity event is planned (more info in the Bilateral Fund part of the Report). KS has planned study visits of 54 mayors of Polish cities in Norwegian municipalities to prepare them to future bilateral cooperation. Two out of four study visit groups were completed and two groups postponed till September 2020. Four municipalities from Norway expressed already willingness to enter into project as partners for future grantees of the LD programme. A bilateral cooperation seminar in Oslo scheduled by KS for April 21st was postponed.

The last round of thematic workshops and the final conference of the bilateral project DiverCity 4 was postponed till September 21-22nd.

Justice

The programme is at the stage of PA drafting. The PA draft was prepared in early 2020 in a close cooperation between FMO, PO, NFP and it was a result of a thorough discussions between Polish and Donors side.

Taking into consideration the Donor decision of 27 February 2020 regarding withdrawal of one of the Programme Donor Partners – Norwegian Court Administration – and the necessity to make adjustments in the framework of the programme, the works on PA draft need to be continued. It influences also the allocation for the Justice programme. Both sides- NFP and the Donors are maintaining close contact and the arrangements are ongoing.

At this stage no final decision has been made.

Below table shows the intensive work and efforts, numerous meetings held both on national and bilateral level to conclude PA to Justice. It needs to be outlined that there was number of comments that has been changing from one version of a document to another, which significantly affected the process. It required a lot of internal consultation, particularly with the relevant Project Promoters.

All parties are very much engaged in pushing the programme as time-related risk, especially in case of infrastructure part, is increasing.

Date	
2019-07-09	official letter sent to FMO that the 9th version of CN is considered final by the Polish side
2019-07-22	FMO confirmed that the CN is to be sent to NMFA
2019-09-10	CN appraisal - FMO sends conditions to PA
2019-10-18	SI sent to FMO
2019-11-18	FMO comments to SI
2019-11-28	NFP sends revised version of SI
2019-12-11	FMO invitation to drafting meeting
2019-12-20	NFP sends clarifications and additional information
2019-01-10	FMO sends Ecorys report

2020-01-14	PA sent by FMO in GrACE
2020-01-17	PA drafting in Brussels
2020-01-22	FMO in Warsaw - follow up (Brussels)
2020-01-30	NFP sends revised PA and PDP 1 budget and organigram
2020-01-30	Videoconference with FMO - PA discussion - FMO informs about DPPs comments, which are to be sent after FMO analysed them
2020-01-30	NFP sends back the agreement in GrACE
2020-02-06	NFP sends out the adjusted budget of PDP1 with additional explanation and cost estimation referring to Ecorys report
2020-02-07	FMO sends DPPs comments to the PA
2020-02-10	videoconference with FMO - cancelled - only NFP and PO meet to discuss
2020-02-27	Norwegian side statement on NCA withdrawal

It can be stated that *Justice* programme is agreed in two programme areas including PA19 Correctional Services and Pre-trial Detention with the highest allocation. The PA21 - Effectiveness and Efficiency of the Judicial System is still an open issue.

The greatest challenge now is to sign the PA and to start the implementation of the planned projects without further delays that can jeopardize the achievements of the results of the programmes, in particular in the area of the correctional Services and Pre-trial Detention. According to the risk analyses made by PO and external evaluators commissioned by the FMO (ECORYS), the PDP on correctional services needs to be commenced in May 2020 at latest. This date is to be treated as a baseline for all the actions within the programme.

Having PA concluded, PO intends to launch evaluation needed for establishing basic indicators set in the Result Framework.

PO has launched the multilateral network called “Synergy” that aims at strengthening the cooperation including exchange of best practices in the field of domestic and gender based violence and two meetings were organized.

Justice programme is defined as the most risky in the portfolio of Polish Programmes. It is especially important for the Polish side to conclude the talks and enter the implementation phase.

Home Affairs

In September 2019 PO launched the programme implementation with the conference to present the main objectives, planned activities and expected results of the programme, application requirements and opportunities of bilateral cooperation with entities from the Donor States.

The scope and details of the implementation of the PDPs were developed. Five out of six have already been notified and are in the implementation phase with first results to be expected in 2021. End November 2019 PO launched a call for proposals for strengthening cooperation between law enforcement services to prevent and detect organised crime and organised a workshop for potential beneficiaries application procedures. Prolonged period for applying resulted in 26 project proposals for 23 mln EUR, that are now under appraisal procedure. Budget of the applications received is almost 5-fold higher than the allocation available.

The second call (in the area of asylum and migration) is already prepared, but due to COVID-19 pandemic PO postponed its announcement by 2-3 months. It is planned to be announced in April/May and probably will be opened for more than 2 months, till late summer 2020.

The PO also organised the workshops with participation of the POs responsible for the area of justice and home affairs in other beneficiary states. The purpose of the meeting was the exchange of experiences and best practice.

Education

Program is being implemented since March 2019. Launching conference was held in April 2019 and later in June the first open calls for proposals was announced. The calls concerned all 4 components of the programme, i.e. professional development of staff through intensive trainings and study visits (Component I); mobilities of students and staff in higher education (Component II); institutional cooperation focused on improvement of educational offer in VET (Component III) and non-VET area (Component IV).

Allocation for the call (7 201 257 EUR) allowed to select 98 application out of 183 submitted, which results in success rate of 53 %. The highest competition was in component IV – 62 applications were submitted out of which only 17 could be funded within allocation, making success rate of only 27%. In two first components cooperation with institution from DS countries was mandatory. Among components III and IV it was not necessary, nevertheless – accordingly 63% and 88% of the granted projects were submitted within bilateral partnership. Within that components – accordingly – 16% and 35% of the granted projects concerned specific issue stipulated in the MoU – child welfare education. Once the final lists of recommended projects was approved by the Cooperation Committee in December, the process of signing contracts with project promoters started. First results of the 1st open call are expected to be reported in 2020, however in case of some projects full scale of results will be achieved only just in 2021.

The information about the planned scope of Programme, eligible activities and applicants was presented to the wider audience during launching conference. Also in April 2019 the matchmaking seminar was organized and it resulted in a few bilateral projects submitted under the calls.

Environment, Energy and Climate Change

Donors approved the final version of the PA for the programme just before Christmas, on 17th December 2019. It has been officially signed on 7th February 2020.

A conference on 3rd March 2020 was an excellent occasion to inform potential applicants about launching 8 out of 12 calls for proposals envisaged in the programme, that happened on 13th March 2020. They refer to implementation of ecosystem management plans, increased protection against invasive alien species, implementation of green-blue infrastructure investments in cities, awareness raising activities on climate change mitigation and adaptation, improved energy efficiency in school buildings, development of high-efficiency industrial and professional cogeneration, construction and modernization of municipal heating systems and elimination of individual heat sources. Among them there is a Small Grant Scheme. Conference was followed by matchmaking event facilitating new partnerships or deepening existing cooperation between Polish, Norwegian and Icelandic entities that would like to implement partnership projects.

In the year 2020 4 additional calls are planned to be launched in the following areas: strengthen implementation of circular economy, construction of installation for pellet production, in the area of geothermal energy as well as small hydro power plants.

By the end of this year all calls shall be closed, most if not all of the applications shall be successfully appraised.

Study visit to Norway, dedicated to Zero Emission Buildings (nZEB) and Zero Emission Neighbourhoods (nZEN) is initially planned for autumn 2020.

Three predefined projects envisaged in the programme (on strengthening of atmospheric deposition assessment, ecosystems services and geothermal energy capacity building) are being prepared and are supposed to be notified in 2020. Due to the coronavirus outbreak the time schedules of PdPs will be analysed and some modifications will be proposed, if needed.

Culture

Since prolonged calls documentation and selection procedure negotiations, calls for proposals were announced on 26th November 2019 and proposals allowed since 31st December 2019. PO provided potential beneficiaries with workshops on application requirements and two matchmaking seminars: end of November 2019 (as a part of the launching conference) and mid January 2020 – the latter dedicated to both outcomes potential beneficiaries gathered over 120 representatives of culture sector from Poland, Norway, Iceland and Lichtenstein. DPP and FMO actively supported the PO during the seminar. Donor States representatives also took advantage of sight visits (one dedicated for Outcome 1 and one dedicated for Outcome 2).

Due to COVID-19 related crisis in networking and cooperation disrupt, PO decided to prolong both calls till 30th March 2020. In case of Outcome 2, where selection procedure provides for Polish and Norwegian experts each project proposal assessment, working meetings of the Experts Committee are scheduled for May and June/July 2020 and they will be possibly postponed. Considering the applications number, it is expected to conclude the assessment in autumn 2020 or later (if coronavirus pandemic will influence the timetable more). Launching of the consecutive two calls under Outcome 2 was scheduled for August 2020 and the 2nd quarter of 2021. Beside CC meeting planned for September 2020, PO shall discuss each Outcome issues with the relevant partners separately.

POLIN Project Promoter has submitted the application of predefined project on 23rd December 2019. After the improvements requested by the PO (submitted on 20th February 2020), the project was positively assessed and notified to the Donors on 2nd March 2020.

Partners agreed on Bilateral Fund content and financial breakdown. In cooperation with DPPs, PO shall take part in thematic trips in 2020 concerning the creative industries and 2021 concerning the museum management with venue in Trondheim or/and in Bodø. Moreover, Polish and Norwegian experts shall proceed a training for culture sector representatives in 2021 dedicated to the museum's sector and cultural management as well as audience development.

* * *

There are 3 programmes implemented according to the Article 6.13 of the *Regulation*.

Decent Work

Decent Work Programme is implemented directly by the FMO. Innovation Norway has been appointed as a Fund Operator for that Programme. The Programme is implemented through projects chosen

within the open all as well as through pre-defined project. Programme focuses on 3 outcomes: (1) Improved social dialogue and cooperation, (2) Enhanced implementation of the decent work agenda (fair and decent working conditions), and, (3) Facilitated access to employment.

The first open call was completed in 2019. In Poland 22 entities applied for support within this area and requested support constitutes almost € Mln 4. The next open call (for outcome 3 only) will be completed in 2020.

In addition to the projects from open call there is one predefined project developed by the Ministry of Family, Labour and Social Policy with a budget around € Mln1. At the moment the project promoter is finalizing project documentation. Project will be submitted along with the Norwegian partner (Confederation of Norwegian Enterprise) till the end of April 2020 and will be dedicated to work-life balance issues.

Civil Society

under the Civil Society programme, with FMO as Programme Operator. MoU allocation of € Mln 30 is dedicated to the Active Citizens Fund (ACF) National in Poland and € Mln 23 for the ACF Regional

Stefan Batory Foundation, in consortium with Unit for Social Innovation and Research “Shipyard” and the Academy of Civic Organisations Foundation (FAOO) is a Fund Operator of ACF National.

Fund Operator is now proceeding with the programme development process. The programme implementation agreement was signed on 23rd October 2019. First call for proposals was launched on 10th February 2020 and due to COVID-19 related situation prolonged until 15th April. Assessment procedure shall be commenced in April. Call for proposals of sectoral projects is to be launched in May 2020. Second thematic call is foreseen late autumn.

The Active Citizens Fund–National covers the following five areas of support:

- Democracy, active citizenship, good governance and transparency
- Human rights and equal treatment through combatting any discrimination on the grounds of racial or ethnic origin, religion or belief, gender, disability, age, sexual orientation or gender identity
- Social justice and inclusion of vulnerable groups
- Gender equality and gender-based violence
- Environment and climate change

Within the program two pre-defined projects are aimed at broadening the scope of the programme’s impact and strengthening its effects in two priority support areas: development of civic activity and development of social organizations and the civic sector.

Foundation in Support of Local Democracy (FSLD), in consortium with Information Society Development Foundation (ISDF) and Education for Democracy Foundation (EDF), is the the Fund Operator of the ACF-Regional programme in Poland. The works on drafting the programme, including the consultation process are ongoing.

Fund for Regional Cooperation

The Fund for Regional Cooperation supports projects addressing common European challenges through regional cross-border and transnational cooperation in the form of knowledge sharing, exchange of good practice and capacity building across within the following priority sectors:

- Innovation, Research, Education and Competitiveness;

- Social Inclusion, Youth Employment and Poverty Reduction;
- Environment, Energy, Climate Change and Low Carbon Economy;
- Culture, Civil Society, Good Governance and Fundamental Rights and Freedoms;
- Justice and Home Affairs.

The projects foreseen within the fund are regional cross-border or transnational in nature and involve partners from beneficiary countries, neighbouring countries and EEA EFTA countries.

The Fund operates on the basis of calls designed and launched by the EEA EFTA countries with support from their secretariat the FMO. The FMO implements the Fund with assistance of the fund operator, a consortium consisting of Ecorys Polska and JCP.

The total amount of the fund is € Mln 31.89, of which € Mln 15 was made available for the first call for proposals announced in January 2018. The 700 project proposals has been submitted in June 2018. After 10 months of assessment by the EEA EFTA states, 42 project consortia were invited to submit a full proposal for funding and 40 were submitted. The final selection of projects to be financed is still ongoing.

4.5 Financing of the programmes - summary

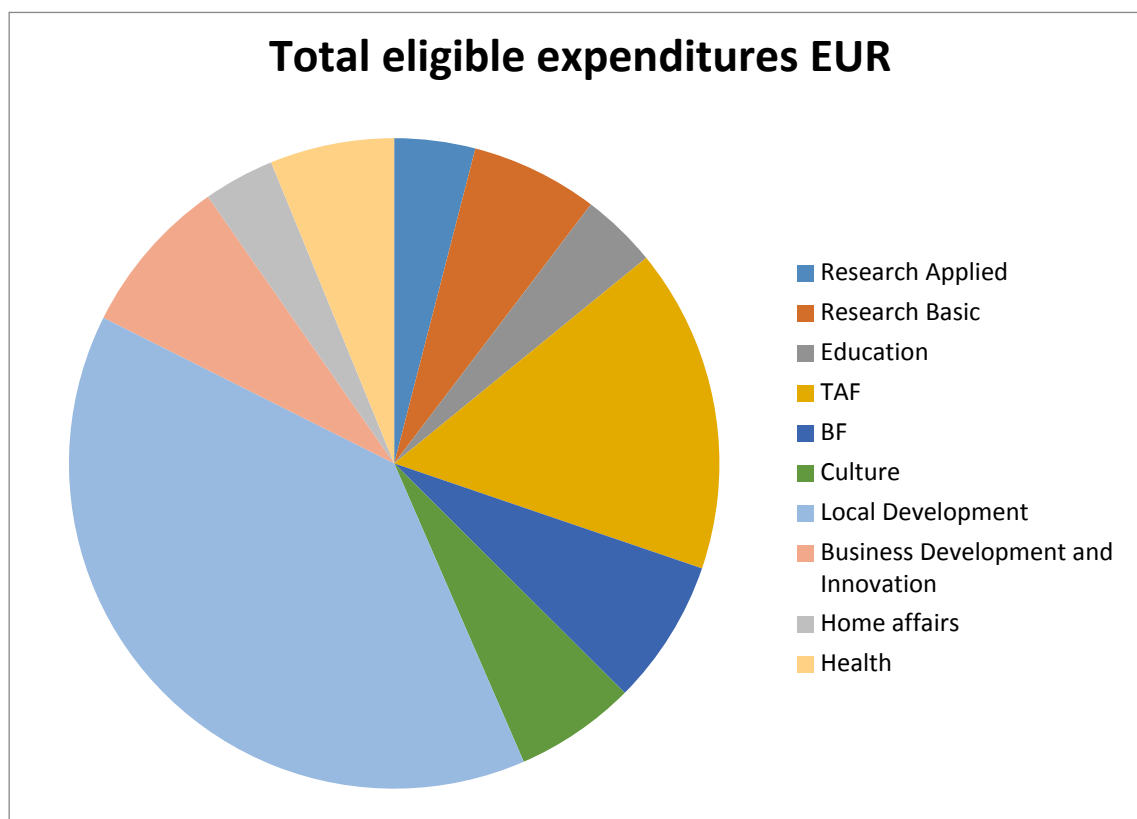
Total expenditures in this financing period amounted to near EUR 9 million⁴ (PLN Mln 38) and increased comparing to the previous year by over 217% (PLN Mln 26 mln comparing to PLN Mln 12 at the end of 2018). Rise in expenditures resulted from higher number of activities that might have been undertaken after programmes' approval. Nevertheless incurred amount constitutes only a little above 1% of the allocation. It clearly demonstrates that we are struggling with delays in this perspective of financial mechanisms. It is also visible comparing corresponding years of the previous and actual perspective of Financial Mechanisms. At the end of 2012 expenditures within FMs 09-14 amounted to EUR 19 million and were doubled comparing to the level reached so far within FMs 14-21.

The reported expenditures are mostly programme management costs incurred on tasks related to launching of programmes and promotional activities, preparation calls' documentation, as well as costs of first assessments process in more advanced programmes.

Generally, similar spending level is noticeable in majority of programmes, however the *Local Development* programme shows the highest share in the total expenditures. This is connected with the advance payment made for needs of the pre-defined project.

⁴ The expenditures covers the period from 21 December 2017 to 31 December 2019 and concerns only expenditures certified in IFRs in March 2020.

Total eligible expenditures EUR



The expenditures of the Programme Operators and the Focal Point incurred in relation to the Regulation are pre-financed out of the state budget. The expenditures of the NFP, CA and AA are reimbursed from the Technical Assistance while the expenditures of the Programme Operators are reimbursed from the respective programme. The Polish side addresses the donors with requests concerning reimbursement of the already incurred and planned expenditures. The prerequisite for payments received from Norway/EEA grants are positive opinion on the national Management and Control System, signature of *Programme Agreement* and notification of *Programme Implementation Agreement* signature. On that basis the financial resources transferred by the Donors are forwarded to the state budget.

Advance payments towards the signed programmes were made following the confirmation of compliance of the MCS (at national level) with the requirements defined in *Regulation* (€ 11,426,813), as follows:

Programme	FMO advance payment EUR	Date of payment
TAF	700,000	2019-03-27
BF	800,000	2019-03-27
Education	212,500	2019-04-12
Local Development	1,487,500	2019-05-14
Research Basic	722,500	2019-07-30
Research Applied	810,680	2019-10-18
Business Development and Innovation	1,190,000	2019-12-19
Culture	1,571,176	2019-11-27
Home affairs	2,860,857	2019-11-27
Health	165,000	2020-01-17
Environment, Energy and Climate Change	906,000	2020-03-04

In September 2019 the process of submitting and certification of Interim Financial Reports was commenced and following interim payments were made by the FMO (€ 9,922,671):

Programme	Requested in first IFRs €	Date of payment
TAF	1,126,407	2019-10-18
BF	700,000	2019-10-18
Education	2,974,611	2019-10-21
Local Development	4,993,533	2019-10-18
Basic Research	128,120	2019-10-18

Total disbursement by the FMO amounts to over € Mln 20,4 which is 3,1% of allocation (not taking into account reserve amount). This amount reflects 92% of the amount indicated in the forecast of likely payments presented to the FMO in April 2019. The lower payment was connected with not timely finalization of procedures allowing payments for two programmes: *Environment, Energy and Climate Change* and *Justice*. The advance payment for the first of these programmes was made at the beginning of 2020, after signing of the programme agreement. However, advance payment for the Justice programme is not possible since arrangements for this programme are still in progress.

First certification process conducted by the CA shows that set-up of IFRs in GrACE requires adjustments. The workflow of IFRs accepted by the CA is identified as problematic. After IFRs submission to the FMO they are not accessible for the CA till the FMO's acceptance. It is an inconvenience because IFR version downloaded from the system is not exactly the same as data put into the system thus the CA has limited access to certified IFRs while FMO's acceptance process is pending. The issue was reported to the FMO.

We also noticed some problems with the rounding method in the GrACE. Receiving payments of the first IFRs it turned out that the amounts totally paid from each mechanism did not match the total amount applied in the reports. Additionally, the downloaded versions of IFRs are structured in a different way than the versions filled in by the PO in the system and this makes calculations less transparent. The above issues and other technical suggestions were presented to the FMO's team responsible for the GrACE development. We hope for future improvements and we are open to cooperate in this respect.

4.6 Programmes implementation – next steps

In the nearest future POs are going to launch subsequent calls. This entails preparatory works, documentation development in cooperation with DPPs and FMO, assistance provided to applicants during the open call (info-days, match making events, workshops), selection procedure and contracting the grants followed by workshops for project promoters on project implementation and reporting, monitoring of projects. PO's timetable is extremely tight. Promotional coverage is inevitable, so we can expect increased visibility and intense activity in media.

Cooperation Committees and Programme Committees (in case of *Research* programmes) are crucial in preparing the documentation and address challenges that come up during the programmes implementation. POs are to arrange at least one a year, but usually meetings are more frequent to make the progress smooth.

In *Environment* and *Home Affairs* programmes (and *Justice* once the PA is signed) predefined projects preparation, assessment and notification is expected as soon as possible.

In all Programmes analyses are being made due to coronavirus outbreak and it seems that some adjustments will be needed within the next weeks/months. The shifts in time schedules, modifications in PdPs budgets, revised calls time table are just examples.

At the horizontal level, there is very important task to be done by the end of 2020 – which is Mid Term Review and the allocation of the reserve given in MoU for EEA and Norway Grants. According to the Regulation Art 1.11 Polish Focal Point shall submit to the Donor states a proposal on the allocation of the reserve set aside within the framework of the EEA Financial Mechanism 2014-2021, either in the form of a new programme or as an addition to an existing programme or programmes.

In case of Poland, € 21 157 000 is to be allocated (€ 15 115 000 from NFM and € 6 042 000 from EEA FM). The sum will be also increased by the allocation of one PDP project cancelled in Decent Work programme and part of the Justice programme allocation regarding the court cooperation where the decisions are ongoing.

The issue of allocation of a reserve requires the cooperation with all POs and NFP and it is planned that the initial proposals from the Polish side are to be discussed at the AM. According to the information given by the Donors, the final proposal of the reallocation is to be submitted to the Donors till end of 2020 and the decisions are to be taken later on, in 2021.

The situation with the coronavirus from March 2020 can also have an impact on the allocation of the reserve. The analysis are being made and the decisions are to be taken within the next months of 2020. The use of the reserve to mitigate the coronavirus crisis are now under discussions.

4.7 MoU special concerns and/or conditions set in the PAs

All requirements specified in the MoU (the special concerns) and conditions set in PA (where relevant) have been addressed adequately. Detailed reference in the table attached (MoU conditions marked in green).

4.8 Challenges faced related to absorption/disbursements, with implemented solutions

Though status of individual programmes may differ, but in general they follow the same pattern, procedures and the whole time framework remain valid for all. NFP facilitates the process and tries to make it coherent, working closely with the Operators and FMO. The most challenging is to meet the schedule since the Programme Agreements (where relevant) were signed later than forecasted.

The greatest challenge in 2019 and 1st quarter of 2020 was to agree on Concept Notes, sign PAs and commence open calls within programmes. Most demanding Justice programme, especially given the fact that the programme is to be implemented in cooperation with three DPPs and consist of an infrastructural part, is unfortunately still in the preparation process.

Each programme (except Justice that has no PA yet) is at initial stage of implementation. Therefore the main challenge for PO is to timely launch foreseen open calls and efficient proposals assessment (more of it below), as demand for the grants is considerable. Preparation of the open call documentation, agreeing the call text with DPPs and procedure of the donors' approval for launching the call is the most challenging and usually prerequisite for all other milestones designed in the PA. The PO undertakes all necessary actions to accelerate adoption of all documents required to launch open calls as soon as possible. POs were working in parallel on the Supplementary Information and discussing the future project assessment process with the DPPs several months before PA.

Wide scope of the call documentation needs thorough preparation and assessment; it can take more time especially in case of calls for the investment projects. Schedules are usually tight and extremely sensitive to postponing activities that determine the next ones. There is no time reserve for the repetition of the calls. POs also assist in establishing partnerships providing various tools: match-making seminars, travel grants etc. and through close cooperation with DPP. Considering discrepancy in capacity, DPPs are strongly encouraged to engage in the process.

There are also some challenges specific for the programmes. In case of Justice it is simply to commence the programme implementation, especially considering the infrastructure part. Time-consuming negotiations of the PA considerably affect results. For the potential beneficiaries of *Culture* (infrastructural part) the preparation of the complex project, especially in case of combining both investment and soft part might be challenging. In case of *Local Development* programme pre-defined project provides the applicant with extensive substantive support in the preparation of projects along with development/ action plans, also further, in the their implementation phase. There are programmes with the extraordinary scheme of application submission (in *Local Development* there are 2 stages of applications submission dependent on each other; in case of Education, the call needs to be coordinated with the academic year, in Health predefined project implementation is prerequisite for the call launching). The great challenge was to design and implement the IdeaLab call for the first time in Poland in an innovative formula transferred from Norway.

Basing on the experience it is sensible to have in mind that in case of investment projects there is always a risk of delays in investment process, connected with an increase in prices on the construction services market and the public procurement procedures (6-12 months). In case of large allocation predefined projects, like correctional services or culture, time reserve at the implementation stage is one of the risk management tools. Meanwhile, Central Board of the Prison Service, Project Promoter of the PDP no.1 under Justice estimated recently (letter of 19th February 2020), that in order to complete the investment in April 2024, it is crucial to commence it in May 2020 at the latest. In case of projects implemented in the historical objects there is always a risk of delays in the investment process due to the necessity to carry out additional works, in agreement with a restorer. As implementation period extension has not been provided in the current perspective, ex ante control of tender documentation seems the only tool to mitigate such risks and allow to deliver desired results in a timely manner.

POs also put great emphasis on the efficiency, for example in Business Development and Innovation great care is taken not to lose high quality projects that could possibly qualify to both green industry innovation and blue growth. Basic Research PO intends to increase financing for the GRIEG call to grant good quality reserve projects. In the case of savings being a result of failure to conclude grant agreements or failure to implement projects supported from the grant scheme budget, available funds might be allocated to subsequent projects included in a reserve list of projects or use in additional calls.

The assessment of huge number of submitted applications takes time. In case of large allocation programmes, where the public interest in receiving the grant is enormous and there are a few hundreds of applications in one call, the process can take longer - under investment calls or partnership calls or calls organized by Donors assessment took around one year or even more (taking into consideration the appeals).

The coordination of tasks related to assessment is becoming challenging in case of programmes where many actors are involved in the process (like many DPPs in *Education*, *Justice*, *Home Affairs*) and in case of partnership projects the assessment of the partners is additional element influencing the time schedule. It is known, that the bigger number of entities engaged, the more complex the process. Close cooperation between institutions (POs, Focal Point, partners, potential applicants and beneficiaries) and in frames of Cooperation Committee facilitate the implementation of programmes

In particularly difficult cases, Focal Point consults the FMO in order to work out a common interpretation / solution of the problem or to seek consent for non-standard activities. Recent interpretations referred to calls procedure framework, staff remuneration, small initiatives' promotional responsibilities, GrACE procedures in relation to Bilateral Fund, Programme/Selection Committee prerogatives.

5. Status of bilateral funds

The Bilateral Fund – in total of 16 186 000 EUR is divided between the POs allocation part of 4 350 000 EUR and the part managed at the national level by NFP of 11 836 000 EUR.

a) Bilateral Fund part allocated to the programmes according to the MoU

Following numbers reflect the expenditure level incurred by the POs up to the end of 2019.

Programmes	Allocation	Incurred expenditures €	%
Applied Research	390 000	7 527	2%
Basic Research	260 000	9 463	4%
Education	250 000	21 320	9%
Local Development	400 000	126 888	32%
Environment, Energy and Climate Change	900 000	106 310	12%
Culture	600 000	7 051	1%
Business Development and Innovation	600 000	19 613	3%
Health	300 000	0	0%
Justice	400 000	0	0%
Home Affairs	250 000	0	0%
Total	4 350 000	298 172	7%

The table shows that two biggest programs – *Environment* and *Local Development* have the highest level of spending of the bilateral funds. In case of *Local Development* – it is the most advanced programme in Poland and here the set up of the bilateral cooperation was built on the experience from the previous EEA and Norway Grants, has started early in 2019 and is already scheduled in details. In case of *Environment*, the close institutional cooperation between PO and DPPs resulted in horizontal events and study visits that were implemented.

The programmes where no bilateral funds were disbursed are those where PAs have been signed at the later stage (like *Health*, *Home Affairs*) or no PA is concluded so far (*Justice*).

It is expected that the use of the bilateral funds and in line with this - the pace of disbursement will be increasing in the next few years. The Programmes implementation will be more advanced, the “expression of interest” procedure will be used, the new initiatives of a strategic feature will be decided on by JCBF.

The Bilateral Funds managed by POs are used for different activities (described below). All of them are agreed with DPPs in the framework of Cooperation Committee or Programme Committee.

Open calls/travel grants

Several POs launched open calls for travel grants, study visits or preparatory visits, others are planning them in the nearest future to facilitate joint applications within the foreseen open calls. The results and

the added value of the bilateral calls are to be known at the later stage when the information on the number of bilateral projects.

study visits/travel grants:	launched	closed	budget (€)	grants
BD & INNOVATION	25 Nov 2019*	31 Jan 2020	70 800	59
CULTURE	29 Nov 2019	1 March 2020	204 475	tbd
ENVIRONMENT	10 Jan 2020**	30 Sep 2020	150 000	tbd
* announced on 19th November 2019				
** announced on 10th December 2019				

Bilateral seminars/workshops and match making seminars

Bilateral seminars/workshops and match making seminars make an efficient tool for maintaining and developing existing interinstitutional contacts, establishing new partnerships that result in preparation and planning a joint project to be submitted under the programme. Great demand for this kind of events shows their usefulness in looking for partnership opportunities and sharing the practicalities of application process and requirements.

About 300 participants took part in two match making events organised within *Culture* and 56 within *Education* programmes.

Match-making was also a part of the international conferences like: “Green Industry Innovation and ICT” conference in March 2019, “Blue Growth Conference” (Aalesund) in May 2019 and „Breaking the Barriers in a Circular Economy” in September 2019 in Oslo, the latter co-organised by the Innovation Norway, a DPP for *Business Development & Innovation* programme. PO enabled 9 Polish companies to participate in the event and meet Norwegian and international companies, researchers and stakeholders in the area of circular economy.

Match-making was also organised at the “Medica” trade fair (Dusseldorf, November 2019) for the *Business Development & Innovation* Programme..

Within Business Development & Innovation programme, on 2nd March 2020 Polish companies took advantage of the international brokerage event for green tech companies planning to implement green tech projects in industry accompanied by match-making. Moreover, on 5th March 2020 female entrepreneurs and their potential mentors from Norway and Poland took part in the workshop on mentoring and a matchmaking session contributing to the ongoing Small Grant Scheme open call.

Study visits

Study visits give new ideas and insight to proven solutions that make valuable input in elaborating the programmes. They contribute to long term cooperation building and are much welcomed within EEA and Norway Grants.

Environment potential beneficiaries (15 researchers and entrepreneurs) and PO explored partnership opportunities in renewable energy, geothermal district heating, energy efficiency, environment and climate taking part in the match-making seminar during a study visit to Reykjavik end October 2019. Orkustofnun (National Energy Authority, Iceland) hosted them also at the Sustainable District Energy Conference, that gave insight into the potential impact of utilizing renewable district energy on energy security, greenhouse gas emissions, improved quality of life, and lower heating costs.

In the beginning of June 2019 *Environment* PO took part in the study visit on Hydropower to southern Norway and in November 2019 visited Norwegian Environment Agency (NEA) for a workshop on Norwegian good practice in circular economy, including a site visit at a recycle enterprise and Oslo town hall, that presented how circular economy works in practice.

In March 2020, under *Local Development*, DPP organized study visits to Norway for mayors of Polish cities with aim to initiate possible partnerships with Norwegian self-governments and to exchange best practices and knowledge.

One has to mention also a mission of Polish companies to Norway on Welfare technologies within *Business Development & Innovation* programme (Oslo, June 2019).

Periodical experience sharing events

Local Development PO is preparing the 4th edition of the DiverCity. Under the first component workshops in accessibility and housing already took place mid-December 2019, in two other topics, i.e. senior policy and environment, at the end of January 2020. The second component envisages research activities on introducing alternative heating sources into historic housing buildings in city centres aiming at the smog reduction. Within the period of October-December 2019 WTU team (an initiative partner) has purchased the research (measurement) equipment to be installed in the dwellings and has been identifying the relevant dwellings subject to research. Both components will result in a common conference presenting conclusions and recommendations (originally planned for the end of April, now due to the coronavirus the event has been postponed).

The last round of thematic workshops and the final will be organised in September 21-22nd .

It is worth underlining, the creation of a trademark of “DiverCity” within EEA and Norway Grants is an element of visibility and creation of a long lasting platform of experience sharing.

Predefined bilateral initiatives

In *Health* two bilateral initiatives are already agreed upon. One refers to antimicrobial resistance (AMR) and promoting vaccinations and the other is dedicated to reducing social inequalities in health as a continuation of bilateral activities implemented within the pre-defined project “Reducing social inequalities in health” within the PL13 programme under the 2009-2014 financial mechanisms perspective. Budget, implementation schedule and specific activities are being prepared.

“Cooperation in the area of road safety – exchange of experiences and good practices” initiative within *Home Affairs* is at the launching stage.

POs plans for the future use of the Bilateral Funds

Cooperation Committees are working on the use of the Bilateral Funds. List of valuable initiatives to be implemented under the programme are discussed under the Committee and agreed upon. This strategic approach helps to allocate the given resources, prepare timely the initiatives and assess the need to ask JCBF for the additional funds.

The already agreed upon activities are presented below. Some of them needs to be adjusted as a result of COVID-19 outbreak.

Beneficiaries of the study visits/travel grants/preparatory visits for *Culture, Environment* and *Business Development & Innovation* programmes, shall perform activities to establish new partnerships. Study visits of POs representatives are foreseen in *Culture, Environment* and *Home Affairs* programmes.

According to the plans, under *Business Development & Innovation* bilateral activities planned for 2020 focus mainly on the enhancement of business to business relations between Polish and Norwegian entities. International trade shows in Poland was supposed to be accompanied by thematic seminars, i.e.: seminar on renewable energy technologies applied in Norway, and b2b session or business-mixer with Norwegian companies at Green Power 2020 trade fair in Poznań (22nd April), seminar and b2b session or business-mixer with Norwegian welfare companies at Rehabilitacja 2020 trade fair in Łódź (9 October) and seminar on circular economy and b2b session or business-mixer with Norwegian companies at Envicon Environment 2020 trade fair in Warsaw (24th November). The plans are now being analysed. PO is also planning to organise a study visit of its management representatives to Norway regarding repayable financial instruments for small and medium enterprises (June 2020).

Environment programme PO envisaged conducting at least two match-making events, covering in the result all programme areas. DPPs invited PO for a study visit on nearly zero emission buildings (nZeb) – possibly in the 3rd quarter of 2020 – and World Geothermal Congress to be held in Reykjavik in April 2020.

Within the *Local Development* programme the third series of DiverCity workshops covering all relevant thematic areas is expected in September, associated with initiative final conference summarizing the conclusions of the workshops regarding the experiences of Polish, Norwegian and Icelandic cities.

Within the initiative related to the road safety improvement Home Affairs PO envisaged a study visit to Norway to discuss in cooperation with Norwegian National Mobile Police Service good practice in road safety improvement and with aim to conclude their findings in a comparative study on both countries road safety determinants and solutions

In the *Justice Programme* within area *Prevention of domestic and gender-based violence* the multilateral cooperation has been initiated by the Norwegian Ministry of Justice and Public Security under the *Synergy* project. With regard to this project the Programme Operator will coordinate activities carried out by the Polish side. Within the Programme area Correctional Services and Pre-trial Detention the Norwegian Directorate for correctional service has taken the initiative to establish three thematic multilateral working groups; Education, Evaluation and Conferences with participants from several beneficiary countries. These working groups aimed at sharing good practice and creating synergies between the countries within the correctional service.

b) Bilateral Fund part managed by NFP

Recent year was also a time of new developments concerning the implementation of Bilateral Fund managed by the Focal Point.

The cooperation within the Joint Committee for Bilateral Fund is fruitful. All the parties are engaged in the process thus it goes smoothly. In 2019 2 JCBF meetings were organised and the written procedure (decision making process via e-mail correspondence) proved to be very efficient.

As of 11 836 000 EUR in total, 1 024 871 mln EUR (8,7%) was allocated for 10 bilateral initiatives, by the end 2019.

It is assumed that within the next years – the allocation will be constantly increasing, as all of the parties are experienced in presenting new ideas and what is also important – it is expected that POs will also be eager to apply for additional funds under the “expression of interest” procedure.

For instance, the Ministry of Interior and Home Affairs has already earmarked their whole bilateral allocation for the road safety initiative (described above) and together with DPPs is preparing the request to JCBF for extra funds. There are also new proposals that have been discussed at the JCBF

meetings like the workshop at Utøya or the film cooperation with Liechtenstein – we look forward to receiving more specific descriptions.

As for the payments, € 405 000 has already been disbursed. Since the recent Strategic Report a final payment was settled in case of PRIO (August 2019), Utøya workshops (1st edition) and buskers festivals initiative (both in December 2019). According to the reporting/payment schedule included in the initiatives' applications, still in 2020 Focal Point assumes 2 payments in April (Police and MiDeShare initiatives), payments in June (Warsaw University), October (MiDeShare), and December 2020 (Warsaw University) making additional € 165 000 of expenditures and presumably payments to contest(s) for youth, which shall redouble this amount.

Below table shows the bilateral initiatives. At the moment, there are 10 initiatives foreseen in the Work Plan, 4 of them already concluded (including EFNI and PRIO), another 4 are in progress and 2 new ones in a preparatory stage.

	Initiative	Beneficiary and partners	2018	2019	2020*	disbursed (€)	budget	%
1	Events linked to the European Forum for New Ideas (EFNI)	Polish Confederation „Lewiatan”	150 000,00			150 000,00	150 000	100%
2	Trust across borders: State institutions, families and child welfare services in Poland and Norway	Peace Research Institute Oslo (PRIO); University of Gdańsk	63 010,60	52 166,71		115 177,31	115 177	100%
3	Exchange of best practices: make cultural experience accessible to the general public (buskers festivals)	Schlosslekkeller Foundation, Vaduz; „Dundun” Asociacion, Wroclaw		3 538,12		3 538,12	5 000	71%
4	Workshop Utøya (1): Young and Engaged V4 Citizens against hate speech and extremism	European Wergeland Centre in cooperation with the Norwegian Embassy in Prague and the Ministry of Culture of the Czech Republic; Chance Association, Poland		5 110,33		5 110,33	6 694	76%
5	Innovation, valorization and business creation of side streams of food production and food processing	Institute of Animal Reproduction and Food Research, Polish Academy of Sciences; Matis Ltd. - Icelandic Food and Biotech R&D, University of Iceland			25 909,44	25 909,44	150 000	17%
6	MiDeShare. Migration and Development: Sharing knowledge between Norway and Poland	Polish Institute of International Affairs (PISM); Norwegian Institute of International Affairs (NUPI)		39 615,96		39 615,96	170 000	23%
7	Independent living of disabled students and graduates of higher education institutions	Institute of Applied Social Science, University of Warsaw (ISNS UW); ULOBA – Independent Living, Drammen (ngo); Inland Norway University of Applied Sciences		33 218,61	32 188,09	65 406,70	145 000	45%
8	Knowledge of issues of internal legal order of the partner country, exchange of information, knowledge and experience as the key to increasing the effectiveness of law enforcement agencies in combating organized drug crime	Polish National Police Headquarters; Capital Region Police Headquarters in Reykjavik					90 000	0%
9	SHARE. Contest for youth	National Focal Point, Poland; Norwegian Agency for International Cooperation and Quality Enhancement in Higher Education (DIKU)					150 000	0%
10	Pilot project on Polish-Norwegian Literature Events for Children	House of Literature, Oslo; NorwayPolsk lørdagsskole Oslo/ Polish School, Oslo					43 000	0%
* up to 31st March			213 010,60	133 649,73	58 097,53	404 757,86	1 024 871	39%

During the Annual Meeting in June 2019 **EFNI** and **PRIO** initiatives were summarised.

1. The event of EFNI organised annually by the Polish Confederation Lewiatan is one of the largest international business conferences in Central Europe on the competitive economy. It received wide

media coverage - more than 2500 publications were produced, the customer reach indicator was at the level of more than Mln 2 people.

2. **PRIO** managed initiative aimed at increase of mutual knowledge and cooperation within child welfare elaborated tools to facilitate dialogue, to show the roles of communication and language, contrasting perceptions.

3. The European Wergeland Centre and **Polish Szansa Foundation** organized the workshop with the support of the Norwegian Embassies in Prague, Bratislava, Budapest and Warsaw. The participants came from different political parties and organisations, to learn about 22. July 2011 and to discuss and explore how to act against hate speech and extremism. To tackle such challenges, the youth politicians and civil society activists shared experiences and explored possibilities for closer cooperation. The initiative proved useful, thus new edition is being prepared and shall be put under discussion on the JCBF forum.

4. **Buskers festivals** initiative of Lichtenstein served as a tool for an exchange of experience between buskers artists from Lichtenstein and Poland. They could attend buskers renown festivals in Vaduz (May 2019) and Krotoszyn (August 2019) and establish cooperation for the future. The main aim is to make art accessible to wide audience, presumably by making buskers art one of main tourist and cultural attraction of the cities and urban space revitalisation through performances. The beneficiaries as a partnership assume to take part in the *Culture* open call.

5. **Side streams of food production and food processing** is a scientific issue but also immersed in the practical aspects of food industry. The initiative of Polish Academy of Sciences and University of Iceland was launched in May 2019. End of May participants of a bilateral seminar discussed new cooperation pathways between Poland and Iceland for innovative, cost-effective and sustainable valorisation of agri-food side streams. End of November 2019 three researchers from the beneficiary took part in the capacity building study visit to the partner. Both entities elaborated 14 areas of common interest and future cooperation. Next step will be the 2020 summer camp on innovations and entrepreneurship for students from Poland and Iceland. The event shall take place in Reykjavik, followed by hackathon on project ideas from the summer camp with the task of coming up with solutions for adding value to the food industry in Poland. The initiative is foreseen to be concluded in September 2021.

6. Initiative called **MiDeShare** was launched in August 2019. It aims at improving our understanding of the relationship between migration and development in order to suggest more effective policies for addressing root causes of migration. A kick off seminar *Why do people migrate? Understanding root causes, finding right responses to international migration* was organized in September 2019. The seminar aimed also at a better understanding of the complex relationship between migration and development. The research group comprises of 4-6 researchers from PISM and NUPI. Except seminars the initiative shall also facilitate field research and publications including a report on best practices identified in the course of work. In December 2019 the second working seminar was organised in Oslo and in January 2020 a visit to the largest refugee centre in the world, located in Bangladesh, was held. The initiative is foreseen to be concluded in July 2021.

7. The initiative of Warsaw University in partnership with ULOBA and Inland Norway University of Applied Sciences on **independent living of disabled students and graduates of higher education institutions** was launched in March 2019. The main goal is to develop a model to support the employment of the students and university graduates in Poland, taking into account Norway's good practices and experience. Within the Initiative a research is being conducted on a deliberately selected sample of representatives of institutions in Poland and Norway who are responsible for implementing public policies in the field of vocational activation and employment of young people with disabilities. In

September 2019 a study visit to Norway was held.. In February 2020 a research seminar was organised in Warsaw . The initiative is foreseen to be concluded in February 2022.

8. On the last day of September 2019 an agreement with the Police Headquarter was signed. Initiative was launched in October 2019. The aim of the project is to increase the ability of the Police Central Bureau of Investigation (CBŚP) to **combat organized crime**, mainly drugs related, through identification and elimination of differences between the activities of Polish and Icelandic Police, and law enforcement agencies of the Scandinavian countries, including the development of methods, instructions and tools to combat illegal laboratories drug. The Police Central Bureau of Investigation is co-operating with the Icelandic Police in a case concerning the neutralization of a criminal group operating in Iceland, Norway and other countries. Kick-off meeting in the beginning of February 2020 shall be followed by a 4-day training on general police issues in Iceland. The initiative is foreseen to be concluded end of 2020.

9. Two newly approved initiatives are addressing children and youth. Having enthusiastic reception of the **contest** performed in 2018, Polish Focal Point decided to take advantage of Bilateral Fund and invite high schools students to do a research on Polish impact on the Donors' states (**€ 150 000**). Core part of the initiative is a contest for Polish youth (ca. 17-19 years old) on Polish input in Donor states economic development, technologies, culture, science and way of life. Young people from upper-primary schools in Poland shall be encouraged to find interesting people, testimonies, facts and opinions that will create a picture of Polish citizens contribution to Donor states development. Their work should also be a lesson of bilateral relations translated to everyday life. Preparing a short movie is an opportunity to learn more on the Polish and Donor states history, culture, science, economy coexistence, contacts and/or cooperation between Poland and Donor states. Two most interesting works shall be awarded with a study visits to Norway. Other 2 Polish teams shall be awarded with study trip to the Polish city (probably Kraków) and spend inspiring time with their counterparts from Norway (Norwegian pupils shall be invited to Poland) and to discuss the bilateral cooperation at the workshop. DIKU assists in finding proper counterparts in Norway. Tender documentation is being designed to commence a procedure for the contractor.

10. FMO voiced also new idea on **Polish-Norwegian Literature Events for Children (€ 43 000)**. This shall be a pilot initiative aimed at increasing the knowledge of and interest for Polish culture, Polish children's literature and the Polish language in Norway. In order to engage the Polish community in Norway, beneficiary (House of Literature, Oslo) along with the partner (Polish School in Oslo) shall use children's literature both Polish and Norwegian. Primary target group is children from the Polish diaspora living in Norway and their parents. Secondary target group are Norwegian children and their parents. 10 literary events for children. There are works connected with preparing the agreement ongoing.

During the JCBF meeting in December 2019 Norwegian side initiated discussion on the second edition of the Utøya workshops and Solidarity exhibition on the occasion of this historical trade union 40th anniversary. The History Centre in Wrocław is working on the application for an updated exhibition from 2016, that could be on display end of August in Gdańsk and later travel to Norway.

The experience shows, that the Bilateral Fund managed by the NFP is an efficient tool of financing the initiatives of a strategic character, which cannot be implemented within the individual programme bilateral funds. It is perceived as a way of implementing the important for Poland and Donor states activities managed by the institutions outside the EEA and Norway grants framework (like POs, DPPs, PDP project partners) and it proved to be successful.

6. Management and implementation

a. Management and control systems (MCS)

The description of the management and control system (MSC) at national level, accompanied by the audit opinion, was submitted to the FMO in June 2018. The confirmation regarding the compliance of the MCS with the requirements defined in Regulation was issued by the FMO in March 2019.

The development and assessment of the MCSs' descriptions at the level of approved programmes was completed for two programmes and in other is currently on-going. Descriptions of MCSs are gradually submitted to the NFP for approval within the deadlines set in the Regulation.

The description of MCS of Foundation for the Development of the Education System for the programme Education was submitted to the NFP in August 2019. The document required some adjustments and after incorporation of the NFP comments and preliminary approval the document was presented to the AA. On 31 October 2019, after audit mission, the AA confirmed that the implementation system of the programme Education complies with obligations resulting from the Regulations. The FMO was provided with this information on 4 November 2019.

Following the same procedure the MCS for Local development programme was accessed. The document was presented to the NFP at the end of September 2019. After few amendments based on the NFP's comments, the description of MCS was submitted to the AA in November 2019. Positive opinion was issued on 18 December 2019 and was shared with the FMO.

Assessment process of two MCS for *Basic Research* and *Applied Research* programmes is advanced and the finalisation is planned till the end of February 2020. Detailed schedule of the acceptance dates is presented below. It is also worth mentioning that the AA's opinion on document for the programme Culture is foreseen earlier, since the document already has been submitted to the AA for opinion.

Programme	MCS assessment process completion
Research Basic	February 2020
Research Applied	February 2020
Education	November 2019
Local Development	December 2019
Environment, Energy and Climate Change	September 2020
Culture	June 2020
Business Development and Innovation	May 2020
Health	June 2020
Justice	not defined yet
Home affairs	June 2020

b. Complaints

The NFP received one complaint from the potential applicant. The subject of the complaint was the prolonged response time to question concerning the call. After the intervention of the NFP the potential applicant received an answer from the PO. The PO explained that normally the questions are answered on a daily basis by the PO call centre and through e-mails. If the questions are complex and require further consultation with experts, the answer time may be longer.

c. Irregularities

There were no irregularities found in 2019 in Programmes signed in the framework of EEA and Norwegian Financial Mechanisms 2014-2021.

The launching of irregularities reporting process via GrACE is awaiting.

d. Audit

Only audit missions connected with the assessment of MCSs were conducted by the AA in 2019. As mentioned above two audits were completed with positive opinion. The next two are on-going and soon should be completed. No audit of operation has been carried out so far.

The audit strategy will be prepared by the AA after acceptance of the Justice programme which is the last one awaiting the finalization of approval process.

7. Communication

The Communication Strategy for the EEA and Norway Grants 2014-2021 in Poland was approved by the FMO on March 12, 2019. The aim of the Strategy is to raise awareness of the existence of the EEA and Norway Grants, their implementation and results, as well as their overall impact on the reduction of social and economic disparities.

As envisaged in the Communication Strategy, in the first stage of the implementation of the EEA and Norway Grants 2014-2021 the communication focused mainly on informing about the Grants, their objectives, new funding opportunities, promoting bilateral cooperation with entities from Iceland, Liechtenstein and Norway, as well as presenting good practices resulting from projects implemented in the second funding period.

In 2019 there were many occasions to celebrate, including the 25th anniversary of the European Economic Area Agreement and the establishment of the EEA and Norway Grants. This was also the year of the 100th anniversary of diplomatic relations of Poland with Norway and with Liechtenstein and 300th anniversary of establishing the Principality of Liechtenstein. The NFP highlighted this messages in its communication endeavours in 2019.

The NFP carried out several large-scale promotional activities with the aim to raise awareness of the EEA and Norway Grants among Polish society. In accordance with the provisions of the Annex 3 to the Regulations, the NFP organised a major launching event of the EEA and Norway Grants 2014-2021, publicising the assistance from the Donor States, presenting the objectives of the Grants, the programme areas and the possibilities for support and encouraging cooperation with entities from Iceland, Liechtenstein and Norway. The launching conference, held on 12 September 2019 in Warsaw, gathered approx. 250 participants, representatives of the institutions involved in implementation of the Grants in Poland and in the Donor States, including the Norwegian Ministry of Foreign Affairs and the FMO. The event was also an occasion to sign by the Minister of Investment and Economic Development Jerzy Kwieciński and the Ambassador of the Kingdom of Norway in Poland, Olav Myklebust the agreements for new programmes - Culture, Home Affairs, Health, Business Development and Innovation. An animated film, presenting the EEA and Norway Grants and supported programmes, was produced for the promotional purpose and presented during the conference.

The event was preceded by a concert on the occasion of the launching of the EEA and Norway Grants in Poland, on 11 September 2019 at Witold Lutosławski Concert Studio in Warsaw. The concert, performed by the Polish Radio Orchestra, together with Alexander Gadjeiev, a talented pianist from the International Academy of Music in Liechtenstein, was an expression of cultural cooperation between Poland and the Donor States. The masterpieces of Stanisław Moniuszko, as well as composers from Iceland (Jón Leifs), Liechtenstein (Josef Gabriel Rheinberger) and Norway (Edvard Grieg) were performed at the event. The concert was widely promoted and a number of tickets were distributed through a competition on the air of the Polish Radio and online at the Grants's profile on Facebook. The concert is still available on the Polish Radio website.

(<https://polskieradio24.pl/5/3/Artykul/2366920,III-Edycja-Funduszy-norweskich-i-EOG-Koncert-inauguracyjny>).

Following the success in two previous years, the NFP organised a wide-range promotion of the EEA and Norway Grants during the 19th New Horizons International Film Festival in Wrocław. The Festival, with over 100,000 spectators each year, is the most visited event of such a type in Poland. The Oslo/Reykjavík section, presenting the achievements of the contemporary cinema from Norway and Iceland, was organized as part of the Festival. The event ensured the visibility of the logo and the slogan of the of the EEA and Norway Grants in the whole visual setting of the festival (e.g. in the festival spot broadcasted before the festival screenings, in promotional materials, on the festival website www.nowehoryzonty.pl, in the festival newsletter sent out to over 40,000 subscribers, in an outdoor, internet, press, radio and TV campaign). The event, reaching a wide audience, contributed to increasing the general public's awareness of the role of the Donor States in reducing social and economic disparities and of their cooperation with Poland.

The objectives and results of the EEA and Norway Grants were widely promoted through various mass media. A series of TV spots highlighting the impact of the Grants in the areas such as culture, environment and energy were produced and aired on Discovery Channel and National Geographic Channel. Moreover, an audition on the Grants was broadcasted on the Polish Radio. In addition, in the first months of the year, the NFP continued to publish promotional press articles in an InterCity on-board magazine "The Journey" an on board magazine of the Polish State Railways with monthly edition of 35 000 copies and number of readers per month of about 1,5 million, available also online on PKP Intercity website. The articles focused on the effects of the selected projects supported in the previous funding period of the EEA and Norway Grants.

In 2019 The NFP focused also on developing online communication, including the use of social media, in line with the Communication Strategy and the requirements of the Donors. A new website and a Facebook profile of the EEA and Norway Grants were created. The Facebook profile, with 124 posts published within 7 months (June – December 2019) and with 2025 followers in at the end of 2019, proved to be an effective tool to reach a wider audience. The content posted, as well as the competitions organised on the Grants' Facebook profile, were highly popular, contributing to promotion of the Grants and supporting the #EEAChdropcounts campaign (commissioned by the FMO in 2019). Regardless of the above, in 2019 the NFP was performing its informational duties (via responding to e-mail and phone inquiries or parliamentary interpellations).

2019 was a very successful year also for the Programme Operators. Most of the programme agreements were finalised. Signing ceremonies of the programme agreements were accompanied by press conferences. The events, promoted i.a. via the Ministry's Facebook and Twitter, attracted quite significant media attention.

In order to ensure efficient functioning of the network of the Programme Operators and to increase their capacity to perform information and promotion activities, the NFP organised a communication workshop. The workshop focusing on effective online communication, with the participation of the FMO representatives, was held on October 24-25, 2019 in Krakow and gathered 25 participants. It was preceded by another communication workshop organised by the FMO for the NFPs from all beneficiary states.

In 2020 the NFP would like to focus on promoting the EEA and Norway Grants, providing information on new financing opportunities and the calls for proposals, as well as encouraging cooperation with entities from Iceland, Liechtenstein and Norway. The key communication activities in 2020 will cover in particular: (1) media campaign promoting the EEA and Norway Grants 2014-2021 in Poland (internet, press, radio and TV campaign); (2) graffiti in Warsaw – made using an air-purifying paints; (3) co-organization of a concert of a Norwegian or Icelandic artist or a meeting with Norwegian or Icelandic author during a book fair / festival; (4) promoting the Grants at the event celebrating the International Children's Day, organised by the Chancellery of the Prime Minister; (5) promoting the EEA and Norway Grants during the 20th New Horizons International Film Festival in Wrocław; (6) production of puzzles popularizing the knowledge on the results of selected projects implemented under the 2nd programming period of EEA and Norway Grants; (7) communication workshop for Programme Operators.

8. Monitoring and evaluation

a. Monitoring

Due to the early stage of the programmes implementation in 2019 the NFP did not conducted formal monitoring activities (such as on-site visits). However, the NFP is in constant contact with POs and analyses progress of each program on the daily basis. Additionally, the CA looks over programmes' advancement in context of reported expenditures. According to a monitoring plan of the NFP the first monitoring visits are foreseen in the 2nd quarter of 2020.

b. Evaluation

In case of *Justice* programme, the FMO commissioned an external audit of the predefined project on the pilot rehabilitation complexes for inmates (PDP1). Ecorys Polska conducted the audit at the turn of December 2019 and January 2020. The auditors confirmed that the project is justified, necessary and well prepared. Furthermore, the willingness to initiate further actions is visible and the signature of the agreement will enable the authorities to proceed. The need to start the project quickly was underlined during the audit as of primary importance for successful project implementation within an already tight timeline. Budget clarifications in respond to the report findings were presented to the Donors in February 2020.

Next evaluation is planned only for 2021 in Education.

9. Issues for the annual meeting

COVID-19 crisis

The legal framework of EEA and Norway Grants needs to be revised to counteract the coronavirus world global crisis. The instruments and ways of facilitation of both programmes and project implementation needs to be discussed at AM. The necessary modifications of a legal framework on EEA and Norway

Grants should be analysed, including the revision of the Regulations (if not decided before). The issue of the extension of the eligibility period is here crucial.

The similar actions are being undertaken within the EU funds.

MTR and the allocation of the reserve

According to the Regulation Art 1.11 Polish Focal Point shall submit to the Donor states a proposal on the allocation of the reserve set aside within the framework of the EEA Financial Mechanism 2014-2021, either in the form of a new programme or as an addition to an existing programme or programmes. Initial proposal shall be discussed during the Annual Meeting in June 2020.

The reserve can be used as instrument of mitigation measures towards coronavirus crisis. The issue is now being analysed on both – the Polish and the Norwegian side - and the decisions shall be made as soon as possible, preferably before Annual Meeting.

PA finalisation

In case of not signing the PA to Justice before AM – the issue of risk management in case of this programme is to be discussed.

Justice remains the most challenging programme.

The cooperation

The Focal Point considers it good practice and highly recommends that common workshops for POs and Focal Point continue. It clarified many issues, gave valuable feedback on the outstanding ones to the Donors side and provided platform of cooperation.

The GRACE functionalities needs to be widened – an access for NFP to calls, PLIs and other reports to make the best use of the database. An access to documents in GRACE that are being processed at the moment by FMO (after submission by NFP) is much welcomed.

Bilateral Fund

The JCBF meeting is planned in ahead of AM. The discussion will be continued, if needed.

Potwierdzam zgodność kopii z dokumentem elektronicznym:

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