



REPUBLIC OF SLOVENIA  
GOVERNMENT OFFICE FOR DEVELOPMENT  
AND EUROPEAN COHESION POLICY

Iceland  
Liechtenstein  
Norway grants

EEA FINANCIAL MECHANISM 2014-2021 AND  
NORWEGIAN FINANCIAL MECHANISM 2014-2021

# 3<sup>rd</sup> ANNUAL MEETING

## MINUTES

Ljubljana, 26 May 2021

**Date and time:** 26 May 2021, 11:00 – 14:00

**Location:** MS Teams/Government Office for Development and European Cohesion Policy (GODC), Kotnikova 5, SI-1000 Ljubljana

**Participants:**

- **Ministry of Foreign Affairs, Norway**
  - Sjur Larsen, Director of Section for Central Europe, Norwegian Ministry of Foreign Affairs
  - Anne Havnør, Senior Advisor, Section for Central Europe and the EEA and Norway Grants, Norwegian Ministry of Foreign Affairs
  
- **Ministry of Foreign Affairs, Iceland**
  - Ambassador Thorir Ibsen, Ministry for Foreign Affairs, Iceland
  
- **Financial Mechanism Office (FMO)**
  - Árni Páll Árnason, Deputy Managing Director and Director of the Country and Bilateral Cooperation Department, FMO
  - Steinar Ingi Matthiasson, Country Officer, Country and Bilateral Cooperation Department, FMO
  - Daniel Freyr Birkisson, Trainee, Country and Bilateral Cooperation Department, FMO
  
- **Embassy of the Kingdom of Norway in Hungary**
  - Ambassador Trine Skymoene
  - Timea Ruzsbaczký, EEA and Norway Grants Programme Officer
  
- **Slovenian National Focal Point (NFP) – GODC**
  - Nina Seljak, Head of NFP
  - Petra Hiršel Horvat, NFP Contact Person
  - Nataša Babuder Rumpret, Fund for Bilateral Relations Coordinator
  - Andreja Štravs, Communication Officer
  
- **Ministry of Finance, Slovenia**
  - Robert Šircelj, Department for Management of EU Funds
  - Maks Pajek, Department for Management of EU Funds
  
- **Budget Supervision Office**
  - Dušan Sterle, Director
  - Mirjam Novakovič, Head of Sector for Auditing other Funds under shared management
  - Jure Mekinc, Sector for Auditing other Funds under shared management, Auditor
  
- **Ministry of Foreign Affairs, Slovenia**
  - Vanja Markočič, Department for European Countries

## **Programme Operators (POs)**

- **Active Citizens Fund (ACF)** – Fund Operator CNVOS
  - Veronika Vodlan, Project Consultant
  
- **Climate Change Mitigation and Adaptation programme** – Programme Operator (GODC)
  - Špela Dragar, Head of Financial Mechanisms Division, Head of Programme
  - Jože Petkovšek, Programme Manager
  
- **Education programme** – Programme Operator (GODC)
  - Špela Dragar, Head of Financial Mechanisms Division, Head of Programme
  - Silvija Jakopovič, Programme Manager
  - Maja Vodopivec Crkvenjaš, Contract Manager
  
- **Control Division ETC and IFM programmes** (GODC)
  - Maja Martinšek, Head of Division

## **Proposed Agenda:**

- Opening remarks and adoption of the agenda
- Combined Strategic and Annual Programme Report 2020 and its approval
- Progress of programmes and risk assessment
  - Technical Assistance
  - Climate Change Mitigation and Adaptation programme
  - Education programme
  - Active Citizens Fund, Social Dialog – Decent Work, Fund for Youth Employment and Fund for Regional Cooperation (horizontal programmes)
- Bilateral Cooperation
- Allocation of the reserve and other open issues
- Publicity and communication
- Conclusions and closing remarks

## 1. Opening remarks and adoption of the agenda

Ms Seljak, the co-chair and head of the Slovenian National Focal Point (NFP), and Mr Larsen, co-chair on behalf of the Donors, welcomed all participants at the 3<sup>rd</sup> Annual Meeting and gave brief opening remarks.

Mr Larsen presented a brief overview of good cooperation in the past year, congratulated all for their efforts in the recent launching the Calls for Proposals for Climate Change Mitigation and Adaptation programme and Education programme. He stressed the Donors concerns about the delays in implementation and limited time remaining for actual implementation of the Grants in Slovenia while recognising the negative impact of the COVID-19 pandemic on implementation. He stressed the importance of bilateral cooperation and readiness for support and guidance throughout the implementation of programmes in Slovenia.

After opening remarks, the agenda was introduced to all participants.

**Conclusion: *The participants of the Annual Meeting adopted the agenda.***

## 2. Combined Strategic and Annual Programme Report 2020 and its approval

The Combined Strategic and Annual Programme Report for 2020 and important milestones were presented. Also, challenges and lessons learned were highlighted.

The discussion continued with the brief presentation on the eMS (Electronic Monitoring System) system, which was developed by the European Commission for Interreg (i.e. Structural Funds). The eMS has been adapted to EEA and Norway Grants' needs, implementation and processes. The system's added value is that everything is managed in one place – submission of project applications and their assessment, project reporting, controlling, monitoring and auditing. The eMS and GrACE systems are not connected, but the information required in GrACE is gathered also in the eMS.

Due to some personnel changes the adaptation of the DMCS shall be made during summer 2021.

On behalf of the Donors Mr Larsen concluded that the Combined Strategic and Annual Programme Report for 2020 has been evaluated and concluded that it is very well written, was submitted on time and provides information on the progress made and the current situation in 2021.

**Conclusion: *Combined Strategic and Annual Programme Report for 2020 is approved and will be published on the dedicated website ([www.norwaygrants.si/](http://www.norwaygrants.si/) [www.eeagrants.si/](http://www.eeagrants.si/)).***

## 3. Progress of programmes and risk assessment

**Technical Assistance** (Petra Hiršel Horvat, NFP)

The Technical Assistance and its main activities in 2020, the absorption of funds, challenges and plans for 2021 were presented. Due to the challenges faced in relation to the COVID-19

pandemic, the absorption of funds was lower than expected. Hence, all TA beneficiaries were encouraged to focus on better absorption of funds in 2021.

### **Programmes' overview** (Špela Dragar, Head of the POs)

The overview of the implementation of the Climate Change Mitigation and Adaptation programme and the Education programme in 2020 and foreseen steps in 2021 were presented.

### **Education programme – pre-defined projects** (Silvija Jakopovič, PO Education/programme manager)

The progress made in the implementation of the pre-defined project Children's House/Barnahus (project promoter: the Ministry of Justice) was presented. The project started implementation in early 2021 and is assessed to be running well and is also highly recognised on the political level in Slovenia.

Further, the pre-defined project Blended Learning in Vocational Education and Training (Blend VET) was presented, which is currently being developed. Donor Project Partner search is in progress. The draft project description has already been presented to the FMO and the DPPs. When the new PDP is agreed the Memorandum of Understanding on the implementation of the EEA Grants and the Programme Agreement of the Education programme will have to be modified accordingly before the start of the project implementation (planned for autumn 2021).

Mr Larsen added the Donors share the enthusiasm for the Children's House/Barnahus pre-defined project. Regarding the Blend VET pre-defined project, the importance of close cooperation of all entities was highlighted in order to achieve planned project outcomes and planned timeline for implementation.

### **Selection of Projects** (Jože Petkovšek, PO Environment/programme manager)

The planned activities and tentative 12-month timeline for the process of the selection of projects (from submission to contracting) were presented.

Ms Seljak pointed out that the situation in Slovenia is uncertain. A lot of potential beneficiaries have liquidity problems and other issues due to the COVID-19 pandemic, therefore the current timeline is tentative and will be more predictable following the closing of the calls by end of September (i.e. when the exact number of received applications will be known).

Mr Larsen raised donors' concern on the presented tentative timeline since the remaining time for the implementation of the projects might be too short, due to the delays already and actual implementation not foreseen to start until April 2021, and urged the NFP, the POs and the FMO to work together in order to speed up the process as much as possible.

Ms Seljak continued that the question of the assessment of the State aid for the Donor Project Partners has not yet been resolved and should be addressed immediately since the PO is responsible for maintenance of the records of the state aid's assessment.

Mr Larsen agreed that the issue should be sorted out as quickly as possible and encouraged the NFP and the POs to be in close contact with the FMO.

Mr Árnason offered assistance by the FMO in finding proper solutions within the set and agreed legal framework of the Grants.

#### **Active Citizens Fund and horizontal funds (Árni Páll Árnason, FMO)**

The progress made in the implementation of the Active Citizens Fund in Slovenia, the Social Dialog – Decent Work programme and the horizontal funds: the Fund for Youth Employment and the Fund for Regional Cooperation were presented. Slovenia's strong participation and interest in these programmes (number of Slovenian entities in the role of project promoter or project partner) was highlighted and reported that all programmes are progressing well.

**Conclusion:** *The representatives of the programmes presented the progress made in 2020 and the challenges/plans for 2021. The donors raised their serious concerns about the limited time remaining for implementation of projects under the two programs.*

#### **4. Bilateral Cooperation (Nataša Babuder Rumpret, NFP)**

The progress in the implementation of the Fund for Bilateral Relations in 2020 and planned activities for 2021 were presented, which also included the amendment of the Work Plan in 2021 (version 3) and changes in the implementation of the proposed bilateral initiatives due to the COVID-19 pandemic. There are still quite a lot of funds available to be allocated for future bilateral initiatives until 2025. If the COVID-19 pandemic situation becomes a bit more favourable, preparatory visits within the Climate Change Mitigation and Adaptation programme and the Education programme could be carried out. If there is a need the funds allocated within the Fund for Bilateral Relations for the programmes' bilateral activities could be increased.

Ms Seljak took the opportunity to thank the Royal Norwegian Embassy in Budapest and the Ambassador Ms Skymoene for all the efforts made in finding new bilateral initiatives.

Mr Larsen took the opportunity to thank the Slovenian Ministry of Foreign Affairs for their involvement. Despite the negative impact of the pandemic causing delays on the planned activities, the Donors see the need and importance for further intensification of the bilateral cooperation in the future and encourage the JCBF to consider different options and modalities to use the remaining funds and need to agree on new initiatives.

The Donors and the Embassy stressed the highest interest to connect and agree on bilateral activities and initiatives to the events under the upcoming Slovenian presidency of the Council of the EU.

**Conclusion:** *National Focal Point presented the progress and challenges within the bilateral cooperation in 2020 and challenges/plans for 2021. A new meeting of the JCBF should take place in the near future.*

## 5. Allocation of the reserve and other open issues

### Allocation of the reserve (Nina Seljak, Head of the NFP)

The NFP referred to the donors' suggestion to postpone the decision on allocating (parts of) the reserve to the climate programme till the autumn when the outcome of the newly published call, and consequently the absorption capacity of the programme, could be assessed. The NFP informed that according to local legislation and state budget plans, additional funds cannot be used to fund projects from a reserve list of existing calls and presented three possible scenarios for the allocation of the reserve that could be considered:

**1)** Additional publication of a new call for proposals to be negotiated in the period of May to September 2022; **2)** direct allocations to the Barnahus PDP and to a new PDP in the field of geothermal energy; **3)** defining quality projects from the reserve list of the existing call(?) as PDPs (and therefore eligible for extra funding). In view of the NFP, scenario no. 3 offers the most suitable possibility for the allocation of the reserve in terms of ready-to-go projects and a realistic timeframe for their implementation.

Ms Seljak proposed to have a special meeting with the FMO and the DPPs on the issue. She also took note of the option, presented at the last Annual Meeting, to allocate part of the reserve to the Active Citizens Fund.

Mr. Larsen underlined that the impossibility to use additional funds to fund projects from a reserve list of existing calls was new information to the donors. The annual meeting agreed that the best solution for the allocation of the reserve must be found as soon as practically possible. The donors also reiterated that parts of the reserve could be allocated to the ACF, which is running well and has additional absorption capacity. The Annual Meeting agreed that FMO and NFP will collaborate closely to elaborate on proposals for the donors to consider, while also being acceptable to the Slovenian authorities and would meet the legal framework of the Norwegian and EEA Financial Mechanisms. The decision on the allocation of the reserve will then be subject to an agreement between the Slovenian authorities and the Donor states.

Ms Vodlan, Fund Operator of the Active Citizens Fund in Slovenia, expressed willingness and capacity of the Fund Operator of the ACF for receiving additional funds.

**Conclusion:** *National Focal Point presented possible scenarios for the allocation of the reserve. The Annual Meeting agreed that the issue should be tackled and resolved as soon as possible. The Donors will consult with the FMO and give their view on the issue.*

### Other open issues

Ms Seljak gave brief information on the on-going audit of the National Management and Control System, which started in April 2021 (carried out by the KPMG). It was emphasized that the cooperation with the KPMG was very good and that the NFP and the PO of the Education programme are waiting for the draft Audit reports in next weeks.

Further on, Ms Seljak pointed out that the DPPs' support in searching potential Donor Project Partners within the published Calls for Proposals is crucial, therefore they shall be invited to the on-line workshop for potential beneficiaries, which is planned for June 16, 2021.

Mr Larsen expressed concern on the late publishing of the Calls for Proposals and limited time for implementation of projects but assured that the DPPs will give their best assistance in partner search activities.

Next, Ms Seljak highlighted challenges with the human resources. In 2020 there were certain staff changes at the Financial Mechanisms Division. Two members of the staff no longer work at this Division and the communication officer Ms Štravs is going on maternity leave, which leaves the team very small and consequently certain reinforcements will be needed.

Mr Larsen pointed out that the Donors urge and expect the NFP and the POs to provide the necessary human resources especially at the peak of the implementation of the Grants.

Further on, Ms Babuder Rumpret presented the forecast of likely payments. Slovenia understands the importance of the accurate planning of funds not only for the Donor States' budgeting, but also for the planning within the Slovene national budget. In this respect the timeline of numerous predictions regarding requests and payments was presented.

Mr Šircelj, Certifying Authority, added that the issue on the forecast of likely payments has also been raised at the last workshop for the Certifying Authorities where he suggested the forecasts to be included in the Interim Financial Reports.

The Donors took note on the issue raised and encouraged Slovenia to secure good preparation for providing accurate forecasting of payments as it is paramount to the donors own national budgeting. Nonetheless, the possible simplifications regarding the issue shall be considered for the next programming period.

**Conclusion:** *National Focal Point under the point "Other open issues" updated about a recent national MCS audits, the DPPs' need for support in searching potential Donor Project Partners, human resources challenges and preparation of forecasts of likely payments. The Donors again emphasized the importance of accurate forecast of likely payments.*

## **6. Publicity and communication** (Andreja Štravs, NFP and PO Communication Officer)

Ms Štravs outlined the main activities in publicity and communication in 2020, challenges in this area and plans for 2021. Due to the COVID-19 pandemic the information and communication activities planned for 2020 took place mostly online. Ms Štravs stressed the increased and good cooperation with the Communication Unit at the FMO.

Mr Larsen praised the implementation of the main information and communication activities and their adaptation to the COVID-19 pandemic since visibility of the programmes and the Grants in general is of highest importance for the Donors.

**Conclusion:** *National Focal Point presented activities and challenges in information and communication activities in 2020 and plans for 2021.*



## 7. Conclusions and closing remarks

Ms Seljak thanked everyone for the very productive Annual Meeting.

In line with the Regulations, the NFP will publish the minutes of the meeting on the dedicated website ([www.norwaygrants.si/www.eeagrants.si](http://www.norwaygrants.si/www.eeagrants.si)).

Mr Larsen expressed his gratitude for the well-organised Annual Meeting. He concluded with the main messages from the Donors: wishing the Slovenia all success in the implementation phase of the programs, that needs to be as efficient as possible due to the limited time left for implementation, while underlining the importance of good cooperation and information sharing with all parties.

**Conclusion: *National Focal Point will publish the minutes on the dedicated website. The power point presentation, presented at the meeting, shall be considered as Annex to the minutes.***