

CZECH REPUBLIC

STRATEGIC REPORT

reporting period: 4.9.2017 – 31.8.2018

EEA and Norwegian Financial Mechanisms 2014-2021

National Focal Point

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LIST OF PROGRAMMES

Programme name	Programme Operator	Programme Partner
CZ-TA Technical Assistance to the Czech Republic	NFP	---
CZ-BF Fund for bilateral relations	NFP	---
CZ-RESEARCH Research	Ministry of Finance	Technology Agency of the Czech Republic (TA CR)
CZ-EDUCATION Education	Centre for International Cooperation in Education (DZS)	
CZ-HEALTH Health	Ministry of Finance	Ministry of Health
CZ-CULTURE Culture	Ministry of Finance	Ministry of Culture
CZ-GOVERNANCE Good Governance	Ministry of Finance	---
CZ-ENVIRONMENT Environment, Ecosystem and Climate Change	State Environmental Fund of the Czech Republic (SFŽP)	Ministry of Environment
CZ-HUMANRIGHTS Human Rights, Roma Inclusion and Domestic and Gender-based Violence	Ministry of Finance	---
CZ-JUSTICE Justice	Ministry of Finance	Ministry of Justice
CZ-HOMEAFFAIRS Home Affairs	Ministry of Interior	---

EXECUTIVE SUMMARY

The National Focal Point (NFP) submits its first Strategic Report of the EEA and Norwegian Financial Mechanisms 2014-2021 to the Financial Mechanism Committee and to the Norwegian Ministry of Foreign Affairs, in accordance with Article 2.6 of the Regulation on the implementation of the EEA/Norwegian Financial Mechanisms 2014-2021.

Both the *Memorandum of Understanding on the Implementation of the EEA Financial Mechanism 2014-2021* and the *Memorandum of Understanding on the Implementation of the Norwegian Financial Mechanism 2014-2021* were signed on 4 September 2017 and immediately after that the preparation of all the programmes was commenced by the Programme Operators in cooperation with the (sectoral) programme partners, Donor Programme Partners (DPPs) or International Partner Organizations (IPOs), Financial Mechanism Office (FMO), the NFP and other relevant stakeholders.

The process of preparation of programme with all relevant stakeholders was concluded by the drafting of *Programme Concept Notes* (CN). The CNs for all nine programmes have been officially submitted to the FMO during spring or early summer 2018. In all cases the donors have accepted the CNs and have agreed to start the next phase of preparation of the Programme Agreements. In most programmes all the requested supplementary information have been submitted, for three programmes (CZ-RESEARCH, CZ-HUMANRIGHTS and CZ-HOMEAFFAIRS) they shall be completed and submitted to the FMO by the end of September 2018. It is expected that most of Programmes could be approved by the end of 2018. No major problems within programmes are reported so far.

The Joint Committee for Bilateral Funds (JCBF) was established by written procedure during October 2017 and is composed of the representatives of the NFP, Ministries of Foreign Affairs of all three Donor States and the Ministry of Foreign Affairs of the Czech Republic.

The first official meeting of the JCBF took place in Brussels on 30 November 2017 where the document "*Composition, Role and Functioning of the JCBF*" was adopted. The *JCBF Work Plan* was prepared based on the joint inputs of all JCBF members and it was adopted on 11 May 2018.

The first pre-defined bilateral initiative took place already in June 2018, the other pre-defined bilateral initiative shall be implemented in September and October 2018.

The first Open Call within the Fund for Bilateral Relations was launched on 31 August 2018 – it shall be opened for one year or until the allocation (250,000 EUR) is used.

The national level MCS was submitted to the FMO on 2 March 2018, accompanied by the Report and the positive Opinion of the Audit Authority. The FMO comments to the MCS were sent to the NFP on 4 July 2018.

Furthermore, on 8 August 2018 the FMO informed the NFP that donors accepted the organisational set up at the Ministry of Finance (acting as the NFP as well as the PO for five programmes) with conditions stemming from the donors' concern about insufficient separation of the NFP and PO roles.

The conditions set by the donors as well as the FMO comments to the MCS will be reflected in the revised national level MCS that will be resubmitted to the FMO in September – October 2018.

The National Focal Point combines the promotion of the results of the EEA and Norway Grants 2009-2014 with the communication of opportunities under the new programming period 2014-2021 towards both general public and involved stakeholders by using different communication tools and channels.

1 STATUS OF PROGRAMMES

The summary of the status of the programmes is provided in separate tables below:

Programme name	CZ-RESEARCH
Overall progress - Programme development and implementation	<p>The <i>Concept Note</i> was officially submitted via the NFP to the FMO on 19 June 2018. Donors agreed to start the next phase of preparation of the Programme Agreement.</p> <p>TA CR is preparing additional information in line with instructions received from the FMO. Supplementary information regarding the <i>Result framework</i> and <i>Risk assessment and Mitigation analysis</i> were already submitted, remaining documents (<i>Communication Plan, Annotated Template – Programme Agreement Preparation</i>) will be submitted by the end of September 2018.</p> <p>In parallel the TA CR is preparing nomination to the Programme Committee and its Rules of Procedure and other tasks needed for to start the implementation of the Programme.</p>
Commitments and disbursements made by the programme	<p>N/A</p> <p>Programme agreement not signed yet.</p> <p>No advance payments provided, no expenditures certified yet.</p>
Problems related to programme development and implementation, with suggested solutions	<p>There is a potential time risk related to the delayed signature of the Programme Agreement that could shorten the projects implementation period. TA CR will mitigate this time risk by the announcement of the call as soon as possible after the signature of Programme Agreement, now it is planned to 9 January 2019.</p> <p>Although the Ministry of Finance is still the PO of the Programme, all Programme preparatory steps are in line with the intention stated in the MoUs performed by the TA CR. The NFP submitted to the FMO the request for the transfer of the PO role to the TA CR. The administrative steps to finalise this transfer will be completed in autumn 2018 before the signature of the Programme Agreement.</p>
Programme related specific concerns in the MoU	<p>The programme supports bilateral cooperation in the field of applied research, including business development, innovation & SMEs and research projects in humanities and social sciences, between the Czech Republic and donor states.</p> <p>All special concerns stated in the MoUs were incorporated in the Concept Note.</p>
Progress in strengthening bilateral relations with donor state entities, including the use of bilateral funds allocated to the programme	<p>Bilateral cooperation between Project Promoter and the Donor States will be the condition in the open call. Further support of bilateral cooperation will be promoted through joint activities (e.g. thematic seminars, conferences, joint actions between POs, FMO, donors) financed by the Fund for bilateral relations.</p> <p>DPP is planning preparatory workshop for IdeLab for the POs of research programme area (TA CR including) in Oslo in October 2018, where DPP will help the POs to organize the seminar.</p> <p>The IdeLab seminar is planned in Prague in December 2018 focused on search potential project promoters and partners, information about the programme and call conditions.</p>

<p>Work plan outlining the milestones for the implementation of the programme over the next year – including, as relevant, expected calls, meetings of the Cooperation Committee(s), and information/communication activities</p>	<p>9-10/2018 1st Programme Committee meeting in Prague 10/2018 Transfer of the PO role to the TA CR 10/2018 Preparatory workshop for IdeLab in Oslo 12/2018 Signature of the Programme Agreement 12/2018 IdeLab in Prague - matchmaking seminar for applicants 1/2019 Call announcement 1/2019 Seminar for applicants, matchmaking in Prague 2/2019 Seminar for applicants, matchmaking in Oslo 4/2019 Call closed 5-6/2019 Seminar for evaluators (experts) in Prague 6/2019 Start of expert evaluation 9/2019 Programme Committee meeting for selection process in Prague 10/2019 Signature of contracts with Project Promoters 10/2019 start of projects implementation</p>
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Programme name	CZ-EDUCATION
<p>Overall progress - Programme development and implementation</p>	<p>Within the preparation phase, the following activities took place:</p> <ul style="list-style-type: none"> • Programme Planning Meeting: 6 September 2017; discussed the timeline of the Programme preparation; established the Cooperation Committee; • Stakeholder consultation: 26 October 2017; identified the needs and challenges to be addressed by the Programme; • Programme strategy meeting: 27 October 2017; summarized the conclusions from the stakeholder consultation; • Concept Note: officially submitted through the NFP to the FMC (3 May 2018) and approved by Donor States at the end of May 2018; • Supplementary information related to the management of the programme, including Risk assessment and mitigation analyses as well as Communication plan submitted to the FMO (28 June 2018). <p>Programme agreement: the FMO's programme team has already started drafting the PA. Calls: in preparation, no calls undertaken yet.</p>
<p>Commitments and disbursements made by the programme</p>	<p>N/A Programme agreement not signed yet. No advance payments provided, no expenditures certified yet.</p>
<p>Problems related to programme development and implementation, with suggested solutions</p>	<p>There were no major problems related to the Programme development.</p>
<p>Programme related specific concerns in the MoU</p>	<p>Specific concerns in the MoU are met by the Programme:</p> <ul style="list-style-type: none"> • The Programme will be open to cooperation at all levels of education; • Democracy and Citizenship education as well as Inclusive education (including Roma inclusion) will be prioritized topics receiving extra points in the selection process; • Mobility for staff will be supported at all levels of education, while student mobility will be focused on higher and secondary levels of education, as it is more realistic to target these two levels than the

	<p>primary level;</p> <ul style="list-style-type: none"> The Programme will include concrete measures directly targeting Roma inclusion, in particular through Outcome 4, in which 40 % of the total amount for this Outcome will be set aside for projects targeting Roma inclusion.
<p>Progress in strengthening bilateral relations with donor state entities, including the use of bilateral funds allocated to the programme</p>	<p>The Programme has a clear focus on strengthening relations between the Czech Republic and Donor States institutions (all Outcomes are designed as bilateral).</p> <p>The following activities took place:</p> <ul style="list-style-type: none"> PO/DPP/NFP seminar, Norway, 13-15 March 2018: organised by SIU, participants were provided with the overview of the EEA Grants programme, information about the Norwegian educational system and presentations from the participating countries; Cooperation Committee meeting, Czech Republic, 15 June 2018: discussed the preparation of the Programme Agreement, bilateral activities and the use of funds for bilateral relations; Regular communication between the PO and DPPs. <p>Bilateral fund allocated to the programme: not used yet.</p>
<p>Work plan outlining the milestones for the implementation of the programme over the next year – including, as relevant, expected calls, meetings of the Cooperation Committee(s), and information/communication activities</p>	<ul style="list-style-type: none"> Programme agreement expected to be signed in autumn 2018; Programme implementation agreement concluded between the NFP and PO by the end of 2018; Calls: launch of the first calls expected by the end of 2018; calls 2018 completed and all project contracts signed by the end of July 2019; Meetings of the Cooperation Committee at least twice a year. <p>Strengthening bilateral relations:</p> <ul style="list-style-type: none"> Joint Meeting PO/NFP/DPP/FMO in Liechtenstein, including CZ Dialogue Meeting, 4-6 September 2018; Contact seminar for potential project promoters and partners organised by the end of May 2019, Czech Republic; Use of bilateral fund allocated to the program from the beginning of 2019. <p>Information/communication activities:</p> <ul style="list-style-type: none"> EEA session at the CZEDUCON conference – 8 November 2018, Czech Republic; Launch event – November/December 2018; Participation in education fairs (e.g. Job Challenge Brno, EDUCA Liberec, Study Abroad Fair CVUT Praha); Info seminars for (potential) beneficiaries; Webpage update, media outreach, printed materials – ongoing activities.

Programme name	CZ-HEALTH
Overall progress - Programme development and implementation	<p>The preparation phase of the Health Programme started after the MoU was signed in September 2017. The PO in cooperation with the PP, DPP and FMO held Stakeholder Consultation (SC) meeting in October 2017. The conclusions of the SC were fed into the Concept Note (CN), the first complete draft of which was sent to the FMO on 14/2/2018, followed by the exchange of drafts. The CN was officially submitted through the NFP to the FMO on 28/5/2018. The delay in submission was caused by several rounds of comments (5th version of the CN submitted officially). The PO asked for the assessment concerning programme compliance with state aid rules, the written record of which was sent to the NFP in May 2018. The CN was assessed by the donors who agreed that the CN was ready to move to the drafting of the Programme Agreement on 21/6/2018. The PO in consultation with the PP and DPP developed supplementary documentation incl. information related to the management of the programme, risk assessments and mitigation analysis, communication plan and results framework specification. The exchange of drafts was carried out in July 2018. The complete updated supplementary documentation was sent to the FMO on 9/8/2018.</p>
Commitments and disbursements made by the programme	<p>N/A Programme agreement not signed yet. No advance payments provided, no expenditures certified yet.</p>
Problems related to programme development and implementation, with suggested solutions	<p>The submission of the CN was delayed due to several rounds of comments and involvement of many different stakeholders. One of the suggested PDPs was refused by the FMO, which resulted in the necessity of the PO and the PP to rebuild the planned structure of the Programme. The Roma health concerns were discussed in several rounds based on the requirements of the donors. Common agreement was reached as the PO and PP provided the description of mechanisms to ensure that the Roma health concern will be addressed explicitly and progress in this regard will be reported.</p>
Programme related specific concerns in the MoU	<p>Programme will comply with the given special concerns and Programme Area specifics. Special concerns will be reflected in the proposed outcomes and outputs. The programme will primarily address issues in mental health with particular emphasis on children (outcome 1), deal with civil society empowerment in the health sector (outcome 3) and tackle major health challenges in prevention of non-communicable and communicable diseases as well as antimicrobial resistance (outcome 2) by establishing achievable and measurable results. Social inequalities in health with a special focus on the health needs of the Roma population will be addressed specifically in outcome 2 with the Open Call allocation aimed at provisions helping their inclusion (10 % of the total Programme allocation). Inclusion of marginalized groups, such as Roma, will however pervade throughout the programme as a cross-cutting issue. With regard to the Programme Area specifics, 47 % of the total programme allocation shall address child health, including children at risk and/or suffering from mental illness, being perceived as the most vulnerable groups.</p>

<p>Progress in strengthening bilateral relations with donor state entities, including the use of bilateral funds allocated to the programme</p>	<p>The 1st Cooperation Committee meeting (16-17 May 2018) was held in Oslo. The potential partners of PDPs were also invited to discuss their expectations regarding the bilateral cooperation. Teleconference with the FMO was also carried out during the CC meeting to clarify comments to the CN. The use of bilateral funds allocated to the Programme was discussed at the CC meeting including the aim to support pre-defined initiatives (meetings with Donor States entities defined as potential partners in PDPs, events organized by the PO/PP to promote donor partnership projects). All three suggested PDPs carried out study trips to meet their donor state project partners face-to-face and to establish joint preparation of an application for their PDP. On 25/7/2018, the PP in cooperation with the PO and the DPP organized a seminar on the EEA Grants and the Health Programme, particularly mental health area, for the potential applicants and their partners (held in Prague on the occasion of the international congress on mental health of children IACAPAP). The PO in cooperation with the PP and the DPP shall organize a match-making seminar for potential project promoters and potential donor state partners (expected to be held in December 2018 in Prague).</p>
<p>Work plan outlining the milestones for the implementation of the programme over the next year – including, as relevant, expected calls, meetings of the Cooperation Committee(s), and information/communication activities</p>	<p>The 2nd Cooperation Committee meeting is expected to be held in December 2018 in Prague on the occasion of the match-making seminar. The Programme implementation agreement with NFP shall be signed by 31/12/2018. Open Call aimed at search for partners for donor partnership projects prior to or during the preparation of a project application and joint preparation of an application is expected to be launched in January 2019. Positive appraisal of PDPs, notification to the FMO and project contracts for all PDPs signed shall be achieved by 31/1/2019. Programme launch event is envisaged to be held latest by 31/3/2019. Information system for applicants shall be updated by 30/4/2019. All Open Calls including SGS calls shall be launched by 30/9/2019.</p>

<p>Programme name</p>	<p>CZ-CULTURE</p>
<p>Overall progress - Programme development and implementation</p>	<p>The programme was designed in the cooperation with the donor programme partners and the national programme partners. The concept of the programme was based on the conclusions from the stakeholder consultation (held 12.10.2017) and officially submitted to the donors on 6 June 2018. After positive assessment by the donors in the end of June 2018 the programme proceed to the programme agreement preparation phase. Additional information about the programme and the implementation structure was submitted to the FMO in July 2018 (supplementary information on results framework in June 2018). The additional information on the pre-defined project was submitted in August 2018.</p> <p>Following the assessment of the concept note by the donors, preliminary information about the focus of the programme was published to potential applicants and donor state project partners (also presented during the kick-off event held in Oslo in May 2018). Bilateral activities to support bilateral partnership have been under the preparation.</p>

<p>Commitments and disbursements made by the programme</p>	<p>N/A Programme agreement not signed yet. No advance payments provided, no expenditures certified yet.</p>
<p>Problems related to programme development and implementation, with suggested solutions</p>	<p>There is a half year delay in the implementation of the preceding phase of the pre-defined project (removal of existing facilities and archaeological research). Political situation after the parliamentary elections in 2017 prevented the project promoter from starting the demolition works. The decision of the Government of the CR to release money for the demolitions and management costs of the Museum of Romani Culture is still standing. So far, the Museum has covered all expenses related to the operation of Lety Memorial from own budget (with assistance of the Ministry of Culture), however such practice is not sustainable in the long term. The project promoter and the Ministry of Finance actively support unlocking of the current situation – a meeting with the prime minister has been scheduled for 30 August 2018 with aim to start with recultivation works at the site during autumn 2018.</p> <p>Due to strong bilateral ambitions of the programme (min. 6 open calls) the programme envisages a problem with a lacking funding to adequately support establishment of bilateral partnership in projects in all open calls (thematic areas). A request for an increase of the allocation is expected to be submitted to JCBF.</p>
<p>Programme related specific concerns in the MoU</p>	<ul style="list-style-type: none"> - The programme shall consist of cultural heritage management related to the revitalising of heritage and contributing to social and economic development. - The programme shall include support for cultural and creative activities with a cultural entrepreneurial outlook stimulating social inclusion and local development. - The programme shall include support for cultural heritage of minorities (including Roma and Jewish heritage). - The programme shall contribute to a greater awareness about the culture of social, ethnic and cultural minorities. It shall aim at improving the access of minority groups (such as Roma) to culture and at addressing the needs of these minorities. - The concrete measures directly targeting Roma inclusion shall be further explored during the preparation of the concept note. <p>The specific concerns were incorporated in the programme. The detailed strategy was elaborated in the concept note and will be transposed in the open calls. Appropriate outreach activities will be implemented to involve all relevant social, ethnic and cultural groups.</p>
<p>Progress in strengthening bilateral relations with donor state entities, including the use of bilateral funds allocated to the programme</p>	<p>The first meeting of the Cooperation Committee was held on 24.1.2018 and the plan for use of the bilateral funds allocated to the programme was discussed. In line with the strategy confirmed in the concept note the bilateral activities are under preparation in order to support establishment of partnerships in sufficient time before the open calls.</p> <p>The programme was actively presented to potential donor state project partners during the kick-off event for cultural programmes held in Oslo in May 2018.</p>

Work plan outlining the milestones for the implementation of the programme over the next year – including, as relevant, expected calls, meetings of the Cooperation Committee(s), and information/communication activities	Timing	Activity
	11/2018	Match-making study trip on industrial heritage in Norway (related to Call 1)
	11/2018	Signed programme implementation agreement with NFP
	11/2018	Seminar about possibility of study trips under the bilateral ambitions (related to Call 1,3,5,6)
	11/2018	Announcement of bilateral call for study visits (related to calls 1,3,5,6)
	01/2019	Seminar in Oslo – presentation of Czech cultural sector (related to Call 3)
	03/2019	Launch conference of the Programme
	03/2019	Announcement of Call 3
	03/2019	Seminar for applicants (related to Call 3)
	04/2019	Match-making seminar (related to Call 1)
	04/2019	Announcement of Call 1
	04/2019	Seminar for applicants (related to Call 1)
	05/2019	Seminars for applicants (related to Call 5,6)
	05/2019	Announcement of Call 5
	05/2019	Announcement of Call 6
11/2019	Seminar for project promoters (related to Call 3)	
12/2019	Seminar for project promoters (related to Call 5,6)	

Programme name	CZ-GOVERNANCE
Overall progress - Programme development and implementation	The Good Governance Programme was designed in the cooperation with international partner organisation (IPO) – Council of Europe. Aims of the programme were set during a stakeholder consultation that was held in Prague on 8 November 2017. The Concept Note of the programme has been developed during first half of 2018 and officially submitted to FMO via NFP on 15 May 2018. The Concept Note has been assessed by FMC during June 2018. First version of supplementary information about the programme was submitted to the FMO in the beginning of July 2018 and additional information about PDPs in mid-August 2018.
Commitments and disbursements made by the programme	N/A Programme agreement not signed yet. No advance payments provided, no expenditures certified yet.
Problems related to programme development and implementation, with suggested solutions	In August the PO received information from Financial Analytical Office (FAU; potential project promoter of PDP 4) that it will not continue with preparation works and will not implement PDP 4. PO has held talks with FAU about reasons why PP refuses the PDP and offered help to solve the situation. PP mentioned lack of employees as main reason. PO is trying to find new PP that can implement corruption and money laundering measures stated in MoU.

<p>Programme related specific concerns in the MoU</p>	<p>1) <i>The programme shall aim at improving good governance of public institutions.</i> This special concern is incorporated in all programme outcomes.</p> <p>2) <i>The programme shall implement measures to address corruption and money laundering. The participation of CoE as International Partner Organisation shall be focused on this component of the programme.</i> CoE act as IPO and is focused on this component of the programme. PDP 4 should have been aimed this component of the programme. As there is problem with PDP 4 project promoter mentioned above PO has to find new PP with new project aimed measures to address corruption and money laundering.</p>																			
<p>Progress in strengthening bilateral relations with donor state entities, including the use of bilateral funds allocated to the programme</p>	<p>Bilateral fund allocated to the programme has not been used yet.</p>																			
<p>Work plan outlining the milestones for the implementation of the programme over the next year – including, as relevant, expected calls, meetings of the Cooperation Committee(s), and information/communication activities</p>	<table border="1"> <thead> <tr> <th>Timing</th> <th>Activity</th> </tr> </thead> <tbody> <tr> <td>31/12/2018</td> <td>Programme Agreement signed</td> </tr> <tr> <td>31/01/2019</td> <td>Programme implementation agreement with NFP signed</td> </tr> <tr> <td>Within 6 months from the approval of the Programme</td> <td>Management and control systems of the Programme Operator approved</td> </tr> <tr> <td>30/04/2019</td> <td>Information system for applicants and projects updated</td> </tr> <tr> <td>30/06/2019</td> <td>Opening event organised</td> </tr> <tr> <td>30/06/2019</td> <td>Appraisal of PDPs completed and all pre-defined projects contracts signed</td> </tr> <tr> <td>30/09/2019</td> <td>SGS Call launched</td> </tr> <tr> <td>31/03/2020</td> <td>Appraisal of SGS Call completed and all project contracts signed</td> </tr> </tbody> </table>	Timing	Activity	31/12/2018	Programme Agreement signed	31/01/2019	Programme implementation agreement with NFP signed	Within 6 months from the approval of the Programme	Management and control systems of the Programme Operator approved	30/04/2019	Information system for applicants and projects updated	30/06/2019	Opening event organised	30/06/2019	Appraisal of PDPs completed and all pre-defined projects contracts signed	30/09/2019	SGS Call launched	31/03/2020	Appraisal of SGS Call completed and all project contracts signed	
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<p>Programme name</p>	<p>CZ-ENVIRONMENT</p>
<p>Overall progress - Programme development and implementation</p>	<p>The Concept Note was officially submitted through the NFP to the FMO on 11 June 2018. The delay in submission was caused by several rounds of comments to the CN. The comments from the NMFA to the Concept Note were received on 1 July 2018, and the Programme Agreement is currently under preparation. The first versions of the supplementary information have already been exchanged between the Programme Operator and the Financial Mechanism Office programme team.</p>
<p>Commitments and disbursements made by the programme</p>	<p>N/A Programme agreement not signed yet. No advance payments provided, no expenditures certified yet.</p>

Problems related to programme development and implementation, with suggested solutions	N/A
Programme related specific concerns in the MoU	N/A
Progress in strengthening bilateral relations with donor state entities, including the use of bilateral funds allocated to the programme	On 12 June 2018, the first Cooperation Committee Meeting took place in Prague, where it was agreed to introduce the specific programme areas to potential project promoters on the Czech side, and also the programme would be presented to potential project partners on the Norwegian side before a Match-making seminar will be held in Prague (assumption January 2019). The aim is to promote the Programme and to attract potential partners to strengthen and develop new cooperation.
Work plan outlining the milestones for the implementation of the programme over the next year – including, as relevant, expected calls, meetings of the Cooperation Committee(s), and information/communication activities	The second meeting of the Cooperation Committee is planned in line with the presentation of the Programme to potential Norwegian project partners at the end of November 2018 in Oslo. The signing of the Programme Agreement is expected by the end of 2018. It will be followed by a Match-making Seminar, which is planned for potential Project promoters and Norwegian project partners in Prague (January 2019). On 18 October 2018 the Thematic Workshop will be held for representatives of potential Czech Project promoters with the aim of better targeting of the developed specific methodologies for the Programme implementation and the first Calls for proposals as well as refinement expectations of potential projects. The Programme already has new web pages in Czech and English and facebook and instagram profiles, a video on the Programme is being created, and the Programme will be presented during the autumn at selected expert conferences as well as through the above-mentioned workshops.

Programme name	CZ-HUMANRIGHTS
Overall progress - Programme development and implementation	Following the conclusion of the Memorandum of Understanding on the Implementation of the Norwegian Financial Mechanism 2014-2021 (4 September 2017) the PO started to design the Human Rights, Roma Inclusion, and Domestic and Gender-based Violence Programme in close collaboration with the FMO, IPOs (CoE, FRA) and The Office of the Government of the Czech Republic (acting as advisory body similar to PP). During this phase the stakeholder consultation were held (24 October 2017) and its conclusions discussed at Programme Strategy Meeting (25 October 2017) provided the basis for Programme's focus. Besides, another 2 Programme Strategy Meetings and several consultations (phone conferences, email exchange) with FMO, IPOs and The Office of the Government took place. The process resulted in the the Concept Note of the Programme. The document defining the scope and planned results of the Programme was submitted, through the National Focal Point, to the NMFA on 5 June 2018. On 29 June 2018 the PO was informed that the NMFA positively assessed the Concept Note. Since than the PO has been drawing up additional information about

	the programme requested by the FMO. The expected date of the submission of the document is the end of September 2018 (if essential information on PDPs is delivered by the project promoters within a reasonable time).
Commitments and disbursements made by the programme	N/A Programme agreement not signed yet. No advance payments provided, no expenditures certified yet.
Problems related to programme development and implementation, with suggested solutions	Programme development has been delayed as the result of its complexity and number of stakeholders involved in the development process. However, the Concept Note of the Programme was developed in detail which should facilitate drafting the programme agreement.
Programme related specific concerns in the MoU	<ul style="list-style-type: none"> - The programme shall foster the implementation of human rights standards in the Czech Republic. It shall also directly target vulnerable groups at high risk of discrimination and exclusion, such as Roma. Victims and witnesses of domestic and gender-based violence, especially children and vulnerable groups, including migrants and Roma women shall be addressed. - The programme shall aim at combatting all forms of discrimination and exclusion. It shall also enhance the capacities of the relevant national institutions. Emerging forms of gender-based violence, such as online harassment, bullying or stalking will be also addressed within the programme. - Approximately 30 % of the total eligible expenditure shall be allocated to the programme area 'Domestic and Gender-based Violence'. The remaining 70 % of the total eligible expenditure shall be allocated between the programme areas 'Human Rights - National Implementation' and 'Roma Inclusion and Empowerment'. At least 45 % of this amount shall be allocated to the programme area 'Roma Inclusion and Empowerment'. - No more than 50 % of the total eligible expenditure of the programme area 'Domestic and Gender-based Violence' shall be available for infrastructure (hard measures). - The maximum level of funding available for infrastructure (hard measures) from the total eligible expenditure of the programme area "Roma Inclusion and Empowerment" shall be identified in the concept note. - The CoE shall be involved in the programme area 'Human Rights – National Implementation', while FRA shall be involved in the programme area 'Roma Inclusion and Empowerment'. <p>All specific concerns were accommodated in the Concept Note of the Programme and the Programme will comply with the conditions set.</p>
Progress in strengthening bilateral relations with donor state entities, including the use of bilateral funds allocated to the programme	On the programme level, bilateral relations with donor state entities has been strengthen by the "Synergy network" initiated by the Ministry of Justice and Public Security and welcomed by beneficiary states implementing PA No 22 (including the Czech Republic). The network shall create synergies through networking across countries and programmes against DGBV and thus increased the impact of the programmes under the EEA / Norway Grants 2014-2021. A kick-off meeting identifying interests for a network-model for creating synergy among co-operating parties under the EEA/Norway Grants was held on

	<p>8 March 2018 in Oslo.</p> <p>On the PDP level most of the future project promoters sought to establish a formal partnership with the Norwegian institutions. As a result 4 projects shall be implemented in bilateral partnership with a donor project partner. Those project promoters that did not succeed in establishing formal partnership (due to limited capacity on the Norwegian side) shall strengthen bilateral relations with their Norwegian counterparts or with institutions experienced in the areas of their concern by undertaking study trips.</p>	
<p>Work plan outlining the milestones for the implementation of the programme over the next year – including, as relevant, expected calls, meetings of the Cooperation Committee(s), and information/communication activities</p>	Timing	Milestone
	12/2018	Programme agreement signed
	12/2018	Programme implementation agreement with NFP signed
	3/2019	Match-making seminar(s) carried out (if sufficient number of Norwegian institutions open to bilateral partnership with CZ institution are found)
	3/2019	Programme launch event organised
	4/2019	Text of the Call for Proposal No 3 drawn up and the NMFA provided with the text
	5/2019	Text of the Call for Proposal No 1 drawn up and the NMFA provided with the text
	5/2019	Call for Proposal No 3 launched
	6/2019	Call for Proposal No 1 launched
	7/2019	Positive appraisal of PDPs No 1-7, NMFA notified and project contracts for all pre-defined projects signed
	10/2019	Text of the SGS launched drawn up and the NMFA provided with the text
	10/2019	Call for Proposal No 3 closed
	11/2019	Call for Proposal No 1 closed
	11/2019	SGS launched
12/2019	Positive appraisal of PDPs No 8-9, NMFA notified and project contracts for all pre-defined projects signed	

Programme name	CZ-JUSTICE
Overall progress - Programme development and implementation	<p>The Justice Programme development formally started after the Memorandum of Understanding was signed in September 2017. Challenges and needs of the programme which together will lead to an effective functioning of the justice chain and to gain the objective of the programme were set in cooperation with the PP, DPP, IPO and FMO during the stakeholder consultation in October 2017. The conclusions of the stakeholder consultations were fed into the Concept Note (CN) which has been developed during the first half of 2018. The CN was officially submitted through the NFP to the FMO on 23 April 2018. The CN was positively assessed by donors on 24 May 2018. Afterwards the development phase of the provision of the Supplementary information in cooperation with the PP, DPP and IPO was started in June 2018. The second version of Supplementary information was sent to the FMO on 10 August 2018.</p>

Commitments and disbursements made by the programme	N/A Programme agreement not signed yet. No advance payments provided, no expenditures certified yet.													
Problems related to programme development and implementation, with suggested solutions	The Programme Operator received during summer information that due to the unexpected circumstances, it is very difficult for the Probation and Mediation Service to get the suitable buildings for the planned Probation Houses. There are some possible solutions that need to be further discussed with the DPP, IPO and FMO. There is a teleconference planned with all involved stakeholders after the Roundtable with Czech and Norwegian partners (beginning of September) to discuss the possibilities of the next steps.													
Programme related specific concerns in the MoU	<p>The programme shall support:</p> <ul style="list-style-type: none"> - Systemic measures in penitentiary and post-penitentiary care; - Implementation of reintegration programmes and education activities; - The activities shall include focus on alternative measures to prison. <p><i>PDP1 (outcome 1)</i> – the aim is to interconnect judiciary, penitentiary and post-penitentiary care to educate employees of relevant institutions in important areas together.</p> <p><i>PDP2 (outcome 2)</i> – the objective is to implement new treatment programmes which shall (in long term perspective) reduce substance abuse, a higher motivation for change and support of reintegration, higher competences of sentenced persons to imprisonment.</p> <p><i>PDP3 (outcome 3)</i> – there is a goal to establish and to operate probation houses and programming centres which are tools for serving alternatives to prison in the Czech Republic.</p>													
Progress in strengthening bilateral relations with donor state entities, including the use of bilateral funds allocated to the programme	<p>The first Roundtable between the Czech and Norwegian partners was held on 22-23 May 2018 in Prague. The purpose of the Roundtable was to allow meeting between the eligible applicants of the three pre-defined projects and potential project partners from Norwegian institutions. Last day of the Roundtable, the first Cooperation Committee meeting was held. The use of bilateral funds allocated to the Programme was discussed as well as the organisation of the second Roundtable.</p> <p>The second Roundtable between the Czech and Norwegian partners will be held on 10-12 September 2018 in Prague. The aim is to deepen contacts between the Czech and Norwegian partners that were established in the previous Roundtable and to get detailed information about the possibilities in future cooperation. The second Cooperation Committee meeting is planned in the turn of November/December 2018.</p>													
Work plan outlining the milestones for the implementation of the programme over the next year – including, as relevant, expected calls, meetings of the Cooperation Committee(s), and	<table border="1"> <thead> <tr> <th>Expected date</th> <th>Activity</th> </tr> </thead> <tbody> <tr> <td>10. - 12. 9. 2018</td> <td>Roundtable with CZ and NO partners</td> </tr> <tr> <td>by 31/12/2018</td> <td>Programme implementation agreement with NFP signed</td> </tr> <tr> <td>by 31/12/2018</td> <td>Partnership agreement with the Programme Partner signed</td> </tr> <tr> <td>by 31/12/2018</td> <td>2nd CC Meeting</td> </tr> <tr> <td>Within 6 months</td> <td>Management and control systems of the</td> </tr> </tbody> </table>	Expected date	Activity	10. - 12. 9. 2018	Roundtable with CZ and NO partners	by 31/12/2018	Programme implementation agreement with NFP signed	by 31/12/2018	Partnership agreement with the Programme Partner signed	by 31/12/2018	2nd CC Meeting	Within 6 months	Management and control systems of the	
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by 31/12/2018	2nd CC Meeting													
Within 6 months	Management and control systems of the													

information/communication activities	from the approval of the Programme	Programme Operator approved
	by 30/04/2019	Information system for applicants and projects updated
	by 30/06/2019	Opening event organised
	by 30/06/2019	Appraisal of PDPs completed and all pre-defined projects contracts signed
	by 30/09/2019	Call launched
	by 30/04/2020	Call completed and all project contracts signed

Programme name	CZ-HOMEAFFAIRS
Overall progress - Programme development and implementation	<ul style="list-style-type: none"> NFP officially submitted the Concept Note of the Home Affairs Programme to the FMO on 25 May 2018. The Concept Note was prepared by the Ministry of Interior (PO) in cooperation with the FMO and the Royal Norwegian Embassy in Prague (NORAMB). The NFP has been also involved in the consultation process. Donors agreed to start next phase of preparation of the Programme. The PO in cooperation with the Police Presidium (Project Promoter of PDPs) works on completion of additional information in line with instructions received from the FMO. Currently the PO clarifies with the FMO the issues related to the Small Grant Scheme. All additional information is planned to be submitted to the FMO in September 2018.
Commitments and disbursements made by the programme	N/A Programme agreement not signed yet. No advance payments provided, no expenditures certified yet.
Problems related to programme development and implementation, with suggested solutions	The SGS needs to be further elaborated. This may delay the submission of the additional information.
Programme related specific concerns in the MoU	All special concerns as stated in the MoUs are incorporated to the Concept Note.
Progress in strengthening bilateral relations with donor state entities, including the use of bilateral funds allocated to the programme	<ul style="list-style-type: none"> The projects (PDP1 and PDP4) include a bilateral part with the Norwegian Partners involved. The Norwegian partners confirmed interest to take part in PDPs implementation. The activities will be focused on exercises and exchange of experience on the territory of both countries. Awareness about the programme will be also spread among other potential partners during these activities and additional bilateral cooperation could be covered by the Fund for bilateral relations. Cooperation with NORAMB/FMO in identification of potential donor partners and awareness raising in the Donor State is intensively carried out. Active involvement of the PO in the publicity of the programme and SGS to potential donor state partners (via identification of institutional working-level contact in Norway) - the mapping process is still underway.
Work plan outlining the milestones for the	<ul style="list-style-type: none"> Programme implementation agreement with NFP signed – November 2018

<p>implementation of the programme over the next year – including, as relevant, expected calls, meetings of the Cooperation Committee(s), and information/communication activities</p>	<ul style="list-style-type: none"> • PO website running – December 2018 • Opening conference of the Programme – February 2019 • Match-making events prior to the launch of the SGS call – March 2019 • SGS call launched – May 2019 • Management and control systems of the Programme Operator approved within 6 months of the signing of the Programme Agreement • All PDP's contracts signed – until the end of 2019
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2 PROGRESS BY THE JOINT COMMITTEE ON BILATERAL FUNDS

Back-to-back with the Kick-off meeting for the EEA and Norway Grants 2014-2021 in the Czech Republic, a **Preliminary meeting** for the Bilateral Fund (BF) was held on 7 September 2017 in Prague. The purpose of the meeting was to discuss the roles of the stakeholders involved in the BF, its processes and practicalities and to agree on the next steps regarding the establishment and functioning of the Joint Committee for Bilateral Funds (JCBF). In line with the conclusions of the Preliminary meeting, it was agreed that the JCBF shall be established by the written procedure.

In October 2017, representatives from the Czech Republic and the Donor States, including the Ministries of Foreign Affairs from the three Donor States and the Czech Republic were asked for an **official designation** of their formal members in the JCBF.

On 3 November 2017 (within 2 months from the MoU signature), the **composition of the JCBF** was submitted to the Donors. The member institutions of the JCBF are the following:

The National Focal Point (Ministry of Finance of the Czech Republic)

The Norwegian Ministry of Foreign Affairs represented by the Royal Norwegian Embassy in Prague

The Icelandic Ministry of Foreign Affairs represented by the Embassy of Iceland in Brussels

The Ministry of Foreign Affairs of the Principality of Liechtenstein

The Ministry of Foreign Affairs of the Czech Republic

The National Focal Point (NFP) prepared a proposal for the **Composition, Role and Functioning** (CRF) of the JCBF based on the general template prepared and recommended by the FMO and in line with the Regulations and the Bilateral Guideline. The CRF document was discussed and subsequently adopted on 30 November 2017 at the **first official meeting of the JCBF**, which took place in Brussels. A preparation of JCBF **Work Plan** (WP) was consulted and it was agreed that the WP shall be developed based on joint inputs of all JCBF members. In relation to this, the first ideas for pre-defined bilateral initiatives were introduced and approved – a study trip to Norway to gain experience for the planned memorial in Lety, annual exchanges of Brno and Vaduz grammar schools and work of the Czech-Liechtenstein Commission of Historians. Furthermore, the allocation for the first open call (250,000 EUR) was agreed with a maximum grant amount of 50,000 EUR.

The WP was adopted on 11 May 2018. It was set that modalities of the Fund shall include Open Calls, Pre-defined initiatives and Activities of the POs (within their Bilateral Ambitions).

In June 2018, the first Pre-defined initiative '**Study trip to Norway: How to present traumatic parts of national history**' submitted by the Ministry of Culture of the Czech Republic took place. The objective was to gain practical experiences and seek inspiration regarding a future Lety memorial.

The second pre-defined initiative was submitted in June 2018, when the Matyas Lerch Gymnasium in Brno applied for a grant for a pre-defined initiative – 'On the Traces of Princes of Liechtenstein in Southern Moravia, Lower Austria and Liechtenstein' within the **Czech–Liechtenstein school exchange**. The first exchange shall be implemented in September and October 2018 together with its bilateral

partner, Liechtensteinisches Landesgymnasium. The annual exchanges should take place every year between 2018 and 2024.

The last major Pre-defined initiative represents the financial support of **Czech-Liechtenstein Commission of Historians** in timeframe 2018-2024.

As regards the first **Open Call**, the Guidelines for applicants and final beneficiaries were prepared by the NFP and agreed by the JCBF. The call was launched on 31 August 2018 and shall be opened for one year or until the allocation (250,000 EUR) is used. Applications shall be submitted continuously and the assessment of the applications shall be a shared responsibility of all members of the JCBF (by written procedure to ensure maximum flexibility).

The funds allocated to the programmes by **Bilateral Ambitions** in the MoUs shall be managed by the POs. Based on the Expression of interest, the JCBF shall decide upon the additional allocation requested. The text of this chapter was consulted and agreed on by the JCBF via written procedure and it was also agreed by the JCBF that there is currently no need to organize the second JCBF meeting in 2018.

3 MANAGEMENT AND CONTROL SYSTEM

The **national level Management and Control System** (MCS) was drafted in cooperation of the respective national entities located at the Ministry of Finance (National Focal Point, Certifying Authority and Audit Authority). The current MCS envisages stricter separation of roles of the NFP and PO at the Ministry of Finance, mainly at the level of programme managers.

Upon the NFP's request of 16 February 2018 the Audit Authority (AA) carried out an assessment of the detailed description of the MCS. The Report and the Opinion assessing the MCS for the implementation of the EEA/Norwegian Financial Mechanisms 2014-2021 was issued on 28 February 2018. Based on the assessment of the description of the MCS the Audit Authority declared that the MCS established for the implementation of the EEA/Norwegian Financial Mechanisms 2014-2021 at the national level met the requirements set out in the Regulation on the implementation of FMs, and it was in line with the generally accepted accounting principles.

The Report and the Opinion were annexed to the MCS document which was submitted to the FMO for approval on 2 March 2018.

The FMO comments to the MCS were sent to the NFP on 4 July 2018.

In line with the Annex B, paragraph 2 of the Memoranda of Understanding, the **Management Structure Plan** describing the adequate programme management capacity and functional separation between the NFP and the PO was submitted to the FMO on 7 March 2018 and consequent clarification on 26 March 2018.

As stated in the email from the FMO of 8 August 2018, the **organisational set up at the Ministry of Finance was accepted by the donors with conditions** stemming from the donors' concern about insufficient separation of the NFP and PO roles, especially when it comes to the accountability of the entities involved and fulfilment of the responsibilities of the NFP over the programmes in an objective and impartial manner when the staff involved is interlinked in the everyday implementation of the FMs. The conditions set by the donors will be reflected in the revised national level MCS.

The amended document will be resubmitted to the FMO in September – October 2018.

In line with the Article 5.7 of the Regulations, the PO level MCS will be submitted to the NFP/FMO within 6 months from the approval of given programme.

In cooperation with the relevant stakeholders the Certifying Authority (CA) started to prepare the **Methodology of Financial Flows, Certification and Controls for the 2014-2021 programme period**. The methodology is a key document setting up financial flows, investigation of irregularities, certification

procedures and controls of the EEA and Norway Grants 2014-2021 in the Czech Republic. The Methodology is expected to be approved by the Government of the Czech Republic by the end of 2018.

On the basis of experience from the previous programming period as well as various recommendations given in the evaluation/audit reports or provided by the FM stakeholders, the NFP aims to implement measures leading to reduction of administrative burden and simplification of processes where possible with regard to the national legislation.

The NFP is currently revising its written guidelines (i.e. Guideline for Eligible Expenditures, Small-scale Public Procurement Guideline, Guidelines for POs) with the aim to reduce all unnecessary additional requirements and make the documents as easy and user friendly as possible.

Within the Fund for Bilateral Relations the NFP introduced several amendments aiming at simplification of the approval and implementation process of initiatives managed by the NFP. The BF will be administered through an electronic information system which will simplify communication and flow of documents. The grant application and monitoring templates were simplified including the budget and payment request structure. The Guidelines for applicants and final beneficiaries including all annexes were drafted in cooperation with donors who paid attention especially to simplification of processes and reduction of administrative burden.

As concerns the PO level, the NFP will instruct the POs to keep the administrative requirements to the necessary minimum defined by the Regulations and national legislation. The NFP will overlook preparation of the PO MCS and thus will be able to comment on any excessive or cumbersome requirements towards final beneficiaries.

For the programmes managed by the Ministry of Finance the grant application form will be simplified and better structured – the grant application will be filled-in in the electronic information system where some figures (e.g. in the budget or logical framework) will be pre-defined and so much easier for the applicant to be filled in.

It should be, however, noted that some aspects of the overall FM implementation system as set out in the Regulations and Memoranda of Understanding make the simplification efforts more difficult. At this stage of FM implementation we can mention the BF which requires additional reporting tools in order to be able to get proper information on the use of funds for the BF Interim Financial Report, or introduction of IPOs as final beneficiaries (e.g. the Council of Europe) and thus necessity for the POs to modify standard implementation procedures (e.g. different implementation contracts, reporting, controls).

4 COMMUNICATION

Updated Communication Strategy has been submitted to the FMO in August 2018 (following the FMO comments to the version submitted in April 2018) and the final version is not approved yet. Nevertheless the NFP provides communications activities in accordance with this Communication Strategy. The main goal of the communication in past months was to increase awareness of general public on the EEA and Norway Grants so the activities made were/are focused mainly on general public.

The overview of promotional activities made in September 2017 – August 2018:

- The **Ceremonial Signature of the Memoranda of Understanding** on the Implementation of the EEA and Norwegian Financial mechanism 2014-2021 between the Czech Republic and the Donor States

took place in Convent of St. Agnes of Bohemia in Prague on 4 September 2017. The ceremonial act was accompanied by a press conference and articles promoting new period of the EEA and Norway Grants 2014-2021 were published in national wide newspaper and on many news websites.

- **Closing Event of the EEA and Norway Grants 2009-2014** took place from 13 to 14 June 2018 at the Krkonoše Mountains accompanied with the press conference at the top of Sněžka Mountain, the highest peak of the Czech Republic. The new opportunities of EEA and Norway Grants 2014-2021 were also mentioned and promoted at the press conference and via press releases. Minister of finance, Ms Alena Schillerová, as well as H.E. Siri Ellen Slettner, the Ambassador of the Kingdom of Norway in the Czech Republic, or Ms Helen Lorez, the representative of Liechtenstein, took part in the event. The event was attended by 66 participants (FMO, NFP, DPPs, POs, Programme Partners and selected Project Promoters) and 4 journalists (*all the related costs were paid from the TA EEA and Norway Grants 2009-2014*).
- **Participation in the “Day of Europe 2018”** in Prague on 9 May 2018, where the stand was prepared in cooperation with the Royal Norwegian Embassy in Prague and the EEA and Norway Grants were presented to general public (*costs were paid from the TA EEA and Norway Grants 2009-2014*).
- As a very good opportunity to approach the general public the **NFP participated in popular 4-days musical festival “Colours of Ostrava 2018”** from 18 to 21 July 2018. The presentation of EEA and Norway Grants in the Czech Republic was organized together with the Royal Norwegian Embassy in Prague. Competitions, workshops and activities in the theme “Winter in the Summer” were prepared for public. Publicity was ensured by advertisement in festival bulletin, websites and Facebook – as part of the promotion the contest was organized on Facebook with tickets to the festival as winning prizes (*costs were paid from the TA EEA and Norway Grants 2009-2014*).
- The NFP in cooperation with the Royal Norwegian Embassy in Prague prepared **a traveller’s (geocaching) and a photo contest** that concerns tourist attractive places across the Czech Republic where a project supported by the EEA Grants and/or Norway Grants has been implemented. It started in July 2018 and ends on 30 September 2018. Publicity has been made by use of the website and Facebook, traveller magazine of České dráhy (railway provider), PPC campaign and the press releases (published on some popular travellers’ website e.g. www.kudyznudy.cz). The winners of the contest will be selected and the prizes will be officially handed over in the event planned for 26 October 2018.
- **Roll-ups** promoting EEA and/or Norway Grants with pictures presenting slogan “Working together for a green, competitive and inclusive Europe” were created and are used during events.
- **Informational leaflet** promoting the results of EEA and Norway Grants 2009-2014 and informing about the EEA and Norway Grants 2014-2021 was created and distributed mainly during the “Day of Europe 2018” and “Colours of Ostrava 2018” events.
- **Promotional materials**, such as notebooks, pens, folders, bags, raincoats, balloons, menthols, spinners, etc. for usage at the promo events were created and delivered to the NFP.
- The **website** is continuously updated to be more user friendly and to provide relevant and actual information. The information related to the EEA and Norway Grants 2004-2009 and 2009-2014 were transferred to the “Closed programming period” section.
- The NFP regularly uses **social media** such as Facebook, Twitter or Instagram.
- The **article promoting the launch of the open call within the Fund for bilateral relations** was published in national wide newspapers (Hospodářské noviny) on 31 August 2018.

5 RISK ASSESSMENT

Altogether nine risks have been identified at this stage of the FM implementation based on experience from the previous programming period and current challenges. Five risks turned out medium-high, three risks are medium-low and one risk was scored low.

The main (medium-high) risks related to the fulfilment of overall FM objectives are: limited FM contribution to fulfilment of the cohesion objective/achievement of outcomes due to poor performance of the programmes; limited FM contribution to strengthening bilateral relations due to the low interest in cooperation, inefficient partnerships and limited synergic effects of the Bilateral fund between national and programme levels; limited FM impact and sustainability due to poor institutionalisation of outcomes and a lack of political support.

The NFP will closely monitor both preparation and implementation phase of each programme via reviewing of the main programming documentation, regular and ad-hoc meetings with POs, reporting, on-site control and evaluations. The NFP will also ensure targeted communication about the possibilities of bilateral cooperation to the public (incl. success stories in Donor States or from previous FM), actively encourage creation of new partnerships and networking (through BF managed by the NFP) and apply measures to decrease administrative burden in partnership projects (flat rates, audit certificate). Furthermore, the NFP will overlook and support targeted communication of FM towards decision-makers and strategic partners (senior management level) including awareness raising activities targeted at professional public (incl. best practice from abroad).

Among the main operational risks are risks arising from the donors' requirements¹ for specific MCS set up in relation to programmes where the Ministry of Finance takes the role of both NFP and PO and overall complexity of programme areas/programmes and modalities of support set in the MoU. Both risks stem from the facts that must be accepted in order to proceed with preparation and implementation of programmes.

A summary of the main risks towards the overall portfolio of programmes including relevant mitigating actions is enclosed to the Strategic Report in Annex 1 – Risk assessment.

6 EVALUATION

The evaluation design is currently being discussed at the NFP, including technical aspects (type of the contract to be used, organisation, budget, timeframe).

With the aim to maximise their added-value, the NFP envisages that evaluations shall entail following main principles:

- **evaluation fully integrated to the programme/FM management:** evaluation forming a part of FM/programmes' management tool, suitably complementing programme monitoring but also contributing to publicity (ensuring accountability of the FMs)
- **interim evaluations largely prevailing over ex-post/impact evaluations:** focus on provision of timely, relevant data to guide adaptive management throughout FM implementation /programmes' lifetime. Interim evaluation results shall also demonstrate trends over time and thus provide early signals about outcomes – impacts
- **thematic evaluations rather than programme-based evaluations:** analysis and objective reflection that may uncover unexpected or unintended effects (both positive and negative) in horizontal

¹ A note from the donors after revision of the draft Strategic Report: the aim of the donors' requirements is to address the Special Concerns from the MoUs in a fair and measured manner in order to minimize risks.

issues (bilateral cooperation, common specific concerns, synergies between programmes etc.) that might have been overlooked by the programme monitoring systems, establishing casual links between the FM contribution and the results, going beyond monitored outputs

- **participation and commitment:** engagement of all relevant stakeholders (POs, Programme Partners, DPPs) in the design and implementation of the evaluation shall help buy-in and encourage the use of data from evaluations for decision making and learning
- **dissemination of evaluation results tailored to different primary users/audience** (general public vs. programme management vs. senior decision makers)

The evaluation plan shall be prepared in 2019 and shall set out the portfolio of evaluations, their timing (incl. key milestones), outline the key evaluation methods and define main evaluation limits.

7 WORKPLAN

NATIONAL LEVEL

Action	Time period	Note
Meetings		
Annual meeting	November 2018	
Meeting of JCBF	2019 – if necessary/requested by JCBF member	written procedure used for other cases
Regular meetings with POs (Steering committee meetings)	Biannually, starting from signature of the relevant Programme Agreement	NFP may organise ad-hoc meetings and take part in any other formal/informal meetings related to the programme depending on the current needs
Publicity activities		
Open call for BF (NFP level)	31 August 2018 (running until 30 August 2019)	
Launch conference	Beginning of 2019	
Website, social medial	continuously	
Audits		
Annual Audit Report and the Opinion	15 February 2019 (period until 31 December 2018)	

PROGRAMMES

The workplan outlining the milestones for the implementation of particular programmes is included in the Status of Programme (chapter 1).

8 ATTACHMENTS TO THE STRATEGIC REPORT

1. Risk assessment

ANNEX 1 – RISK ASSESSMENT

Risk description	Risk related to	Likelihood	Consequence	Risk score	Response to risk	Description of response
Overall objectives of the FM						
Limited FM contribution to fulfilment of the cohesion objective / achievement of outcomes due to poor performance of the programmes (e.g. lack of coordination and consensus on programme strategy among programme stakeholders, low absorption capacity, time delays)	Reducing social and economic disparities	2	4	2,83	Transfer/share	NFP will closely monitor both preparation and implementation phase of each programme via reviewing of the main programming documentation, regular and ad-hoc meetings with POs, reporting, on-site control and evaluations. Programmes' time schedule and milestones will be regularly reviewed. The NFP will be actively involved in dealing with potentially arising issues, set-up crisis management and ensure that timely measures are taken to revise programmes / MoUs (modifications, reallocations) if necessary.
Limited FM contribution to strengthening bilateral relations due to the low interest in cooperation, inefficient partnerships and limited synergic effects of the bilateral fund between national and programme level	Strengthening bilateral relations	2	4	2,83	Transfer/share	NFP will ensure targeted communication about the possibilities of bilateral cooperation to the public (incl. success stories in donor states or from previous FM), actively encourage creation of new partnerships and networking (through BF managed by the NFP), apply measures to decrease administrative burden in partnership projects (flat rates, audit certificate). Regular flow of information between the NFP and relevant POs on the utilisation of bilateral funds will be ensured via regular monitoring reports and meetings. The NFP will closely cooperate with the NORAMB in promotion of bilateral cooperation.
Failure to comply with the specific concerns stated in the MoU due to factors out of the NFP control (legislative, political, financial obstacles) - limited possibilities for enforcement of the conditions	Both objectives	2	3	2,45	Accept	
Limited FM impact and sustainability due to poor institutionalisation of outcomes, lack of political support.	Both objectives	2	4	2,83	Mitigate	NFP will overlook and support targeted communication of FM towards decision-makers and strategic partners (senior management level) including awareness raising activities targeted at professional public (incl. best practice from abroad), introduction of minimum requirements on sustainability of the FM, evaluation of likely impact - potential programme modifications.

Operational issues						
Increased administrative and financial demands for NFP arising from the donors' requirements for specific MCS set-up in relation to programmes where the Ministry of Finance takes the role of both NFP and PO (e.g. external monitoring of NFP activities and responsibilities, external investigation of potential irregularities etc.).	Both objectives			3,00	Accept	
		3	3			
Improper, inconsistent or poorly defined procedures in the MCS (including related guidelines issued by the NFP) and delayed communication of applicable rules/requirements introduced by the NFP to the POs leading to poor management and administration of programmes at PO level	Both objectives			1,73	Mitigate	NFP will introduce reasonable level of clear and concise guidance/templates in a timely manner, ensuring that additional provisions related to the FM implementation are kept to the minimum, set up proportionate administrative requirements for the POs, provide continuous methodological support to the POs, timely communicate any updates of the guidance incl. their justifications.
		1	3			
Insufficient personal capacity at the NFP leading to limited substitutability of the staff members	Both objectives			2,45	Mitigate	NFP will allocate sufficient financial resources for the staff and their motivation (incl. from the national resources), outsource external experts (e.g. for on-site visits, evaluations). and draft written internal manual. Qualification of staff will be continuously enhanced.
		2	3			
Missing or not validated data for proper monitoring, reporting and evaluation, lack of cooperation from the POs causing limited information resources for the NFP	Both objectives			2,45	Mitigate	NFP will screen programmes' preparation (especially results frameworks logic) to be coherent with the MoU. NFP will provide advice to the POs when formulating measurable indicators with realistic targets, advise the PO on setting up proper sources of verification to ensure timely and efficient collection of relevant data without excessive administrative/financial burden. NFP will communicate clear reporting requirements to the POs (frequency, purpose, data to be provided, methods for their interpretation). NFP will establish procedures for formal and informal monitoring, secure active involvement of the POs in the design of the evaluations and communicate properly its purpose and added-value.
		2	3			
Overall complexity of programme areas / programmes and modalities of support set in the MoU causing increased demands on efficient and flexible management, coordination and control by the NFP	Both objectives			3,00	Accept	
		3	3			
OVERALL RISK		<u>Likelihood</u>	<u>Consequence</u>	<u>Risk score</u>		
		2	3	2,45		

Colour coding of risk levels

	Low
	Medium-low
	Medium-high
	High