

**Republic of Bulgaria**

***Council of Ministers***

***Monitoring of the EU Funds Directorate***

***National Focal Point***

**UPDATE TO THE STRATEGIC REPORT**

**ON THE IMPLEMENTATION OF**

**THE EEA FINANCIAL MECHANISM AND THE NORWEGIAN FINANCIAL MECHANISM 2009-2014**

**IN**

**BULGARIA**

***January – September 2015***



## Glossary of acronyms

|  |  |
| --- | --- |
| AA | Audit Authority |
| CA | Certifying Authority |
| CoE | Council of Europe |
| CoM | Council of Ministers |
| DPP | Donor Programme Partner |
| DSs | Donor states |
| EEA FM | European Economic Area Financial Mechanism |
| FBRNL | Fund for Bilateral Relations at National Level |
| FMO | Financial Mechanism Office |
| FO | Fund Operator |
| MCS | Management and Control System |
| MoU | Memorandum of Understanding |
| MRDPW | Ministry of Regional Development and Public Works |
| NAMRB | National Association of Municipalities in the Republic of Bulgaria |
| NGO | Non‐governmental organization |
| NFM | Norwegian Financial Mechanism |
| NFP | National Focal Point |
| PO | Programme operator |
| PDP | Pre-defined project |
| TA | Technical Assistance |
| WHO | World Health Organization |

## EXECUTIVE SUMMARY

The present update of the Strategic report covers the period 1 January – 30 September 2015. It provides an overview of the key developments in the period that consists of finalisation of outstanding calls for proposals, grant awarding/contracting and different stages of projects’ implementation.

A number of crucial actions were consulted, agreed upon and accomplished in coordination between NFP, Programme Operators and the FMO in order to address issues at programme and/or horizontal level as well as identified risks that would alterably ensuring achievement of results. Highest priority in the period was attached the full utilisation of the opportunity provided by the donors for requesting exceptional extension of projects. The mobilisation of all stakeholders allowed to complete the process in full compliance with the conditions set by the donors and extension was requested for a total of 199 projects contracted by 15 September 2015.

Under all programmes the PO could assess the realised savings as a result of calls for proposals or within individual projects (after public procurement procedures) and reallocations of funds were undertaken in view of greater effectiveness of the programmes.

The challenges that all stakeholders have to address in the forthcoming period are related to: securing adequate administrative capacity in view of the potential overload (due to simultaneous start of a high number of projects) and/or institutional restructuring; strengthened monitoring at national and programme level, especially rigid monitoring of the public procurement process; timely and of good quality reporting;  timely verification of expenditures; fostering bilateral cooperation initiatives.

Of horizontal importance, in line with the joint commitment to achievement of cohesion and bilateral objectives would be to maintain an agreed regular, operational communication mechanism between NFP, POs and FMO as a tool for early identification of potential bottlenecks as well as for keeping a good level of knowledge on programme and projects’ developments.

## ASSESSMENT OF THE EFFECT OF THE GRANTS

* 1. **Cohesion**

Please refer to main report.

## Bilateral relations

The progress towards attainment of the bilateral objectives could be summarised as follows:

* **Extent of bilateral cooperation –** the number of projects (contracted in the reporting period) with donor country partners is as follows:
* 4 (out of 12) under BG 02; 10 (out o26) under BG 03; 19 (out of 43) under BG 04; 5 projects (out of 137) under BG 05; 7 projects (out of 33) under BG 08; 5 projects (out of 28) under BG 07.
* **Improved knowledge and mutual understanding** through exchange of good practices and know-how**:**

Bilateral initiatives were implemented under several programmes (BG 05, BG 06, BG 09, BG 14 and BG 15). The more important outcomes of the cooperation include:

Exchange of good practices in human rights study; initiation of a discussion on illegal Roma settlements in the light of human right standards;

promotion of quality standards in informal education and international youth work providing opportunities for international networking and exchange;, exchange of knowledge, experience and good practices between teachers, Roma mediators and youth workers;

* **Shared results:**

Bilateral and multilateral networking was promoted through a number of events, such as Bilateral Workshop focusing on the role of NGOs in assisting refugees and migrants with participants fromBulgaria, Norway and Iceland, a conference on ecosystem services organized by the DPP was held in Trondheim, A networking session focusing on cross-cultural communication and Corporate Social Responsibility (CSR) held in Sofia.

The NFP can conclude that during the reporting period a substantial progress towards achieving the objective of strengthening bilateral relations between the Donor States and Bulgaria has been made. 2015 is crucial for programme/project implementation and we hope that by the end of the year we will get the real proofs on the donor partnership projects ability to cooperate successfully and report on results achieved.

***Fund for Bilateral Relations at National Level (FBRNL)***

Provided below is detailed information on the status of the FBRNL per priorities:

* *Knowledge exchange in combating drugs and organized crime, children and youth at risk (Priority 1);*
* *Promotion of European values and in particular history teaching in multicultural society (Priority 2)*

The interest towards the announced Calls was greater than expected. Fourteen projects in total have been submitted within the deadline set. Ten projects in total have been awarded grants based on external assessment, nine of which in the reporting period - 7 under priority 1 (at the total amount of 204,131 Euro) and 3 under priority 2 (at the total amount of 85,094 Euro). Implementation of all newly approved projects has also started and first technical and financial reports were submitted by project promoters. The list with approved projects is attached as *Annex 4* to the report. Summaries of all projects supported under both priorities have been uploaded on NFP’s website <http://www.eeagrants.bg/en/2009-2014/projects> .

***Predefined initiatives in the area of Nuclear Energy Decommissioning (Priority 3)***

Priority 3 was intended as a pre-defined initiative in the field of nuclear decommissioning to be jointly realized between the Bulgarian Nuclear Regulatory Agency and the Norwegian radiation Protection Authority. Due to the impossibility of the project promoter and project partner to secure pre-financing of activities, the submitted project application was withdrawn and the priority area would be proposed to be cancelled.

***Unallocated Fund for support of predefined activities that promote research partnerships, encourage regional activities on topics of bilateral importance and strengthen cooperation with intergovernmental organizations***

Project entitled *Cultural heritage counts. Bulgarian-Norwegian cooperation to address common challenges and opportunities in preserving and revitalizing cultural heritage* has been submitted by the Royal Norwegian Embassy in Sofia. Partner institutions are the Norwegian Institute for Cultural Heritage Research, UNESCO, Embassy of Cypros to Bulgaria, Ministry of Culture and Ministry of Interior. Project budget is to the amount of 15770 EUR. Project activities include two conferences held on 16-17 September 2015 in Sofia, i.e.: Conference “Fighting the looting of Syria’s cultural heritage” and Conference “Cultural heritage for economic and social development in Bulgaria. The NFP has requested the FMO approval of the abovementioned project.

A project proposal entitled “Strengthening the Capacity of the Bulgarian Ombudsman for Independent Child Rights Monitoring and Child Rights Promotion” has been submitted by UNICEF CO Bulgaria. Project partners are the Bulgarian Ombudsman, the Norwegian Ombudsman for Children, the UNICEF National Committee Norway. The project aims to enhance the capacity of the Bulgarian Ombudsman to independently monitor, protect and promote the rights and interests of children in Bulgaria through the exchange of experience with the Norwegian Ombudsman for Children. Project implementation is planned for 12 months and the grant requested is to the amount of 66 000 euro. The project proposal was reviewed by NFP experts and comments provided. The revised project proposal is expected.

***Travel Support for participation in seminars, workshops, etc., within all programme areas under the EEA FM and NFM 2009-2014***

During the period under review one initiative was supported under the Travel Support Scheme – participation of a Bulgarian representative in the ProGEO Symposium “Geoconservation Strategies in a changing world” held in Reykjavik, Iceland. The Bulgarian representative has presented a paper at the Symposium and has participated in the General Assembly during the Symposium.

*Reallocation of funds*

The initially approved Work plan for the implementation of the bilateral fund at national level (FBRNL) encompassed five priority areas of support with corresponding budget allocations.  The NFP announced calls for proposals under three of the priority areas (priorities 1 and 2, and the Unallocated funds) while priority 3 was intended as a pre-defined initiative in the field of nuclear decommissioning to be jointly realized between the Bulgarian Nuclear Regulatory Agency and the Norwegian radiation Protection Authority. Due to the impossibility of the project promoter and project partner to secure pre-financing of activities, the submitted project application was withdrawn and the priority area would be proposed to be cancelled.

Taking into account:

* The initial budget allocations under the FBRNL, incl. for priority 1 – 120 000 Euro; for priority 2 – 100 000 Euro; for priority 3 – 100 000 Euro; for the unallocated funds 150 000 Euro and for the Travel Support Facility – 163 000 Euro;
* The decision of the selection committees under priority 1 and priority 2 to propose for funding 7 project proposals submitted under priority 1 at the total amount of 204 131 Euro and 3 project proposals under priority 2 at the total amount of 85 094 Euro, based on the very good quality of the project proposals and their hugh relevance and expected serious contribution to the bilateral objective;
* The withdrawal and cancellation of the project application under priority 3 that made available the amount of 100 000 Euro;
* The unused yearly allocations under the travel support facility at the amount of 27 674 Euro.

the NFP proposed a reallocation of funds (*attached herewith*) within the budget of the FBRNL as well as a revised work plan (*attached herewith*)  that incorporates a number of new initiatives discussed and  agreed between the NFP and the Norwegian embassy in Sofia. The documents are submitted for discussion at the Annual meeting as the final approval of the donors is expected.

In conclusion, based on reallocation of funds requested and latest developments concerning the pre-defined priority 3, NFP will present a revised Work Plan for the implementation of FBRNL for discussion at the Annual Meeting. Taking into account the fact that joint inititives under the FBRNl, incl. constitution of partnerships are in principle identified, discussed and agreed upon mainly in cooperation between the NFP and the Norwegian Embassy, there would be a serious risk for the successful implementation of future activities in case the Norwegian Embassy would no longer be involved in the process.

## REPORTING ON PROGRAMMES

## Overview of Programme status

The most important developments that took place in the reporting period encompassed:

* Verification of results and indicators achieved under the most advanced pre-defined projects and projects, launched under the earliest calls for proposals;
* Finalisation of calls for proposals and grant awarding process under all programmes;
* Intensive contracting and launch of implementation of projects;
* Management of the request for extension process at the level of the NFP and at programme level;
* Compliance assessment and submission of the outstanding descriptions of Management and Control systems.

The most important/crucial challenges for the implementation of the grants were related to the preparation, conduct and successful completion of calls for proposals and grants warding procedures. The decision of the donors to provide exceptional extension of projects contributed largely to the acceleration of the selection and contracting procedures. This resulted in requesting extension for a total of 199 grant award contracts at the total amount of 81 243 893 Euro. By the cut-off date of the updated report there is only one selection procedure under programme BG 04 still on-going and one predefined project under programme BG 07 not contracted yet..

Financial progress in the reporting period showed a stable increase of the commitment and disbursement of funds, except for few difficulties encountered in processing of payments and reporting mainly due to institutional and administrative restructuring.

Development of bilateral relations was less in the focus of programme operators since their efforts were mainly on the launch of all programmes’ measures and projects.

1. progress in establishing agreed Programmes, including calls undertaken;

In the reporting period progress could be reviewed in:

* launch and/or implementation of calls for proposals - Launched in the course of 2015 were overall 6 calls for proposals under 3 programmes (four calls under BG07, one call under BG04 and one call under BG09). Calls have been completed and contracted in the reporting period. Submitted were overall 1985 projects. Contracted were 242 projects.
* Predefined projects – out of 28 the last 6 predefined projects under the programmes have been assessed and contracted during the reporting period.

Status and results of the calls undertaken:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Programme | Number of open calls launched /completed during the reporting period | Submitted project applications | Contracts signed | Committed funds |
| BG01 | No calls were launched in 2015/ 2 calls, launched in October 2013, were completed | 14 | 9 | 260055,74 |
| BG02 | No calls were launched in 2015/ 3 calls, launched in 2014, were completed. | 12 | 11 | 7 042 265 |
| BG03 | No calls were launched in 2015/ 4 calls, launched in 2014, were completed. | 31 | 26 | 4 322 482 |
| BG04 | 1 call (SGS) launched in 2015 and selection is still ongoing/ 2 of the calls were launched in 2014 | 103 under calls 1 and 2 and 21 under the SGS | 43 | 11 949 474 |
| BG05 | No calls were launched in 2015/ 1 call, launched in 2014, was completed. | 649 | 137 | 2 675 688,08 |
| BG06 | *As a result of an approved modification of BG06 additional funds were transferred to Component 2. No specific call has been announced.* | *-* | 1 | 231 916 |
| BG07 | 4 calls were launched in 2015 and completed. | 99 | 24 | 5 124 564 |
| BG08 | No calls were launched in 2015/ 4 calls, launched in 2013, were completed. | 372 | 32 | 12317425,74 |
| BG09 | 1 call was launched in 2015/ 3 calls, launched in 2014, were completed. | 85 | 65 | 709 072, 56 |
| BG10 | No calls were launched in 2015/ 1 call, launched in 2014, was completed. | 36 | 10 | 2 700 000 |
| BG11 | The programme consists of pre-defined projects | | | |
| BG12 | No calls were launched in 2015/ 5 calls, launched in 2014, were completed. | 56 | 18 | 1 831 955 |
| BG13 | No calls were launched in 2015/ 1 call, launched in 2014, was completed. | 1 | 1 | 144 682 |
| BG14 | The programme consists of pre-defined projects | | | |
| BG15 | No calls were launched in 2015/ 1 call, launched in 2014, was completed. | 27 | 19 | 1 170 012.6 |

\* *the data in the table above includes figures of calls launched, projects submitted and contracts signed (incl. for calls launched in 2013 and 2014) in 2015, with no direct correspondence between calls, submitted projects and signed contracts*

1. commitments and disbursements made by the Programme; and

***The status of the financial implementation of the Programmes in the reporting period 1st January- 30st September 2015 is presented in the following table:***

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Programmes** | **Programme Budget (icl. nat. co-financing )** | **Committed funds** | **Commited funds during the reporting period (January - September 2015)** | **Total amount of the payments made under the Programme** | | **Payments made under the Programme during the reporting period (January- September 2015)** | |
| **Grant** | **Nat. co-financing** | **Grant** | **Nat. co-financing** |
| **BG01** | 2 036 600 | 2 036 600 | NA | 987 623 | 0 | 171 831 | 0 |
| **BG02** | 9 411 765 | 8 189 387 | 8 189 387 | 2 206 842 | 389 443 | 2 014 023 | 355 416 |
| **BG03** | 9 411 765 | 6 304 690 | 6 304 690 | 729 928 | 128 811 | 519 992 | 91 763 |
| **BG04** | 15 600 288 | 13 469 274 | 11 949 474 | 839 188 | 148 092 | 594 178 | 104 855 |
| **BG05** | 11 790 000 | 9 922 336 | 2 820 994 | 6 406 743 | 0 | 3 135 929 | 0 |
| **BG06** | 10 153 074 | 8 807 237 | 591 156 | 6 002 923 | 1 059 339 | 3 280 060 | 578 834 |
| **BG07** | 15 782 353 | 15 536 351 | 12 668 529 | 344 214 | 60 744 | 33 796 | 5 964 |
| **BG08** | 16 470 588 | 14 805 982 | 14 805 982 | 2 661 906 | 469 748 | 2 661 906 | 469 748 |
| **BG09** | 1 764 706 | 829 357 | 709 073 | 557 128 | 98 317 | 476 913 | 84 161 |
| **BG10** | 13 699 000,00 | 11 460 767 | 2 700 000 | 1 843 544 | 0 | 1 433 002 | 0 |
| **BG11** | 2 371 745 | 2 371 724 | 0 | 1 080 423 | 190 663 | 181 360 | 32 005 |
| **BG12** | 2 352 941 | 2 099 300 | 1 831 995 | 147 459 | 26 022 | 131 546 | 23 214 |
| **BG13** | 7 058 823 | 6 261 352 | 144 683 | 889 652 | 156 998 | 618 698 | 109 182 |
| **BG14** | 3 636 471 | 3 617 213 | 37 213 | 2 352 413 | 415 132 | 926 023 | 163 416 |
| **BG15** | 10 122 680 | 9 988 590 | 1 239 662 | 3 609 130 | 636 905 | 1 746 464 | 308 200 |
| **Total** | **115 927 199** | **113 663 560** | **63 992 837** | **30 659 116** | **3 780 213** | **17 925 722** | **2 326 758** |

## Individual Programme summaries

**BG 01 Technical Assistance and Fund for Bilateral Relations at national level**

***Budget of the project***: 2 036 600 EUR (incl.1 403 600 Euro TA and 633 000 Euro under the Fund for Bilateral relations)

Under BG 01 project alongside with the regular technical assistance activities (expert support, verification of payment claims, organization and participation in Annual and other meetings, incl. CC meetings, attendance of working meetings and seminars organized by the FMO) the main focus was on the implementation of the Fund for Bilateral Relations at National Level. Details on the progress of implementation of the FBRNL as well as proposed amendments in the work plan and budget allocations are provided above under *p. 2.2 Bilateral relations*.

**02 Integrated Marine and Inland Water Management and BG 03 Biodiveristy and Eco-system Services**

***Budget of each programmes***: 9 411 765 mln. EUR (incl. grant amount and national co-financing) ***Programme Operator:*** Ministry of Environment and Water (MoEW)

***Donor Programme Partner***: Norwegian Environment Agency (NEA)

As of the cut-off date of this update, contracting under BG02 and BG03 programmes was finalized as follows:

* Under BG 02 contracted between March and June 2015 were 11 open call projects and the PDP Updating the Geo-Information System for Water Management and Reporting. Two selected project proposals remained on the reserve list;
* Under BG03 a total of 26 projects were contracted under  the open calls - under BG03.01, BG03.03 and BG03.SGS in July, 2015, and open call under BG03.02 – by 03.09.2015; PDP1 Improving the Bulgarian Biodiversity Information System was contracted on July 20, and PDP2 Methodological Support for Ecosystem Services Mapping and Biophysical Valuation – on September 01, 2015 (by Minister order РД-611/01.09.2015). One project was on the reserve list, three of the selected projects were not contracted as the promoters did not sign the project contracts.

The PO requested extension of all contracted projects applying a staged approach - three priority projects for which public procurement procedures had to be urgently launched were included in a first request for extension (approval notified by the FMO on 1 September 2015). The remaining projects were included in the common request submitted by the NFP in September 2015.

Alongside the selection, contracting and request for extension procedures the PO accomplished the following more important horizontal tasks:

* Issued a Project Implementation Guide – an update of this document, of the respective internal procedures of the PO as well as of the bilateral cooperation support guide are currently underway to address identified important issues;
* Carried out risk assessment at programme and project level. Based on the results of the risk assessment prepared on-the-spot monitoring plans under both programmes and several on-the-spot visits and meetings with project promoters already took place;
* The first interim project reports under BG02 were submitted and are in a process of verification;
* Under both programmes there are projects with ongoing procurement, some smaller procedures are concluded;
* Processing of programme modifications under both programmes -  a request on reducing the project final payment rate was approved, another request related to eligibility of equipment and maximum grant amount under call BG 03.02 is under preparation;
* Project level information is being distributed to the general public by media publications, interviews, kick-off conferences, etc. and is regularly uploaded on the website of the respective programme;
* Under both programmes, a Cooperation Committee meeting was held in February, 2015 back-to-back with the Programme steering committees;

**BG 04 Energy Efficiency and Renewable Energy**

***Budget of the programme***: 15 600 288 EUR (incl. grant amount and national co-financing)

***Programme Operator*:** Ministry of Economy and Energy

***Donor Programme Partner*:** The Norwegian Water Resources and Energy Directorate.

After being among the programmes with accumulated most serious delay in all aspects of implementation – announcement of calls for proposals, reporting, elaboration of management and control system), in the reporting period BG 04 programme management team succeeded to achieve significant progress, incl.:

1. Finalisation of two calls for proposals (BG 04.02 and BG 04.03), launched in October 2014 – the deadline for submission of project applications was extended until 9 February 2015. Submitted were 103 project proposals (*85 under call 04.02 and 18 under call 04.03)* in total, out of which approved for funding were 43 project proposals (*34 under call 04.02 and 9 under call 04.03*).
2. Launch of the open call under the small grant scheme (BG 04.04) on 9 March 2015 – by the deadline for submission of applications (16 May 2015) submitted were 21 project proposlas, of which rejected for non-compliance with administrative and eligibility criteria were 4 applications. At the cut-off date of the report technical evaluation of 17 applications was on-going.
3. Implementation of the activities under the pre-defined project – the first two project activities were successfully implemented – assessment of the status of the internal EU energy market (*with NVE in charge of the task*) and assessment of the status of the Bulgarian energy market (*with CEWR and ESO in charge of the task*). Reports were elaborated as a result of the accomplishment of both tasks as and the reports were presented ata seminar held in Sofia in March. A study visit of 14 Bulgarian representatives to the regulatory bodies, energy exchanges and transmission system operators of Norway, France and Hungary took place (NVE, Statnett, Nord Pool Spot, ЕPEX Spot, HEO, MAVIR, HUPX). As a result the most important prerequisites and future steps for the successful start of the energy exchange were identified.

Advance payment at the amount of 260 000 Euro was transferred to the project promoter.

1. Request for extension – the PO analysed the risk of non-completion of projects until 30 April 2016 based on the implementation and procurement schedules and the type of activities and took a decision to request extension of the pre-defined project and of the projects approved under calls BG 04.02 and BG 04.03. All respective projects were successfully contracted and the contracts were handed over to the project promoters at an official ceremony held on 4 September 2015.
2. Elaboration of decsiption of the management and control system (as per art.art.4.8) – the positive compliance assessment was issued by the Audit Authority on 8 July 2015 and the description of the MCS (in Bulgarian) was submitted to the FMO. Pending is the submission of the translated English version of the document.
3. Modification of the programme – as a result of an extensive communication and coordination of the draft call text of BG 04.01 Utilisation of the hydro-power potential it was clarified that the call required a complicated state aid regime to be applied, the PO in consultation with the DPP, NFP and FMO took e decision to cancel this project component and re-allocate funds at the total amount of 2 552 942 Euro, *incl*. 200 000 Euro from programme management costs and 2 352 942 Euro from component 1 to call BG 04.02 Promotion of Energy efficiency and renewable energy measures in municipal and state buildings  and local district heating. Approval of the request by the donors is pending.
4. Reporting – the serious delays with submission of IFRs lead to ineligibility of funds claimed under the IFR#1 and puts at risk the funds claimed under IFR#2 and IFR#3. This delay was due to the very extensive restructuring process of dividing the former Ministry of Economy, Energy and Tourism into three separate ministries. The restructuring required a lengthy and complicated legal procedure of distribution and transfer of functions, establishment of administrative and managerial set-up, management of archive of documentation, etc.

With the finalisation of the restructuring process, the contracting of projects and the requested extension it is expected that further programme implementation would get on track in a more efficient and effective manner with a main focus and efforts dedicated to achievement of results.

**BG 05 – Funds for Non-Governmental Organizations Programme**

**Budget of the programme:** 11 790 000 EUR (grant only)

**Programme Operator:** Open Society Foundation

**Programme Partner:** Workshop for Civic Initiatives Foundation

Fund Operator (FO) conducted the quality check, ranking and contracting of the project proposals submitted under the Third Open Call (September 18 – November 18, 2014. A total of 140 projects were recommended for funding. On April 2, 2015 the FO approved the recommended projects and their reserves and as a result a total of 137[[1]](#footnote-1) contracts were signed. The results from the Third Call can be reported as satisfactory taking into consideration the maintained and even increasing interest in the Programme. The number of projects received under the Third Call exceeds those in previous calls, which indicates that the NGO Programme under the EEA FM is still one of the most significant sources for funding of the Bulgarian NGO sector.

A total of 6 capacity building seminars were organized in the following Bulgarian cities: Vratsa, Plovdiv, Veliko Tarnovo, Varna, Burgas, and Sofia.

On May 14, 2015 the FO organized the Third Annual Meeting for Sharing Good Practice on Partnership Development of the EEA NGO Programme in Bulgaria. It was attended by representatives of NGOs from Bulgaria, Iceland, Norway, Romania, Poland, Slovenia and Latvia.

In January 2015 the FO participated in a Roma study conducted by the company Pitija (Slovenia) selected by the FMO. The Annual review meeting with the FMO took place in the beginning of June 2015 and the minutes were approved. The FO was also a subject to an external monitoring initiated by FMO, on behalf of the Consortium led by BalCon Consulting Ltd.

**Risk assessment and risk mitigation measures planned:**

Operational risks have been continuously monitored and mitigated. Given the big number of project applications received under the Third call for proposals, the quality check coinciding with the Christmas and New Year’s holidays and the limited number of evaluators working for BG05, it was anticipated that there might be a delay of the contracting for the last call. However the FO managed to strictly follow the timetable and all of the approved projects were contracted on time.

**BG06 Children and Youth at risk**

*Budget of the programme*: 9 917 780 EUR (incl. grant amount and national co-financing)

*Programme Operator*: Ministry of Education and Science

*Donor Programme Partner*: Council of Europe

The implementation of the BG06 Programme is advancing very well. Most of the contracts were signed in 2014 and all the projects are currently under implementation. On the 8th of September 2015 took place the official opening of the first Youth Center in the Municipality of Stara Zagora. The establishment of the other youth centers is at its final stage, as the one in Municipality of Plovdiv is expected to be opened at the end of October 2015.

In general, the projects’ implementation proceeds according to plans. Even thought, based on the fact that all the Project promoters are municipalities and in view of the forthcoming local elections and in order to ensure full implementation of activities planned, all projects under BG06 programme were proposed for extension till 30 April 2017.

In 2015 the last two projects’ contracts were signed:

1. In January 2015 the contract with Krasna Polyana District has been signed for the implementation of Component 4 "Educational inclusion, health and social development”. The project presents a model for integration of Roma children aged 4-6 in pre-school activities in one of the most densely populated with Roma areas in the capital. Currently the project is in the process of implementation; even more the reconstruction activities have been successfully completed. The contract for the delivery of equipment is expected to be signed in October. The soft measures are also under implementation.
2. Additional project have been approved under Component 2 as a result of a re-allocation of 200 000 euro to this component. Following a session of the Selection Committee the project of the Sofia Municipality was selected for funding and the contract was signed in June 2015. The project BG06-242 "Let's express ourselves“, at the amount of 231 916 euro aims to create an effective mechanism within seven kindergartens for socialization and educational integration.

The Council of Europe is a Donor Programme Partner as well as a donor project partner (Component 3) under this programme. Number of trainings for Roma school mediators and youth workers took place during the reporting period.

The Programme operator, Council of Europe and CEISCEM organized big promotional and information event with the participation of all the teachers, Roma mediators and youth workers form all the BG06 projects. The participants took part in several information and training sessions. All projects representatives prepared and displayed their promotional, art and informational materials at the Agora building, Council of Europe. The exhibition took place during the period June 4 – 12, 2015.

Many other bilateral activities aiming share of experience and good practices have been implemented under the bilateral fund on programme level. In order to support additional activities for strengthening the bilateral relations, 235 000 euro have been transferred from the TA Fund to the bilateral fund on programme level.

### BG07 Public Health Initiatives

*Budget of the programme*: 15 782 353 (incl. grant amount and national co-financing)

*Programme Operator*: Ministry of Health

*Supporting unit:* Operational Programme Technical Assistance Directorate, Council of Ministers Administration *Programme Partner*: World Health Organization

There is a substantial delay in the implementation of BG07 Programme. In order to overcome the delay, the PO put a lot of efforts to assess and contract the projects till 15th September 2015.

The open calls for proposals under measures 1, 2, 5 and 6 were announced on 20th February 2015 and a total of 99 applications were submitted within the deadline. The PO managed to organize the evaluation process in due time and held the meeting of the selection committee on 20th and 21st August 2015. 25 projects were approved for financing. 24 of the projects were contracted on 14 and 15 September and proposed for extension till 30th April 2017. The PO also proposed for extension all the PDPs under the programme.

***PDP 1 „Improving control and information systems in risk prevention and healthcare” -*** A review of the existing national and foreign registers for diabetes and rare diseases were carried out. A report “Analysis of study on conditions and possibilities for work with electronic and health registers in the Republic of Bulgaria and in the international aspect” was also prepared. Furthermore, a conceptual model of health registers and a report for a model design and structure of relational database in terms of the registers for diabetes were developed. 52 specialists in the field of measurement and assessment of physical factors were trained. Information leaflets were designed and disseminated. 3 public procurement procedures for deliveries and services were launched during the reporting period.

***PDP 2 „Improving the surveillance of vaccine-preventable diseases: Development of a model of a web-based immunization registry“-*** A report “Collecting of preliminary information and description of immunization systems and registers in the country and in the states outside Europe” and analysis of opportunities for application of the best practices from the described systems and registers in developing of specific for the Bulgarian conditions model of web based immunization register” were prepared.

The PO carried out an ex-ante control of the documentation on two public procurements – for development of a model for a web-based immunization register and delivery of IT equipment.

***PDP 3 „Improved mental health care services“ -*** A press-conference for the national media was organized and a press-release on the project activities was published on the website of the National Centre of Public Health and Analyses. Two conferences took place during the reporting period and two working meetings with the participation of the donor project partner were held in March and June 2015. PO carried out an ex-ante control of 6 public procurements procedures.

***PDP 4 „Improved quality of prenatal diagnosis and neonatal care“ -*** On 24th April 2015 the FMO approved the requested modification- Measures 3 and 4 to be implemented as a pre-defined project with Project Promoter - Ministry of Health. A quality appraisal of the project was carried out by the PO and the project was approved for financing with a decision of the Head of PO. In accordance with the general condition stipulated in the PA - a contract with an independent entity for the ex-ante control of the public procurement procedure was concluded. The PO has developed the technical specifications for the equipment, which have been submitted for ex-ante control.

**Small Grant Scheme -** The Small Grant Scheme Operator conducted a procedure for selection of scholarship students and 36 students were approved for the academic year 2014/2015. A summer camp has also been carried out.

The SGS Operator has also announced an open call for selection of scholarships for the academic year 2015/2016 (deadline for applications – 30 September 2015) and an open call for selection of mentors (deadline for applications – 16 October 2015).

**Bilateral fund -** No specific bilateral activities have been implemented under the bilateral fund on national level. No applications have been submitted under Measure A.

**BG 08: Cultural Heritage and Contemporary Arts**

*Budget of the programme*: 16 470 588 EUR (incl. national co-financing)

*Programme Operator:* Ministry of Culture

During the reporting period the evaluation process under all programme measures continued. The four Selection Committees have decided to award grants to 32 projects as follows:

* Measure 1 Cultural Heritage Restored, Renovated and Protected – 9 projects;
* Measure 2 Cultural History Documented – 9 projects;
* Measure 3 Cultural Heritage Made Accessible to the Public – 3 projects
* Small Grant Scheme “Contemporary Art and Culture Presented and Reaching a Broader Audience” – 11 projects

Upon announcement of the decisions of the Selection Committees, the applicants have been informed about the approval/rejection of their projects. Contracting phase followed in the months to come and the PO managed to contract all the projects till the end of August 2015. Advance payments to the amount of up to 25% of the contracted budgets have been transferred to the beneficiaries.

Regarding the PDP (Sofia Arsenal Museum) the contract with the project promoter has been signed on April 23, 2015. The public procurement procedure for engineering including: “Architectural design and research; Construction works; Supply of Glass Pavilion” was published and it is expected the contractor to be chosen by the end of September 2015. Another public procurement procedure regarding Information and promotion was announced on 28.08.2015.

Guidelines for project implementation by the beneficiaries have been elaborated and uploaded on PO’s website. The PO has conducted several tender procedures which status is as follows:

* Public and information activities – a contract has been signed;
* Ex-ante control – a contract has been signed;
* Organization and execution of the specialized trainings for project implementation – these are scheduled for September – October 2015;
* Payment claim verification, transfer of payments – the contractor has been chosen but the procedure has been appealed to the Commission for Protection of Competition;
* Monitoring of projects – the tender procedure is in progress;

In August 2015 a workshop designed for beneficiaries whose projects have been contracted was carried out by the PO. The workshop objective was to acquaint beneficiaries with the requirements for project reporting, implementation of publicity plans as well as discussion on current challenges the beneficiaries face.

In the beginning of 2015 the Audit Authority issued an opinion that the MCS for the Programme BG08 comply with the Regulation and generally accepted accounting principles and the proportionality of the MCSs’ requirements in relation to the effectiveness of achieving the objectives of the programme is met.

In March 2015 an Audit of MCS has been performed by Moore Stephens Ltd. The auditors’ major findings were related to the lack of PO’s organisational stability and delays experienced during the selection/evaluation process and some deficiencies noted in the work of the PO after the selection of projects (measure 3). In reply to the first recommendation additional staff was employed aiming to enhance the capacity of the Directorate. With reference to the second finding the PO has taken corrective actions. Moreover, all the proposals under all measures were subject of additional review by the PO and no other errors were identified.

In August 2015 a monitoring visit on the spot connected with the implementation of the EEA FM 2009-2014 certification procedures has been carried out by the Certifying Authority (CA). It aimed at receiving assurance that the PO is implementing its tasks and duties in accordance with the Regulation and the national legislation. Report is due.

Due to the insufficient period of project implementation the PO has taken a decision to request extension of eligibility of costs until 30 April 2017 for 28 projects.

**BG 09 Scholarship Fund**

***Budget of the programme***: 1 764 706 mln. EUR (incl. grant amount and national co-financing)

***Programme Operator:*** Ministry of Education and Science

***Donor Programme Partner***: Icelandic Centre for Research (RANNIS), Iceland, National Agency for International Education Affairs (AIBA), Liechtenstein, Norwegian Centre for International Cooperation in Education (SIU), Norway

The programme implementation developed as scheduled. Six contracts have been signed under the measure for Interinstitutional Cooperation which amounts to half of the programme budget. The 5th and last call for mobility projects was launched recently with upcoming publicity activities to spread the information among potential beneficiaries. A total of 59 mobility projects have been approved under calls 2, 3 and 4 during 2015. Nevertheless, the total number of financed projects, especially under the student scholarship measure remains quite low. The same is valid for the reverse mobility with only one applicant to have visited Bulgaria for the period of implementation. Compensatory initiatives have been recommended by the NFP including the use of social media and information events on spot at the universities.

Two meetings of the Selection Committee have been held with the second one resulting in a significant change in the evaluation of mobility projects under the programme (the independent evaluators and the interview at Selection Committee level have been removed) after a very constructive discussion with the DPPs. Additional measures under the Bilateral Fund like the announcement of a new call for proposals and some activities of the PO and the DPPs have been also discussed and are about to be formalized in the minutes. Overall, the active and timely cooperation with the DPPs as well as the positive proactive approach towards the potential beneficiaries remain crucial for the success of the programme.

**BG 10: Green Industry Innovation**

***Budget of the programme***: 13 699 000 EUR (100 % Programme grant rate)

***Programme Operator:*** Innovation Norway

32 projects are under implementation. Total projects’ budget is amounting to approximately EUR 24,9 mln. 75 % of the approved projects are partnership projects. 3 practical workshops have been conducted with the project promoters in order to provide them with practical guidelines and requirements related to project implementation and give them the opportunity to share experience on the implementation of their specific project. Few projects will be finalised already in October/November 2015. 5 projects are suggested for exceptional extension.

***Activities supported under the Fund for bilateral relations on programme level***

7 new Norwegian companies, not involved in projects, participated in a study tour to Bulgaria in March 2015. They attended the International Forum and Exhibition for South East Europe in Sofia and the Business Breakfast, hosted by Telenor Bulgaria. Travel support was offered to the Norwegian participants and both events were appreciated as useful for bilateral networking.

A networking session focusing on cross-cultural communication and Corporate Social Responsibility (CSR) was organized in June in Sofia.

The deadline for eligibility of Bilateral Fund has been extended until 30 April 2017. Innovation Norway will request FMO for approval to transfer none-allocated funds to bilateral activities.

## BG11 Capacity building and institutional co-operation

***Budget of the programme*:** 2 371 765 EUR (incl. grant amount and national co-financing)

***Programme Operator***: Good Governance Directorate, Council of Ministers

***Donor Programme Partner***: Norwegian Barents Secretariat and Norwegian Association of Local and Regional Authorities(KS)

The BG11 Programme consists of two pre-defined projects which have been contracted in 2013. Both predefined project are at a very advanced stage of implementation. There are slight delays in the few project activities, but Project promoters together with the PO have taken measures to address delays. The specific of the Programme and the fact that the PPs and their Norwegian partners are public bodies with extensive experience, determines the lack of significant risks for the implementation of the projects and hence – the programme. The PO has not identified any serious risk for the smooth Programme implementation. There is no need for extension of the Programme. Both projects are implemented in line with envisaged time schedule and have to be successfully completed until 30 April 2016.

In the second half of 2016, bilateral initiatives in order to exchange experience and promote the results of both projects are envisaged.

**BG 12 Domestic and Gender-based Violence**

***Budget of the programme***: 2 352 941 mln. EUR (incl. grant amount and national co-financing)

***Programme Operator:*** Ministry of Interior (MoI)

***Donor Programme Partner:*** Council of Europe

The regarded period of implementation was very intensive for the PO. The long and exhaustive procedure of project evaluation under all measures has been concluded with a total of 18 projects contracted (2 contracts under Measure 1; 6 contracts under Measure 2; 1 contract under Measure 3; 6 contracts under Measure 4 and 3 contracts under Measure 5) and 99,15% of the funds under the measures have been contracted. Critical information on all projects has been submitted in DoRIS (PLI) and a request for extension forwarded with the help of the NFP. The implementation of the predefined projects is ongoing and monitored via monthly meetings with the project promoter. An extension has been requested for this project as well. Further steps on the implementation of the Bilateral Fund are much needed and shall be discussed during a Cooperation Committee due to be held by the end of the year.

16 of the 18 projects have NGOs for beneficiaries so the programme will contribute to the development of the sector whose help is crucial in the field of Domestic and Gender-based Violence. At the same time, construction works are planned under the two of the largest projects with municipalities as beneficiary. The outcome will be the creation of centers for victims and the engagement of the municipalities should ensure the long term sustainability of the projects.

**BG 13** **Schengen cooperation and Combating Cross-border and Organised  Crime, incl. Trafficking and Itinerant Criminal groups**

***Budget of the programme***: 7 058 823 mln. EUR (incl. grant amount and national cofinancing)

***Programme Operator:*** Ministry of Interior (MoI),

***Donor Programme Partner***: Council of Europe

The main developments that took place at programme management and operational level in the reporting period encompass:

* conduct of the open call procedure for the small grant scheme, approval and contracting of the submitted one project proposal;
* implementation of project activities under the pre-defined projects – predominantly as initially scheduled in applications;
* tender dossiers have been prepared by PP, reviewed by the ex-ante control of the PO  and most of public procurement procedures have been launched. Where project activities were dependent on or required directly  procuremen, the PO and project promoters agreed on appropriate rescheduling of project activities;
* annexes signed between PO and project promoters for projects where substantial changes were introduced (change of beneficiary for PDPs 4 and 5, budget reallocation for PDP 1);
* monthly monitoring with the PDP Project Promoters during the regular project progress meetings as well as quarterly reports duly submitted by PPs;
* disbursement of advance payments, submission of first interim reports under all PDPs, verification and disbursement of interim payment requested under PDP 2;
* request for extension of all pre-defined projects submitted to the NFP. The PO shall make a general update of the implementation schedule after request for extension of the eligibility period under BG 13 is approved upon approval of the request.

Under the bilateral level at programme level no activities could be reported although the PO informed regularly the PPs about the possibility to apply for financing under the Bilateral Fund.  The PO will initiate an amendment in the call for proposals under the bilateral fund to extend the eligibility of applicants and will seek the DPP support in order to jointly identify initiatives of bilateral interest.

The completed implementation of two activities as regards the inclusion of Roma society can be reported. Both activities were completed under project “Human rights protection and further development of necessary skills and knowledge of police officers, especially those working in multi-ethnic environment, including Roma communities”.  Two training programmes as well as a handbook were developed under activities SO2A1 and SO2A2 both aimed at additional training of police staff in lawful use of physical force, auxiliary means or firearms in cases when concerning multiethnic communities including Roma population.

**BG 14: Judicial Capacity-building and Cooperation/Improvement of the Efficiency of Justice/ A fairer and more efficient judicial system**

**Budget of the programme:** 3 636 471 EUR (incl. grant amount and national co-financing)  
**Programme operator:** Ministry of Justice

**Donor Programme Partner:** Council of Europe

The PO`s Management and Control Systems were amended - changing the structure and roles of the Cooperation Committee and monthly payment claim verification was laid down. Two meetings of the Cooperation Committee were organised in January and in June.

*Key achievements under the projects:*

*Pre-defined project 1 “Increasing the capacity of the judiciary and training on the European Convention for the Protection of Human Rights and Fundamental Freedoms at the National Institute of Justice” –* five regional and two centralized trainings for respectively 148 and 58 magistrates and legal professionals were organized. Forum for 100 magistrates, legal professionals, representatives of the executive, legislature, academia and NGOs and one workshop for 29 magistrates were held. 410 documents were uploaded to the Bulgarian Human Rights Portal. The technical equipment (30 PCs, 30 laptops, 30 UPSs, one server and one scanner) for the Training and Information Centre and NIJ Continuous Training of Magistrates Directorate was delivered.

*Pre-defined project 2 “Support to the Supreme Judicial Council related to capacity building and improving the efficiency of the judiciary” –* best practice Manual for e-summoning encompassing the experience of EU and EEA Member States was elaborated and published on the SJC web site. The comparative analysis of the legislation as regards e-summoning was completed. Final draft of a proposal for amendments to the procedural laws as regards e-summoning was sent to the Minister of Justice. Secondment of the second group of the 9 judges to the ECtHR in Strasbourg for a term of 12 months was successfully completed. Internal network for exchange of information amongst Bulgarian magistrates concerning the functioning and the practice of the ECtHR was built up. Interactive map of judiciary regions in Bulgaria was completed.

*Pre-defined project 3 “Strengthening of domestic remedies to alleged violations of the Convention on Human Rights and Fundamental Freedoms of the Council of Europe and the capacity for the execution of judgments of the European Court of Human Rights” –* translation and publishing into Bulgarian of the Council of Europe publication “Toolkit to inform public officials of the State obligations of the ECHR”. For the first time after the creation of the administrative mechanism for compensation of excessive length of proceedings following a pilot judgment procedure of the ECtHR extensive evaluation was performed. The contractor presented a reasonable, profound and practical recommendation for improving the procedure.

*Pre-defined project 4 „Improving the access to legal aid for vulnerable groups by means of piloting a hotline for primary legal aid and creation of regional consultation centers” –* better legal protection of the vulnerable groups’ rights and interests was ensured. There is a reduction in the number of ungrounded cases. Legal aid was delivered to 1255 citizens. Draft proposals for legislative amendments were prepared in order to increase the access of vulnerable groups to primary legal aid.

BG 15: Correctional services, including non-custodial measures

**Budget of the programme:** 10 122 824 EUR (incl. grant amount and national co-financing).

**Programme operator:** Ministry of Justice

**Donor Programme Partner:** Council of Europe

The PO`s Management and Control Systems were amended - changing the structure and roles of the Cooperation Committee and monthly payment claim verification was laid down. Two meetings of the Cooperation Committee were organised in January and in June.

*Key achievements under the projects:*

*Pre-defined Project 1 “Improve standards in prisons and IDFs by refurbishment of infrastructure to ensure respect for human rights “ -*  construction works at three sites were concluded. A comprehensive survey was completed and disseminated to interested parties, with a subject area covering material conditions of detention in 4 penitentiary establishments, conclusions and recommendations on measures needed to comply with the Council of Europe standards.

*Pre-defined Project 2: Increasing the application of probation measures in compliance with European standards and programme for electronic monitoring-* draft law amending the Execution of Sentences Act was elaborated, accompanied by two financial assessments proofing the efficiency of the electronic monitoring. The bill was adopted by the Council of Ministers and was submitted to the National Assembly. Two events took place aimed at exchange of experience with the Norwegian part on alternatives to prison.

*Project 3 “Improving the competences of staff in psychological selection and counselling”-* the training activities are progressing, thus fulfilling the output indicator for trained prison staff to work with offenders with special needs.

*Small grant schemes -* The selection procedure under the SGS was completed, resulting in 19 grant agreements concluded in March and April. At the start of SGS projects` implementation the PO organised a workshop with all the project promoters so as to provide the necessary guidance. As a whole, the implementation of SGS projects is advancing according to the original timeline with minor adjustments and interventions by the PO. The beneficiaries of the SGS signalled potential risks of lack of funds necessary for financing of the activities. The PO reacted in a timely manner by amending the grant agreements and its Management and Control Systems. Thus each beneficiary could request payment on a monthly basis against a simplified monthly report. In that case the PO performs payment claim verification within about a month after the costs have been actually incurred.

## MANAGEMENT AND IMPLEMENTATION

## Management and control systems

*Changes in the institutional framework (as per Chapter 2 of the description of the Management and Control System at national level)*

Please refer to the main report.

*Efficiency and effectiveness of the national management and control systems*

The current status of preparation and approval of descriptions of management and control systems at programme level is as follows:

* Management and control systems of the POs for implementation of all programmes were submitted to the FMO.
* Management and control systems of the PO for implementation of the Programme BG04 were submitted to the FMO in Bulgarian. PO is in process of elaborating the English version.

The NFP maintains and regularly updates a risk register per programmes as a part of its management and control tools at national level. This allows to follow closely the imergence of any deviations or bottlenecks in the system with a potential direct impact on the grants.

## Compliance with EU legislation, national legislation and the MoU

* Amendments to the Public Procurement Act  came into effect in the reporting period that aim to enhance coordination and control;
* Few draft laws that would have provisions relevant to certain aspects of management of the grants were under preparation -  a draft law on EU Funds management was submitted to the Parliament and a draft law on amending the State Aid Act was under preparation and inter- institutional co-ordination. Further developments will be reported in the Strategic Report for 2015.

## Irregularities

The NFP prepared and submitted to the FMO 3 quarterly Irregularity reports (on 09th March, 25th May and 26th August 2014) stating the lack of suspected or actual irregularities to be reported on.

Four financial corrections under the Programme BG 06 (at the total amount of 3203 Euro) and three financial corrections under the Project BG 01 (at the total amount of 216.12 Euro) were reported and processed through DoRIS in line with the findings of the Audit report of Executive Agency Audit of the EU Funds.

During the reporting period NFP has clarified in communication with the FMO a total of 11 complaints related to the project evaluation and selection procedures (9 *complaints*) and to public procurement procedures (*2 complaints*): 1 complaint under BG 06, 3 complaints under Programme BG08, 2 complaints under the Programme BG 09 and five complaints under Programme BG 14. Considering the decisions of all bodies involved in reviewing the cases and after detailed analysis of the received documents no irregularities have been detected (*respective reports are generated in DoRIS and are attached in Annex although these cases are not treated as irregularities in the context ofart.11.5 and art. 11.4*).

## Audit, monitoring, review and evaluation

In execution of its monitoring obligations and responsibilities, the NFP has catered to keep track on all on-going activities performed by Programme Operators in accordance with the specific stage of respective programmes’ implementation. The focus of monitoring was to ensure that the activities implemented under the programmes are in line with the objectives of the EEA FM and NFM, that the necessary administrative, expert and financial resources are in place or properly planned and that time schedules are planned or updated, where circumstances require so.

The scope of monitoring activities performed by the NFP encompassed the following:

- Participation in Cooperation Committees’ meetings held in the reporting period;

- review and provision of comments on the following documents prepared by the POs: draft Calls for proposals – before their formal submission to the FMO, draft Guidelines for applicants, draft description of the MCS, information on fulfilment of pre-disbursement conditions in Pas, etc.;

- participation in selection committee meetings, held under programmes BG02, BG03, BG04, BG07, BG08, BG09, BG12, BG13 and BG15 ;

- day to day communication of the NFP experts with the POs.

No reviews and evaluations at national level have taken place in the reporting period. Summary information on audit activities is provided below.

Audit work performed during the reporting period

1. Compliance assessment audits

Two compliance assessment audits of the MCS descriptions for the implementation of the Programmes BG 07 and BG08, financed under EEA FM and NFM 2009 – 2014 were performed:

1. Audit of operations

In October-November 2014 the AA carried out audit of operations for the expenditure certified in the period 01.01.2013 - 31.12.2013 on Programmes financed under EEA FM and NFM 2004-2009, incl. Project BG01 and Programmes BG06, BG09, BG11, BG13, BG14 and BG15. The Final audit report was prepared in August and indicates that there are no serious deficien

## Information and publicity

Two events are considered crucial for the information and publicity activities of the NFP in 2015 – a seminar for journalists that was held on the 19th of May and an Annual Event planned for the end of November – beginning of December. The seminar for journalists marked an important milestone of more than 500 projects signed under the EEA & Norway Grants 2009 – 2014. This was used as a main tagline as it attracts the attention and can serve as a good starting point for a news material. The seminar was coordinated with the Norwegian Embassy in Sofia and consisted of 3 thematic panels with presentations of a total of 11 projects from 7 different programmes. 20 journalists have been invited and the Embassy circulated the invitation within its contacts. The targeted media included newspapers, TV, radio and news websites with potential interest either in financial instruments or in the specific fields of the presented projects. The outcome of the event was noted with some materials on the web, but we have limited resources to monitor the outreach level of the event. In this regard, it should be considered for the next programming period to include a media monitoring. Such a tool will help us determine the exact media interest and the outreach result at the various levels of implementation. Similar approach is applied for the EU funds.

As for the Annual Event, our concept is more or less similar although we plan to invite a wider audience with different projects to be presented. Our analysis of the seminar notes that diversity of the presented projects is very important in order to keep the interest of an audience for a half-day event. At this point of implementation, we find such events very important as the momentum of project implementation and results is now and so is the timing for increasing awareness of the grants and their priorities.

We perceive to enhance the NFP website with information on open calls and projects, as well as regular update of the PO contact information. With regards to the information and publicity activities of the PO the picture is quite diverse. While all programmes are familiar with general activities like opening/closing events, basic website management and production of information materials, few have undertaken additional activities like being active on the social media. Exceptions from this are the NGO Fund Operator, the POs for the Children and Youth at Risk and the Justice Sector programmes. Our overall message for the POs for 2016 will be to put all communication efforts on disseminating the results under the supported projects using all available channels.

## Work plan

Attached as *Annex 3* to this report.

## SUMMARY LIST OF ISSUES AND RECOMMENDATIONS

Securing adequate administrative capacity in view of the potential overload (due to simultaneous start of a high number of projects) and/or institutional restructuring; strengthened monitoring at national and programme level, especially rigid monitoring of the public procurement process; timely and of good quality reporting;  timely verification of expenditures; fostering bilateral cooperation inititives.

Of horizontal importance, in line with the joint commitment to achievement of co-hesion and bilateral objectives would be to maintain an agreed regular, operational communication mechanism between NFP, POs and FMO as a tool for early identification of potential bottlenecks as wella s for keeping a good level of knowledge on programme and projects’ developments.

* Sustained administrative capacity issue – as a consequence of overload and/or restructuring or as a result of legislative changes (public procurement law);
* Monitoring – as a result of the simultaneous launch of a substantial number of projects and the stronger focus required at both programme and grants level on achievement of results monitoring tools would be extended and intensified, involving training, where necessary;
* Financial progress and reporting – problems with (potential) delayed verification and reporting should be tackled in view of  its impact on programme management and implementation;
* Streamliningn communication between stakeholders – to avoid any possible bottlenecks in communicationg status of programmes and projects, achieved results, problems and risks that require urgent coordination and action;

Fostering  Bilateral relations – at programme and national level a pro-active approach should be sought, incl. by exploring possibilities for prepratory actions for the next programming period.

## ATTACHMENTS TO THE STRATEGIC REPORT

1. Annex 1.1 Risks at national level.
2. Annex 1.2 Risks at programme level
3. Annex 3: Work plan until the end of 2015
4. Annex 4 List of approved projects under priorities 1 and 2 of the FBLNL.

1. Only one contract under the Third Call hasn’t been closed. Its signature is due in September 2015 [↑](#footnote-ref-1)