



# Strategic Report 2013

## on the EEA Financial Mechanism

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The Office of the Government of the Slovak republic- National Focal Point

**Slovak Republic**

Version 1.0

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## 1 SUMMARY

The present report covers the period from 1 January 2013 to 31 December 2013 and, following its approval by the Monitoring Committee, will be submitted to the Donor States. The report does not cover programmes operated by the Financial Mechanism Office (2 programmes under the Non-governmental Organisation Fund).

The EEA Financial Mechanism support six programmes implemented in Slovakia. Three programmes are operated by the Government Office of the Slovak Republic – SK02 *Adaptation to Climate Change – Flood and Drought Prevention*; SK 04 *Local and Regional Initiatives to Reduce National Inequalities and to Promote Social Inclusion*; SK 05 *Conservation and Revitalisation of Cultural and Natural Heritage & Promotion of Diversity in Culture and Arts within European Cultural Heritage*; two programmes for non-governmental organisations are operated by the Financial Mechanism Office, and one programme, SK 06 *Scholarship Fund*, is managed by non-profit organisation SAIA, n.o.

A progress in the actual implementation of all programmes has been made in the reporting period. Under programme SK02 and SK04, the planned calls for proposals were published and the first project was contracted at the end of 2013 - a pre-defined project "*Innovative education for teaching staff in primary schools to increase their intercultural competence in education of Roma pupils*" with a total allocation of EUR 322,000. Projects chosen through a selection process under individual calls were undergoing a detailed appraisal process, or preparations for a Grant Offer Letter, at the end of the reporting period. Contracts for these projects are likely to be concluded, and their implementation commence, in the first half of 2014, which will also reflect in the share of approved and submitted financial expenditures. At 31 December 2013, this indicator stood at 0,61 %, which, given the short time remaining until the end of the expenditure eligibility period, represents a real risk of non-meeting the EEA Financial Mechanism objective.

Delays in the implementation of programmes SK05 and SK06 are profound. With respect to programme SK 05 *Conservation and Revitalisation of Cultural and Natural Heritage & Promotion of Diversity in Culture and Arts within European Cultural Heritage*, the programme agreement was signed at the end of 2013 and the call has not been published by the Programme Operator in the reporting period, due to the lengthy approval process at the Financial Mechanism Office level. In the case of programme SK 06 *Scholarship Fund*, the NFP sent the programme to the Financial Mechanism Office for approval in January 2013; for the next nine months, the programme was evaluated and the Programme Agreement was sent to the NFP at the year end. The agreement is expected to be signed at the beginning of 2014.

In 2013, the NFP reinforced its administrative capacities by establishing a strategic operations unit as part of its organisational structure. The new unit will contribute to smooth monitoring, evaluation and assessment of individual programmes.

According to the NFP, the year 2013 was a year when a majority of calls were published; making thus a significant move towards the commencement of implementation of individual projects whose implementation will contribute to meeting the EEA FM objectives. The NFP expects that 2014 will be a break-through year as far as contracting of available funds is concerned; accelerated drawing of funds is expected in the second half of the year, in particular.

## 2 IMPACT ASSESSMENT

### 2.1 Cohesion

Cohesion is one of the two main objectives of EEA Grants in removing economic and social disparities across the European Economic Area. Output-driven management requires measurements based on objectively verifiable indicators. Assessing these indicators will enable to track, throughout the programming period, Slovakia's convergence (or non-convergence) towards average values across the EEA. Even though a number of the indicators are not assessed at an international level, an analysis of the data from national sources makes it possible to assess whether Slovakia makes any improvements in this respect, or not. Cross-sectoral criteria are a special category as, apart from a few exceptions, it is rather complicated to quantify the benefits of these grants. This and the following chapters will, therefore, describe at least qualitative changes in some of the parameters.

The report defines indicators to be monitored throughout the programming period. They are indicators relevant to individual programmes, i.e., the report does not cover indicators that have no impact on the programmes implemented in the Slovak Republic. Indicators that cannot be verified against statistical data will not be monitored either. Their list may be expanded from time to time. The objective of this part of the Strategic Report is not to measure how a programme contributes to meeting these indicators. The contribution cannot be quantified in terms of allocation and impacts of EEA grants. The Report aims at analysing society-wide changes and trends in the programme areas. At the same time, it can reasonably be assumed that EEA grants have contributed to bringing about positive changes.

Throughout the implementation period, indicators for the following areas will be monitored:

Priority sector	Relevant programmes	Indicators
Climate change and renewable energy	Adaptation to Climate Change – Flood and Drought Prevention	Damage caused by floods
Civil society	Funds for NGOs	Sustainability index for civil society organisations
Human and social development	Local and regional initiatives to promote social inclusion	Persons at risk of poverty and social exclusion in the EEA following social transfers (benefits)
Conservation and revitalisation of cultural heritage	Conservation of cultural heritage	Current conditions of national cultural heritage

#### 2.1.1 Climate change

A number of new documents and strategies on climate change were adopted in 2013. The Inter-governmental Panel on Climate Change published its Fifth Assessment Report in September 2013, presenting an overview of the current state of play in scientific evidence-

based knowledge in the area of climate change. In April 2013, the European Commission adopted the EU strategy on adaptation to climate change to make Europe more climate-resilient. Both documents support the information contained in the Draft Programme with respect to possible negative impacts of climate change on Slovakia.

At the national level, the preparation of a strategy on adaptation to climate change commenced in 2013. In order to ensure funds necessary for adaptation to climate change, this issue was included among the priorities to be supported from structural funds in Slovakia in the 2014-2020 period.

### **Statistics**

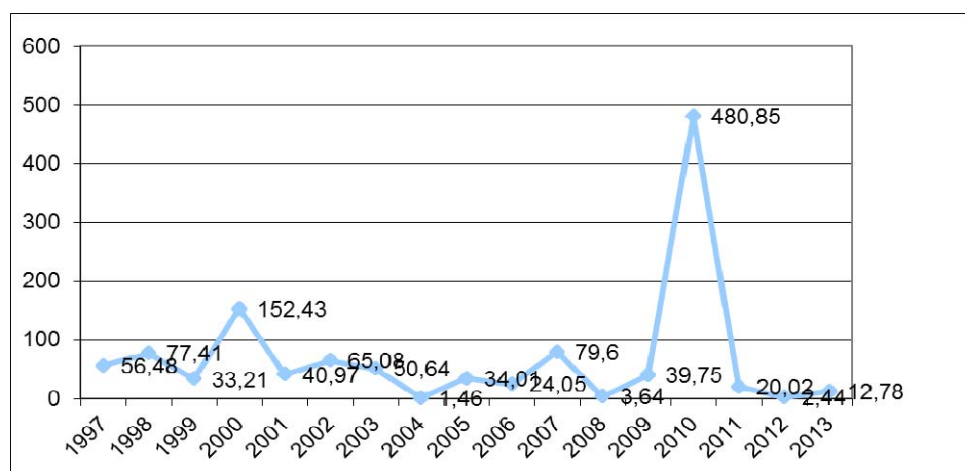
The chart below shows damage caused by floods. The 2013 data were only available for the period until August at the time of preparation of this Report. The chart shows that floods caused considerable damage in 2010 (the Memorandum of Understanding on the EEA FM implementation was also signed in that period). In the following period, damages caused by floods were not such prominent as in 2010.

Slovakia's capital was considerably hit by floods in 2013, the damage was, however, considerably eliminated thanks to effective flood-prevention measures financed from Structural Funds.

The capital city of Bratislava also submitted an application "*Bratislava adapting to climate change - pilot application of measures to retain precipitations in urbanised environment*" under call ACC02 (Healthy Towns) which has been forwarded by evaluators for a detail assessment. The assessment procedure was still pending at the end of the reporting period.

In 2013, local floods also occurred in several municipalities in central Slovakia, including Dolný Badín and Očová. In the Trenčín region, local floods occurred in the vicinity of Ilava. However, these geographical areas are not covered under programme SK02.

Chart 1: Overview of flood-caused damage by year<sup>1</sup>



<sup>1</sup> Source: Prepared on the basis of reports on the course and consequences of the floods in the territory of the Slovak Republic, prepared by the Ministry of the Environment of the Slovak Republic on an annual basis

## 2.1.2 NGO Fund

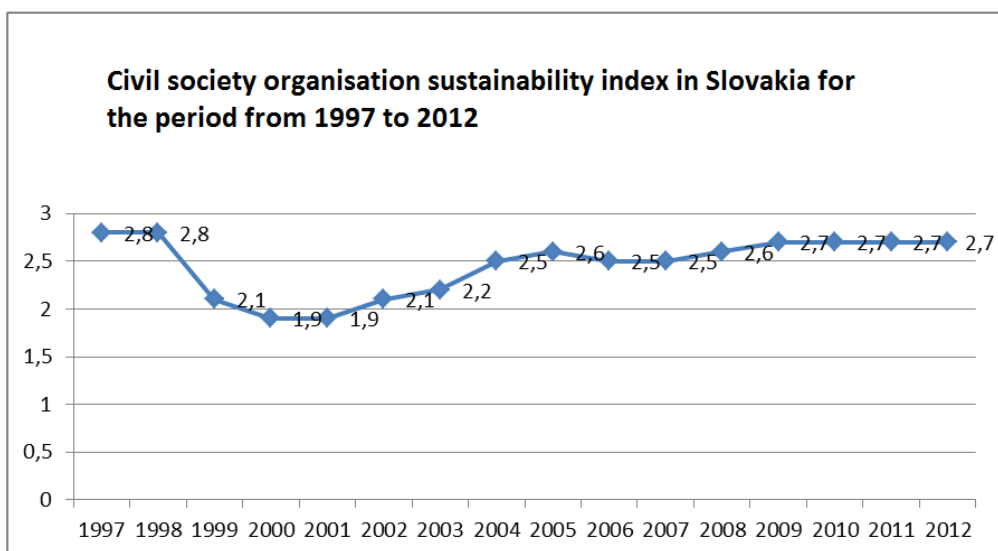
In the reporting period, the NFP decided to dissolve financial reserves in the EEA FM. Following consultations with the donors, the original allocation of EUR 6,903,000 for the NGO Fund was increased by additional EUR 500,000. The EEA FM is currently the largest financial donor to non-governmental organisations in Slovakia. The increased allocation for the fund has further reinforced the position of the EEA FM as the largest donor. A USAID report for 2012 (the 2013 data were not available at the time of the preparation of this Report) appreciated the establishment of government's advisory body composed of representatives of civil society organisations and the preservation of the Office of the Plenipotentiary of the Government for Development of Civil Society that serves as an advisory body for the coordination of civil society development after the 2012 parliamentary election.

The post of the government plenipotentiary for civil society development is currently vacant, but the office of the plenipotentiary further carried out its tasks.

Compared to 2011, the number of non-governmental organisations increased by 1,500, approximately, to a total of 38,500 entities.<sup>2</sup>

### Statistics

Chart 2: Civil society organisation sustainability index for the period from 1997 to 2012, according to the Social Society Annual Report published by USAID.<sup>3</sup>



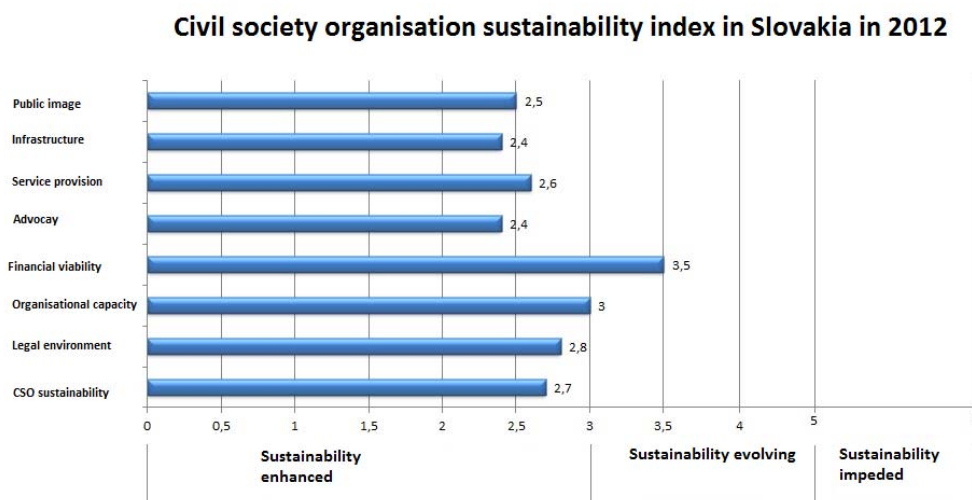
The chart shows that the overall sustainability index keeps around the level of 2.7 from 2010. The index has moved around this level since 2005.

<sup>2</sup> Source: <http://www.usaid.gov/sites/default/files/documents/1863/SVK.pdf>

<sup>3</sup> Source: <http://www.usaid.gov/europe-eurasia-civil-society>



The overall sustainability index consists of several partial components, as illustrated below<sup>4</sup>.



The worst score was recorded in 2012 under the Financial viability component. The NFP assumes the score may have improved in 2013 due to the calls published under both funds for NGOs at the beginning of 2013. The actual launch of fund implementation for non-governmental organisations through the publication of calls under the EEA FM, coupled with project implementation and/or publication of the second round of a call under the Swiss Financial Mechanism (a total allocation for NGO sector represents EUR 2,500,000) provide the non-governmental organisation with real opportunities to obtain resources to fund their operations.

### 2.1.3 Local and regional initiatives to promote social inclusion

This programme, specifically targeting the Roma minority, is a smaller of the programmes supported in the 2009-2014 programming period. The allocation for this programme also largely affected decision-making on the direction of the programme, which focused on educational activities. A number of events occurred in Slovakia in 2013 which had both direct and indirect impacts on this particular programme area. Most importantly, Act No. 131/2002 Coll. on tertiary schools (universities) was amended, therefore the Constantine the Philosopher University in Nitra cannot implement a pre-defined project under which a new accredited study programme focused on the Roma language and culture, for which EUR 258,000 were allocated, was supposed to be introduced. The Programme Operator, therefore, asked the FMO to re-allocate the funds originally earmarked for this project to an open call which would permit to support several projects. The Slovak government presented two national projects aimed at providing pre-school education to Roma children. The projects comply with Slovakia's strategy for Roma inclusion until 2020, as well as with the general objective of EEA Grants and this programme area. At the same time, the project will have an

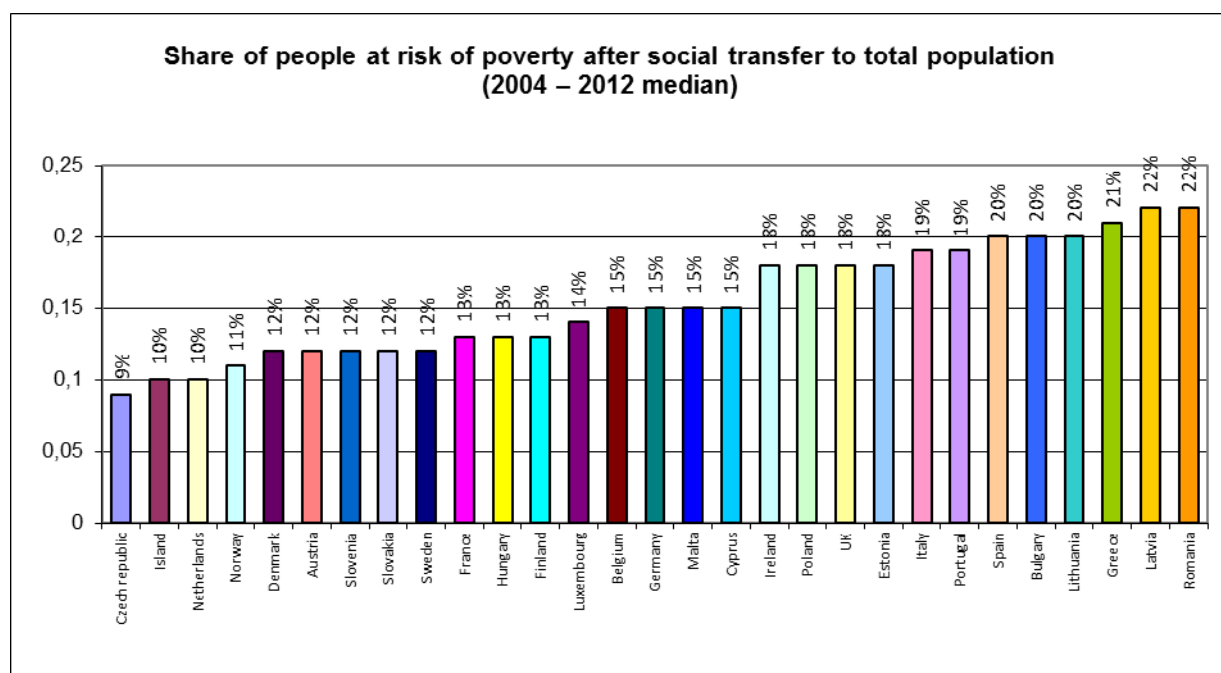
<sup>4</sup> Source: <http://www.usaid.gov/europe-eurasia-civil-society>

indirect impact on the objectives specified in the draft programme. Increasing the number of children in pre-school (pre-primary) education will result in their improved social preparedness and cognitive capacities when enrolling for compulsory education.

## Statistics

In terms of relevant indicators for which statistical data are collected, evaluated and compared across individual EEA countries on an annual basis, the percentage of population at risk of poverty seems to be the only suitable indicator. Between 2004 and 2012, Slovakia ranked 8<sup>th</sup> of all EEA countries, on average. However, the indicator does not reflect the data on the distribution of financial and non-financial resources at the national level when compared to other countries; hence, it does not reflect the data on the actual wealth of those countries. On the other hand, it shows social disparities within individual countries. The indicator cannot be interpreted as indicating that Slovakia is the eighth wealthiest EEA country, as the indicator does not reflect the actual wealth of a country. The indicator must be assessed against the purchasing power parity, i.e., against the size of population below 60% of the median equalised disposable income in a given country. The purchasing power parity is an important economic factor that enables comparing economic power of a country (region) against another country (region), or against a group of countries (regions). For comparison's sake, the Czech Republic scored best under this indicator, even though it is not the wealthiest of the EEA countries but has the lowest percentage of people below 60% of the national median equalised disposable income.

Chart 3: Share of people at risk of poverty after social transfer to total population (2004-2012 median)<sup>5</sup>



<sup>5</sup> Prepared using Eurostat data

#### 2.1.4 Conservation and revitalisation of cultural heritage

The setup of the “*Conservation and Revitalisation of Cultural and Natural Heritage & Promotion of Diversity in Culture and Arts within European Cultural Heritage*” programme meets the current demand in society for the protection and conservation of cultural heritage, while also complying with the *Concept for Cultural Heritage Protection*, a key government document for the protection of cultural heritage.

The Programme Agreement for the *Conservation and Revitalisation of Cultural and Natural Heritage & Promotion of Diversity in Culture and Arts within European Cultural Heritage* programme was signed in November 2013.

The programme setup, as presented in the Programme Agreement, corresponds with one of the basic objectives defined in Annex II (Operational Rules): to facilitate protection and conservation of Slovakia’s cultural heritage for next generations.

At the same time, it meets the current demands in the area of cultural heritage in Slovakia, as protection, restoration and conservation of cultural heritage, tangible and intangible, is one of the priorities in this respect.

Under the two programme outputs focused on tangible cultural heritage,

1. *Cultural heritage restored, renovated and protected, and*
2. *Cultural heritage made accessible to the public,*

the programme covers a wide range of national cultural heritage structures (for output 1 above) and castles, fortifications and city palaces, listed among the most important national cultural heritage items under Government resolution No. 813/2001 (for output 2 above), which also represent a very attractive portion of cultural heritage for the public and have significant prospects for tourism industry development.

Restoration of castles, fortifications and municipal palace listed in an annex to Government resolution No. 813/2001 - *Concept for Cultural Heritage Protection* (hereinafter referred to as the “*Concept*”) also contributes to the implementation of this government document that outlines the basic course of action in the area of national heritage protection.

Restoration of castles (castle ruins) is also in line with ongoing project *Unemployed-assisted restoration of cultural heritage*, defined in the *Concept*, focused on restoration and conservation of architectonic remnants and castle ruins, in particular, and implemented in cooperation with the Central Office of Labour, Social Affairs and Family.

The *Concept* is further implemented through pre-defined project “*ProMonumenta*”, designed to develop a system of regular and preventive inspections of technical and structural conditions of national cultural heritage structures by means of inspections carried out by experts who are also allowed to perform necessary maintenance interventions and prepare expert opinions for additional interventions, if needed. In addition, the project is also supposed to deliver awareness-raising activities to encourage owners of national cultural heritage structures to carry out preventive maintenance.

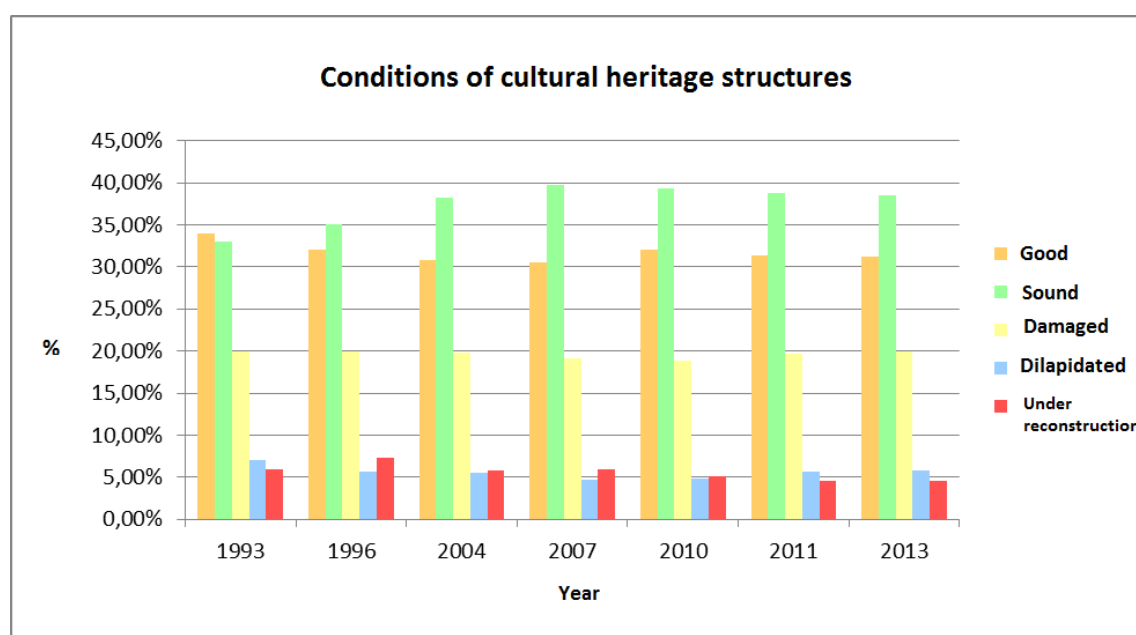
The output under second pre-defined project “*Rusovce Servant’s House and Gardens*” will contribute not only to the restoration of parts of this important national cultural heritage structure, the Rusovce manor house and adjacent park, but also make it accessible to the general public through the establishment of a cultural and tourist information centre.

### **Statistics**

Based on the information and statistical data provided by the Monuments Board of the Slovak Republic, it can be observed that the negative trend prevailing in the 1990s, when the share of monuments in good technical conditions had been declining, reversed between 2011 and 2013, with the share of monuments in good technical conditions stabilised at 31%. Along with the monuments in sound technical conditions that accounted for 38% of all monuments in 2013, the monuments in satisfactory conditions make up nearly 70% of the total. The NFP expects that the implementation of the SK05 programme will help preserve, or even improve, this trend and that the share of monuments in satisfactory conditions will further increase.

Based on the information provided by Eurostat, various statistical data covering the area of culture will be made available in 2014. The NFP will assess possible use of those data for the purposes of strategic reporting during the preparation of a 2014 strategic report.

**Chart 5: Conditions of cultural heritage structures – development from 1993<sup>6</sup>**



Conditions in % <sup>7</sup>	1993	1996	2004	2007	2010	2011	2013

<sup>6</sup> *ibid.*

<sup>7</sup> <http://www.pamiatky.sk/sk/page/vyvoj-stavebno-technickeho-stavu-a-vlastnickej-formy-pamiatok>

1 – good	34	32.0	30.75	30.5	31.0	31.3	31.2
2 - sound	33	35.0	38.25	39.7	39.3	38.8	38.5
3 – damaged	20	20.0	19.75	19.15	18.8	19.7	19.9
4 – dilapidated	7	5.7	5.50	4.75	4.8	5.6	5.8
5 – under reconstruction	6	7.3	5.75	5.90	5.1	4.6	4.6

### 2.1.5 Horizontal issues

The EEA and Norwegian Grants include the following horizontal priorities:

1. Democracy, good governance
2. Human rights, minorities, vulnerable groups, combating poverty and social exclusion
3. Combating discrimination, racism, xenophobia
4. Gender equality
5. Combating hate speech

#### Democracy and good governance

The National Focal Point paid due attention to the good governance principles across all programme agreements by properly including the principles of transparency, responsibility, efficiency and effectiveness in the wording of individual programme agreements.

The programmes are implemented in cooperation not only with relevant ministries, but also with civil society representatives and donor programme partners' officials, thus reinforcing the principle of participative democracy.

Another measure contributing to good governance is the obligation to publish contracts in the publicly accessible Central Register of Contracts as a condition for the effectiveness of contracts concluded between government and public institutions and third parties. The NFP extended this obligation to also apply to project promoters and their partners, which means that the publishing obligation also applies to contracts concluded with contractors selected through public procurement carried out under individual projects.

#### Human rights and minorities, vulnerable groups, combating poverty and social exclusion

From the NFP's point of view, the issue of human rights and minorities is primarily addressed through programme SK04 *Local and Regional Initiatives to Reduce National Inequalities and to Promote Social Inclusion*. The NFP expects that the implementation of this programme, and, in particular, of its pre-defined project, will enable the Roma minority to gain access to higher quality education, which may ultimately bring improvements to their social conditions.

Human rights, minority rights and combating poverty and social exclusion are covered by programme SK02. Climate change has a negative impact on poverty, especially in low-income communities. Floods, extreme droughts and other changes in climate pose a threat to towns

and municipalities with the largest populations of low-income families. Roma settlements, lacking the necessary infrastructure, water supply and waste water systems, etc., are at higher risk in this respect. Through implementation of concrete projects, the SK02 programme will actively contribute to combating poverty, while respecting the rights of minorities, Roma communities in particular. Educational activities delivered under the “Blues Schools” programme component will promote tolerance. Social exclusion will be addressed by concrete adaptation measures, primarily involving marginalised social groups.

### **Combating discrimination, racism, xenophobia**

According to the NFP, programme SK05 *Conservation and Revitalisation of Cultural and Natural Heritage & Promotion of Diversity in Culture and Arts within European Cultural Heritage* should be particularly helpful to combating discrimination, racism and xenophobia. The published calls, CLT01 and CLT02, clearly show that these principles were reflected in their selection criteria, especially by giving preference to cultural monuments and sights that carry a historic content of interculturalism, and/or which consider implementing activities to promote the principles of non-discrimination and tolerance, cultural diversity and intercultural dialogue, encourage combating anti-Semitism and promote cultural identity of minority groups.

### **Gender equality**

The potential of EEA Grants to promote the principles of gender equality is not huge, but it is not negligible either. While programmes SK02 (climate change) and SK05 (cultural heritage) do not objectively have such potential, programmes SK03, SK04 and SK10 cover several areas of support which may contribute to reinforcing the gender equality principle. Of these programmes, the NFP is only competent to provide its comments on programme SK04 (social inclusion). Even though the programme does not directly target gender equality, social and labour market exclusion problems seem to affect Roma women to a larger degree than Roma men. Considering that education, intercultural education in particular, is one of the most relevant tools to combat social exclusion and exclusion from the labour market, we can postulate that the objectives under the SK04 programme have been selected properly and may, albeit indirectly, help promote gender equality across the Roma minority.

### **Combating hate speech**

The Financial Mechanism Office asked the National Focal Point, as well as all focal points in recipient countries, to publish, on their websites, information about a campaign entitled “*Combating hate speech online*”. The campaign is carried out under the auspices of the youth and community programmes department of the Ministry of Education, Science, Research and Sport of the Slovak Republic which, at the initiative of the Council of Europe, established national committee “*Bez nenávisti na internete*” to coordinate activities carried out as part of the CoE’s *No Hate Speech Movement* campaign in Slovakia.

The campaign to combat hate speech online started on 22 March 2013 and continues throughout 2014. The EEA and Norwegian Grants entered into a strategic partnership with the Council of Europe to promote tolerance and fundamental rights. Hate-combating activities are supported from the Non-governmental Organisations Fund under the EEA Grants. The information in its original wording, along with its Slovak translation, has been published on the website since 2013.

## 2.2 Bilateral relations

In order to seek and find project partners in donor states and to further develop such partnerships and prepare project applications in cooperation with a donor partner, support is provided under programmes' bilateral funds. When publishing calls for project proposals at programme websites, the Programme Operators also included information about the opening of a programme's bilateral fund.

Area	Relevant programmes	Indicators
Trade	Green Industry Innovation	Norway's FDI in Slovakia <sup>8</sup>
Student mobility	EEA Scholarship Programme	Number of Norwegian full-time students in Slovakia

### 2.2.1 Trade

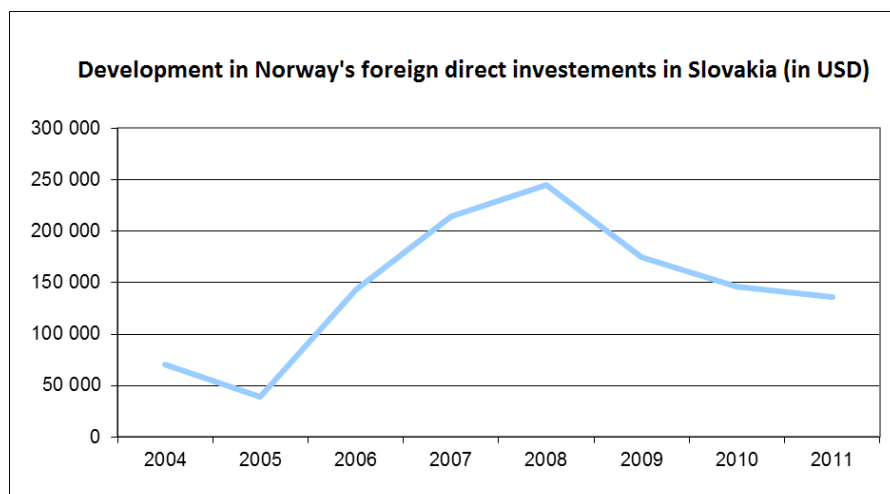
According to the National Focal Point, the relationships between Slovakia and Norway, Liechtenstein and Iceland can be measured using economic indicators, in particular. The size of Norway's foreign direct investment in Slovakia (hereinafter only as "FDI") seems to be most relevant one. According to the National Bank of Slovakia, Norway's FDI in Slovakia declined between 2008 and 2011 (more recent data were not available at the time of preparation of this Report). Statistical data on Slovakia's foreign direct investment in Norway were not analysed at all. Consequently, no change could be seen in this area in 2011. Engagement of donor partners in individual programmes, and their actual implementation could help reverse this trend.

### Statistics

Chart 6: Development in Norway's foreign direct investment in the Slovak Republic<sup>9</sup>

<sup>8</sup> <http://www.nbs.sk/sk/statisticke-udaje/statistika-platobnej-bilancie/priame-zahranicne-investicie>

<sup>9</sup> Based on the National Bank of Slovakia data <http://www.nbs.sk/sk/statisticke-udaje/statistika-platobnej-bilancie/priame-zahranicne-investicie>



### 2.2.2 Student mobility

The EEA Grants were and are used to fund student mobility both in the previous and current programming period. Norway's, Iceland's and Liechtenstein's potential to accept foreign students is limited. In spite of this, these grants were extremely popular in the previous period. Norwegian and Icelandic students are especially interested in a medicine study programme at the medical faculty in Martin. In the 2013/2014 academic year, around 40 students from Iceland and 80 students from Norway started studying at the Martin medical faculty. Their preparation for studying in Slovakia is done in cooperation with the Bjørknes College in Oslo. The total number of Norwegian and Icelandic students in Slovakia rose to more than 500 in 2013. The Scholarship Fund is expected to further support this trend.

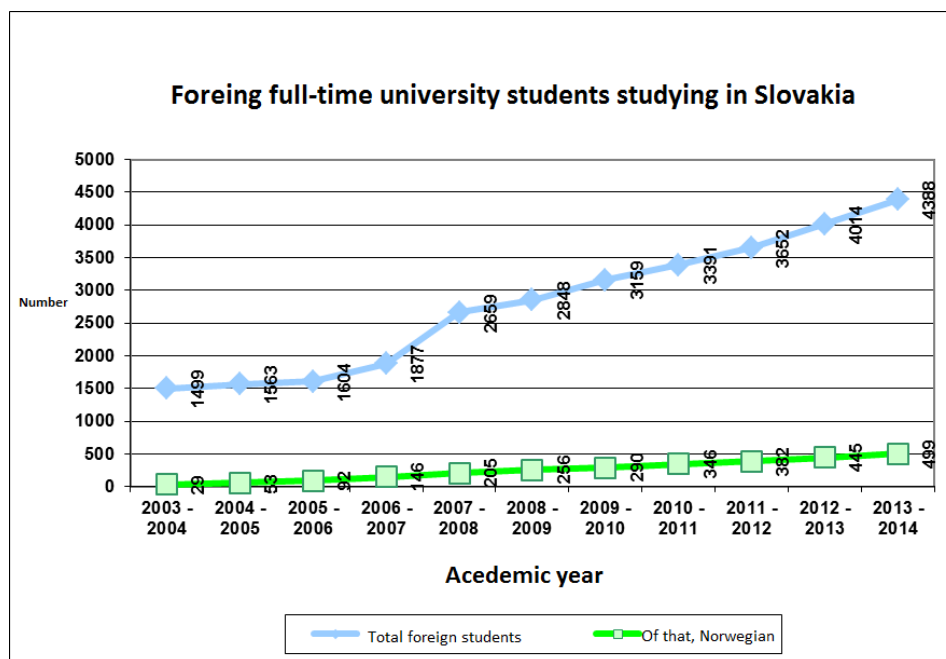
#### Statistics

The number of foreign students in Slovakia has more than tripled since the 2003/2014 academic year. For the sake of comparison, more than 39,000 foreign students studied in the neighbouring Czech Republic between 2003 and 2013<sup>10</sup>. According to the information at our disposal, the total number of Slovak students studying abroad is not assessed for statistical purposes.

Chart 7: Full-time foreign students studying at Slovak universities

<sup>10</sup> Source: <http://www.msmt.cz/vzdelavani/skolstvi-v-cr/statistika-skolstvi/data-o-studentech-poprve-zapsanych-a-absolventech-vysokych>





### 2.2.3 Evaluation of bilateral relations

Generally, the bilateral relations between the Slovak Republic and the donor states are excellent, friendly and constructive, having strong prospects of their further development and of intensifying mutual understanding and cooperation. Beyond any doubt, the policy profile and visibility of grants create a platform and encourage interest in information about Scandinavian society (Norwegian and Icelandic in particular) and its values on which Norwegian society is built and has long been supportive of.

In general, partnerships with donor programme partners provide a wide range of consultancy activities and room for application of practical experience of partner institutions under the relevant programmes.

Donor programme partners have considerably contributed to the implementation of the programmes by providing inputs to programme documents, searching for potential partner entities and facilitating conclusion of project partnerships, ensuring participation of potential partner institutions at matchmaking seminars, and creating lists of potential partner institutions that were published along with calls for project applications. Of course, entities not included in such lists could and can also be selected as project partners. A higher number of applications for contributions from the bilateral fund under measure A showed an increased interest in creating project partnerships. The donor programme partners also cooperated with the Programme Operator in the evaluation process of applications for contributions from the bilateral fund. Wider bilateral effects are assumed and expected to be brought by the implementation of programme bilateral funds under measures B. The donor programme partners actively participated in a majority of events organised under individual programmes.

The NFP assesses the cooperation between Programme Operators and individual donor partners as very active and mutually rewarding.

A more detailed evaluation of bilateral cooperation is included in individual annual programme reports. All events organised in 2013 also concentrated on the presentation of bilateral dimensions in the implementation of EEA Grants. Donor programme partners participated in/cooperated on a large number of the events and were presented, along with potential partner institutions, at all matchmaking seminars. Such activities contribute to creating positive effects and reflect successful forms of cooperation between Slovak entities and donors responsible for, and participating in the implementation of the programmes.

As far as project partnerships are concerned, the situation is satisfactory in general, as 25 partners are expected to be involved in the implementation of projects submitted in the reporting period.

### **Evaluation of bilateral cooperation by four defined types of outcomes**

**In terms of the actual scope of cooperation**, institutions from the Donor States are involved, to the maximum extent possible, in the implementation of EEA Grants at the programme as well as project level. At the project level, they are engaged in the search for possible partnerships under bilateral funds. The data on the number of partnership agreements concluded in the reporting period are not available, therefore, the exact number of partnership institutions engaged in implementation cannot be specified at the moment.

**In terms of result sharing**, it should be noted that know-how transfers and sharing of experience and knowledge, strategies, ideas and good practices are integral part of the implementation of the programmes. Support has been launched from the programme bilateral funds under measure A to achieve results in the implementation of such bilateral processes. Further expansion and support to achieve results in these areas will be ensured through measures B under the programme bilateral funds, as well as the planned launch of a national bilateral fund under its individual components.

**In terms of improved knowledge and common understanding**, it should be noted that all publicity measures are closely linked with the presentation of Donor States and contributions they provide to Slovakia. Permanent publicity of donors' tasks and positions in the implementation of programmes, coupled with a general presentation of bilateral dimension of the EEA Grants, contributes to raising public knowledge and awareness of this cooperation.

**In terms of wider bilateral effects**, the actual implementation of programmes and projects and the achievement of results in the three foregoing groups are expected to ensure that wider bilateral effects are achieved, as well. An increased attention will be paid to achieving this goal during Slovakia's presidency of the Council of the EU which, according to the National Focal Point's opinion, will commence implementation of key publicity measures particularly designed to bring about wider bilateral effects through the presentation of programme outcomes with respect to reinforced bilateral relations, clear identification of donors that

have provided financial assistance to achieve relevant outputs, as well as all entities engaged in implementation. The planned implementation of a pre-defined activity under a National Bilateral Fund, focused on regional cooperation in foreign and security policy between the V4 Group countries and Scandinavian countries, represents an important action to achieve the outcomes of type four.

### **Brief overview of basic risks in bilateral relations**

**With respect to bilateral risks**, all risks are generally low and the NFP seeks to avoid them by applying a responsible approach and outlining measures to eliminate them to the largest extent possible.

A possible risk with relation to the unfinished project selection procedure is that **projects with a stronger potential for development of project partnerships may fail to pass the evaluation**, while a project with weaker potential would pass.

To eliminate possible risks, it is necessary to **engage all resources and capacities of donor programme partners** in achieving the maximum effects in supporting project partnerships. To that end, two matchmaking seminars were organised, with considerable participation of donor entities. **Their insufficient engagement could** result in a lower share of project partnerships concluded, therefore, the maximum possible utilisation of available capacities and strong efforts of all entities involved in implementation eliminate said risk.

No donor programme partner is involved in the implementation of the SK05 programme, which may result in a **weaker support for the development of bilateral relations in this area**. Nevertheless, the SK05 Programme Operator expects that bilateral effects will be achieved in the implementation of small grant scheme *Promoting Diversity in Culture and Art*, where efforts will be made, in cooperation with the Norwegian ambassador to Slovakia, to engage applicants in bilateral activities supported from the programme bilateral fund.

## **3 PROGRAMME PROGRESS**

### **3.1 Overview of programme progress**

In 2013, the NFP and donors agreed to dissolve an emergency reserve of EUR 1,917,500. The amount was re-allocated to the NGO Fund (EUR 500,000) and the SK05 programme (SKK 1,417,500).

The Programme Agreement for the *Conservation and Revitalisation of Cultural and Natural Heritage & Promotion of Diversity in Culture and Arts within European Cultural Heritage* programme was signed in November 2013; it means that programme agreements were signed for all programmes for which the National Focal Point serves as a Programme Operator. The only programme for which no programme agreement has yet been signed is programme SK06 *Scholarship Fund* where a tendering procedure for a Programme Operator was carried out in

2013. The programme agreement for the *Scholarship Fund* is scheduled to be signed in January 2014. Also, the first project contract was signed with the National Institute for Education in 2013, for pre-defined project “*Creating an accredited study programme for innovative education for teaching staff in primary schools to increase their intercultural competence in education of Roma pupils*” under the SK04 programme. Three calls for project proposals were published under programme SK02 *Adaptation to Climate Change – Flood and Drought Prevention* and one call was published under programme SK04 *Local and Regional Initiatives to Reduce National Inequalities and to Promote Social Inclusion* in the reporting period. Calls are scheduled to be published at the beginning of 2014 for programme SK05 *Conservation and Revitalisation of Cultural and Natural Heritage & Promotion of Diversity in Culture and Arts within European Cultural Heritage*.

List of calls, their status and number of applications received:

Programme area	Call code	Available allocation	Status	Applications received	Requested project grant
SK02 <i>Adaptation to Climate Change – Flood and Drought Prevention</i>	ACC01	6,900,000,€	closed	5	11,089,664,€
	ACC02	4,000,000,€	closed	4	7,242,560,€
	ACC03	2,723,235,€	closed	82	3,094,086,€
SK04 <i>Local and Regional Initiatives to Reduce National Inequalities and to Promote Social Inclusion</i>	SI01	461,177,€	closed	35	1,381,185,€

The total amount of funding sought exceeds total allocations available for individual calls. Therefore, the NFP considers the number of applicants sufficient to cover the allocations under individual programmes. The allocation is likely to increase for call SI01; more details are provided in chapter 3.2.3.

In 2013, the Certifying Authority received advance payments from the FMO for the programmes with respect to which programme agreements were signed that year (SK05) in the total amount of €5,101,498.

Based on the seven IFRs approved and submitted to the FMO in 2013, the Certifying Authority received interim payments for programmes SK02 and SK04 in the total amount of €4 131 945 that were subsequently paid to the Programme Operator in accordance with the Regulations.

Under these IFRs, the Certifying Authority also approved and submitted to the FMO eligible expenditures for programmes SK02, SK04 and SK05 in the total amount of €166 891.

Since individual projects have not yet been implemented under the EEA FM, possible absorption-related problems or problems with the drawing of the funds could not be identified. The calls already published were at a project evaluation stage as at 31 December 2013. The Programme Operator assumes that evaluations will be completed and contracts for selected projects signed in the second quarter of 2014.

An overview of the disbursement of funds on Certifying authority level is provided in Annex 9.

## 3.2 Overview of individual programmes

### 3.2.1 SK02 Adaptation to Climate Change – Flood and Drought Prevention

Programme area:	Adaptation to Climate Change
Programme Operator :	National Focal Point - the Government Office of the Slovak Republic
DPP:	Norway's Directorate for Civil Protection and Emergency Planning Norwegian Water Resource and Energy Directorate
EEA FM allocation:	EUR 12,463,750
National co-funding:	EUR 2,199,485
Programme progress:	Evaluation of project applications

The key targets of the programme is to outline strategies and implement measures to adopt to climate change, reinforce capacities to assess vulnerability to climate change and raise public awareness and knowledge of adaptation to climate change. The programme objective is to find economically effective and environmentally sustainable adaptation measures based on changes in the use of the landscape, and to address climate change related risks.

Three calls were published in 2013. Two calls - ACC01 for the Zemplín and Horná Nitra component and ACC02 *Healthy Cities* for the component aimed at addressing climate change related problems in an urban environment - were published in March 2013. The third call, for small grant scheme "*Blue Schools*", was published in May 2013. For ACC01, as well as for ACC02, three applications were selected in the evaluation process. Eighty-two applicants applied for support from the small grant scheme; seventy-nine of them passed the administrative control and met the eligibility criteria.

As at 31 December 2013, the projects selected under the ACC01 and ACC02 calls were subject to a detailed appraisal procedure whose completion is expected in 2Q2014. Small grant scheme projects were undergoing an evaluation procedure at the end of the reporting period; the Programme Operator expects to sign contracts for these projects in 2Q2014. The "*Developed strategies and measures for adapting to a changing climate*" programme outcome is expected to be achieved at the first stage of project implementation already, when strategies and planning documents are to be prepared. Another expected programme

outcome, *“Increased capacity to assess vulnerability to climate change”*, should be achieved through the results of the implementation of concrete water-retaining and revitalisation measures and flood prevention measures implemented under individual projects in the country and school compounds. However, given the current status of the project evaluation process and the target volume set at 2 million m<sup>3</sup> for the indicator of this outcome, meeting the volume of water retention measures, systems and structures constructed in the country and school compounds is unrealistic. The *“Increased awareness of and education in climate change adaptation”* outcome is expected to be accomplished through future results delivered by projects implemented under the small grant scheme (*Blue Schools*) which, however, were not selected for contracting at the end of the reporting period.

Based on the calls closed and the ongoing evaluation of selected projects, the prospects of meeting the programme outcome can reasonably be assessed for the first time. With respect to the approved projects and target values of outcome indicators, the Programme Operator is likely to propose an amendment to the Programme Agreement to make the outcome indicators match the values of the projects approved, as shown in the table below:

Outcome	Indicator	Initial value	Target value in projects selected	Target value
General public engagement in projects	Number of communities involved in the implementation of projects	0	40	<b>100</b>
Engagement of experts in project preparation, implementation and evaluation	Number of national and international institutions involved in projects	0	26	<b>50</b>
Increased water-retention capacity of river basins, country and school compounds	Volume of water retention measures, systems and structures constructed in the country and at school	0	1,577,636	<b>2,000,000</b>
Implementation of concrete water-retaining and revitalising measures	Total number of completed individual measures, interventions, objects and structures	0	764	<b>50,000</b>

Even though the target values of outcome indicators have decreased, the meeting of individual programme outcomes is not at risk.

With respect to publicity and bilateral relations, a launching conference was held in April 2013 in Bratislava, including a presentation of potential project partners from Norway. As a result, five selected projects have found a project partner from a Donor State. In June 2013, an information day was organised in Banská Bystrica to provide information about calls and conditions for support from the programme.

With respect to horizontal issues, the programme contributes to environmental sustainability through the implementation of necessary adaptation measures with positive impacts on the nature to restore a healthy, balanced and dynamic ecosystem. Through the improvements in the quality of the environment, the programme will restore conditions for long-term economic sustainability. Mitigating the risk of floods and droughts will enhance attractiveness of relevant areas for investments that may generate new jobs. Through its educational component, the “*Blue Schools*” initiative in particular, the programme also contributes to social sustainability.

### 3.2.2 SK03 and SK10: NGO Fund

Programme area:	Funds for non-governmental organisations
Programme Operator:	Open Society Foundation Ekopolis Foundation and partners
EEA FM allocation:	EUR 6,903,000
Programme progress:	Project implementation

The objective of the programme is to strengthen development of NGOs, promote social justice and sustainable development. The programme is designed to support the needs of minorities, judicial reform, environmental activities, etc. Since the Programme Operator is the Financial Mechanism Office in Brussels, this report does not include detailed information.

### 3.2.3 SK04: Local and Regional Initiatives to Reduce National Inequalities and to Promote Social Inclusion

Programme area:	Local and regional initiatives to reduce national inequalities and to promote social inclusion
Programme Operator:	National Focal Point - the Government Office of the Slovak Republic
DPP:	Council of Europe
EEA FM allocation:	EUR 1,000,000
National co-funding:	176 471 EUR
Programme progress:	In 2013, an open call was published, a project contract for a pre-defined project was concluded with the National Institute for Education; the allocation for a pre-defined project of the Constantine the Philosopher University in Nitra will be transferred and the project will not be implemented due to changes in legislation.

The objective of this programme is to strengthen social and economic cohesion at the national, regional and local level. In keeping with the Memorandum of Understanding, the

programme concentrates on the specific needs of the Roma minority and their funding, and support a national strategy in terms of social inclusion.

The main purpose of the programme is to provide conditions, human and expert capacities in particular, to implement broader, high-quality intercultural educational programmes in the Roma language, and to support primary and secondary schools wishing to further develop inclusive education through intercultural courses. All programme activities are designed to enhance social inclusion through intercultural education, Roma language and culture courses and cooperation between schools and families.

With respect to the *“Creating an accredited study programme for innovative education for teaching staff in primary schools to increase their intercultural competence in education of Roma pupils”*, the Constantine the Philosopher University in Nitra informed in spring 2013 that the legislation concerning the accreditation criteria for university study programmes had been amended. Due to this amendment, effective from 1 January 2013, the Project Promoter is unable to implement the project. The Programme Operator, therefore, asked the FMO to amend the Programme Agreement and re-allocate funds to a small grant scheme call. The modification procedure was still pending at the end of the reporting period.

In November 2013, a project contract was signed with the National Institute for Education for component *“Creating an accredited study programme for innovative education for teaching staff in primary schools to increase their intercultural competence in education of Roma pupils”*.

In the reporting period, a call was also published for component *“Small grants to support Roma inclusion and intercultural projects at primary and secondary schools. Primary and secondary schools reinforcing implementation of educational programmes and extracurricular activities focused on intercultural education, Roma language culture and history with the involvement of a family, school and community.”* Thirty-five applications were submitted for the call; thirty-four met the administrative compliance requirements and were forwarded for a review by experts. The expert reviews were not completed as at 31 December 2013, but given the possible increase in allocation and the amount of funds requested, eighteen projects are likely to be supported.

Achievement of expected project outcome *“Local and regional authorities, as well as private and civil society actors, are developing initiatives to strengthen anti-discriminatory measures for groups vulnerable to social and economic exclusion”* is measured against indicator *“Attitudes toward ethnic minorities, including Roma (Bogardus scale)”*. Since the project did not start in 2013, its impacts on the national level cannot be measured. However, based on the objectives defined in the evaluated projects, it can be expected that the programme objective will be accomplished.

The main risk related to the project outcome is a possible change in Slovak legislation; another risk factor is that completed projects will not bring expected results. The first risk can be reduced by re-allocating the funds earmarked for a pre-defined project to a call for small grants. The second risk relates to the number of persons that are planned to be accepted for



innovative education. The actual number of candidates can be higher or lower than estimated 40. The Programme Operator will seek to reduce this risk through intensive cooperation and communication with primary and secondary schools participating in the projects.

With respect to publicity and bilateral relations, the Programme Operator organised a launching conference in Košice in September 2013. The conference also included a workshop where potential applicants had an opportunity to find a partner from Norway for their projects. No bilateral cooperation was, however, established; partly due to the fact that the applicants were not experienced in creating project partnerships, another cause could also have been a relatively small maximum size of the grant (EUR 40,000).

In the context of horizontal issues, the support for multicultural understanding is considered crucial. All programme activities are designed to enhance social inclusion and multicultural understanding through intercultural education, Roma language and culture courses and cooperation between schools and families; the Programme Operator sufficiently covers this particular horizontal area this way. In addition, the programme strategy builds on two fundamental rights - a right to education and a right to be educated in a minority language - through which the Programme Operator promotes the rights of minorities, including the Roma.

### **3.2.4 SK05: Conservation and Revitalisation of Cultural and Natural Heritage & Promotion of Diversity in Culture and Arts within European Cultural Heritage**

Programme area:	Conservation and revitalisation of cultural and natural heritage Promotion of Diversity in Culture and Arts within European Cultural Heritage
Programme Operator:	National Focal Point - the Government Office of the Slovak Republic
DPP:	-
EEA FM allocation:	11 922 000 EUR
National co-funding:	EUR 2,103,971
Programme progress:	The Programme Agreement signed; preparation of two calls; a call for the submission of pre-defined project <i>ProMonumenta</i> .

The programme contributes to the protection and conservation of cultural heritage in the Slovak Republic for future generations and makes it publicly accessible, as well as to the enhancement of cultural dialogue and European identity through understanding of cultural diversity.

The Programme Agreement, signed in November 2013, defined three programme outcomes:

1. *Cultural heritage restored, renovated and protected;*
2. *Cultural heritage made accessible to the public; and*
3. *Increased awareness of cultural diversity and strengthened intercultural dialogue.*

These outcomes should be achieved through two open calls, a small grant scheme and two pre-defined projects (*Rusovce Servant's House and Gardens* and *ProMonumenta - prevention by maintenance*).

The progress in achieving the programme outcomes cannot be described in more detail for the reporting period, as its actual implementation has yet not commenced. Therefore, the programme outputs remain unchanged. In 2013, the Programme Operator sent an invitation to the Monuments Board of the Slovak Republic to submit a pre-defined project, and prepared two open calls to be published at the beginning of 2014.

As far as publicity is concerned, a programme launching conference entitled *Heritage Reborn* was held in the Slovak Philharmonic in November 2013 to present the programme and information about the planned calls for project proposals.

With respect to horizontal issues, the programme contributes to intensifying cultural dialogue and enhancing European identity through understanding of cultural diversity. An increased awareness of cultural diversity and reinforced cultural dialogue are also among the outcomes of the programme. The small grant scheme is also designed to present diversity in contemporary arts and culture and to promote bilateral exchange in art. The issue of combating anti-Semitism is reflected in specific selection criteria under which 5% of funds will be allocated to projects related to the Jewish cultural heritage in Slovakia. The principle of eliminating anti-Semitism, included under the principles of non-discrimination and tolerance, is incorporated in the text of the call and selection criteria along with the principles of cultural diversity and cultural dialogue. In addition, the selection criteria are supposed to take due account of the principles of equality and antidiscrimination and to encourage submission of project applications to promote cultural diversity and cultural identity of minority groups.

### 3.2.5 SK06: EEA Scholarship Programme

Programme area:	Scholarships
Programme Operator:	SAIA, n.o.
DPP:	Icelandic Centre for Research National Agency for International Education Affairs Norwegian Centre for International Cooperation in Higher Education
EEA FM allocation:	EUR 1,917,500
National co-funding:	EUR 338,382
Programme progress:	A public tender for a programme operator was completed in 2013 and the NFP worked on a programme agreement.

The programme is designed to set up a scholarship fund to support mobility of students and teachers.

A public tender procedure was completed in 2013 and the Slovak Academic Information Agency (SAIA, n.o.) was selected as a Programme Operator. Preparations on the programme

agreement between SAIA and donors continued throughout the year; the agreement was not concluded by 31 December 2013. According to available information, the scholarship programme will focus on enabling potential stakeholders from Slovakia to establish contacts with educational institutions in the Donor States and agree on mutual cooperation either through addressing issues of mutual interest or through preparation of a joint project to be supported by a grant under the EEA Scholarship Programme. Joint projects are aimed at creating a framework for long-term cooperation and inter-mobility of students, PhD students and academics at educational institutions. The actual implementation of the programme is expected to take place between February 2014 and February 2017. A total of six calls will be published in two rounds during the programme period. Given the fact that no individual projects were launched in 2013, the benefits of the scholarship fund cannot be identified so far.

### **3.2.6 Technical Assistance Fund and National Bilateral Fund**

An annual report of the Technical Assistance Fund is attached as Annex 8 to the Strategic Report.

#### **Implementation of the National Bilateral Fund**

Based on a work plan for the National Bilateral Fund approved by donors on 9 July 2013, the NFP organised the first meeting of a bilateral committee on 29 October 2013 in Bratislava. According to the approved work plan, the bilateral committee is comprised of representatives of the National Focal Point, Norwegian Embassy to Slovakia, Ministry of Foreign and European Affairs of the Slovak Republic and a Financial Mechanism Office representative with an observer status. As part of the preparatory works for the first committee meeting, the Embassy of the Republic of Iceland in Vienna and the Embassy of the Principality of Liechtenstein in Vienna were also asked to participate. They, however, did not assign any representative for the committee.

At its first meeting, the bilateral committee discussed the issue concerning the presentation of the bilateral fund, its focus and use, implementation plan for 2014 and draft notifications of the opening of individual components of the bilateral fund. Two pre-defined activities with high priority for the reinforcement of bilateral relations were also discussed in general. The first one should support a transfer of a Bjørnstjerne Bjørnson monument in cooperation with the City of Košice, the second one, proposed by the Comenius University in Bratislava and NUPI (Norwegian Institute of Foreign Affairs) focuses on organising a seminar of experts on enhancing regional cooperation in foreign and security policy between the V4 Group members and Scandinavian countries. Both pre-defined activities were also discussed at an annual meeting in November 2013 and will further be elaborated in 2014.

Notifications of the opening of individual components of the National Bilateral Fund are scheduled to be published in 2014.

In terms of the use of the bilateral fund, an increased attention will be paid to achieving set outcomes during Slovakia's presidency of the Council of the EU which, according to the National Focal Point's opinion, will commence implementation of key measures to present and promote bilateral relations beyond the scope of the programme areas implemented in the Slovak Republic. By that time, the implementation of the relevant programmes will have been completed and maximum attention will be paid to achieving wider bilateral effects.

## **Funding**

### **Programme SK01 – Technical Assistance Fund and National Bilateral Fund**

The first advance payment of €53,833 along with the first interim payment of €27,136 from the National Bilateral Fund were credited to the accounts of the Certifying Authority on 6 August 2013. The funds were paid to the NFP on 20 August 2013.

In 2013, the Certifying Authority received three interim payments under the Technical Assistance Fund from the FMO, in the total amount of €205,654. The funds were then distributed among individual partners on 13 May 2013, 20 August 2013 and 20 December 2013.

In 2013, the NFP used €3,732.74 from the National Bilateral Fund. The funds were used to cover the direct expenditure of the NFP and organisational costs of the bilateral committee meeting.

## **4 MANAGEMENT AND IMPLEMENTATION**

### **4.1 Management and control systems**

The management and control system in the Slovak Republic is centralised and unified for all programmes operated by programme operators designated by the National Focal Point. The purpose of centralisation and unification is to eliminate the imminent risk of failure to draw the funds allocated for the Slovak Republic.

Considering the advanced phase of the 2009-2014 programming period, several changes related to the implementation framework have been made:

- An update to the Detailed description of the management and control systems of the Programme Operator based on Audit No. A549 performed by the Audit Authority in the period from April to July 2013.
- Because the NFP also acts as the programme operator, a Guideline No. 11/2013 of the Head of the Government Office of the Slovak Republic of 22 July 2013 for ensuring unified procedure and rules for the implementation of programmes under the EEA Financial Mechanism and the Norwegian Financial Mechanism 2009 – 2014, the programme operator of which is the Government Office of the Slovak Republic, has

been issued and amended on two occasions in the course of 2013. The amendment was related to the Programme Agreement on the Funding of the Programme “*Cross-border Cooperation*” dated 19 August 2013 and the Programme Agreement on the Funding of the Programme “*Conservation and Revitalisation of Cultural and Natural Heritage and Promotion of Diversity in Culture and Arts within European Cultural Heritage*” dated 13 November 2013, both of which were entered into between the Government Office of the Slovak Republic and Norway, Iceland and Liechtenstein

- Instruction No. 4/2013 of the director of the Economic Department dated 8 August 2013, laying down the verification of payment claims submitted under the EEA Financial Mechanism and the Norwegian Financial Mechanism

In connection with a change in the Organisational Rules of the Government Office of the Slovak Republic in November 2013, the department acting as the NFP at the Government Office of the Slovak Republic was renamed from “EEA FM and NFM Management and Implementation Department” to “EEA and Norway Grants Department”. Within the department, the Strategic Operations Department was established primarily for the purposes of monitoring, evaluation and implementation of the Bilateral Fund and publicity.

The Funding and Financial Management System is unified for all programmes under management of programme operators designated by the Nation Focal Point, under which the Ministry of Finance fulfils the role of the Certifying Authority. During the year 2013, the Certifying Authority amended the following documents:

- Funding and Financial Management System of the Financial Mechanism of the European Economic Area and the Norwegian Financial Mechanism for the 2009-2014 programming period, version 1.2, effective from 21 April 2013,
- Guideline No. 1/2012 – U to forms used within the Financial Mechanism of the European Economic Area and the Norwegian Financial Mechanism for the 2009-2014 programming period, version 1.2, effective from 2 January 2013.

Due to organisational changes in 2013, the EEA, NFM and ERDF Payment Unit was transformed into the Payment and Budgetary Analysis Unit. This change does not have any impact on the Funding and Financial Management System of the EEA FM/NFM, and all of the existing functions and administrative capacities in relation to the EEA FM/NFM agenda remained unchanged

## **4.2 Compliance with regulations**

All managing documents and approved programmes have been drawn up in compliance with EU legislation, national legislation, as well as the Memorandum of Understanding.

Legislation-related problems occurred with respect to programme “*Local and Regional Initiatives to Reduce National Inequalities and to Promote Social Inclusion*” under which the Constantine the Philosopher University in Nitra should have implemented a pre-defined project. In March 2013, the Project Promoter notified the Programme Operator of changes in

the legislation concerning the accreditation rules that put at risk two dimensions of the implementation of the pre-defined project - in the area of human resources and length of the study programme. The amended legislation does not permit pedagogical staff to teach at two and more university simultaneously, therefore, the Project Promoter lacks the sufficient human resources to ensure the delivery of the study programme focused on the Roma language, history and culture. The second legislative change involved the equal status of regular (full-time) study programmes and external (distance) study programmes. The Project Promoter planned to provide this programme as distance and e-learning study courses. These forms of programmes are currently permitted, which means that the number teaching lessons would rapidly decrease.

In this context, the Programme Operator requested that Annex 1 and 2 to the Programme Agreement be amended and, subsequently, the funds originally earmarked for the pre-defined project (€258,000) be re-allocated to a small grant scheme call.

### **4.3 Irregularities**

Based on Article 11.8 of the Regulation on the implementation of the EEA Financial Mechanism 2009 – 2014, the NFP enabled, by electronic means on its official website [www.eeagrants.sk](http://www.eeagrants.sk), the filing of the suspicions of irregularity not consistent with the principles of good governance within the implementation of the EEA FM. On top of that, the irregularities – or the procedure triggered by their occurrence – are also defined in the general terms and conditions which constitute an integral part of every project contract.

At the time of preparation of the Strategic Report, no irregularities have been detected and identified.

### **4.4 Audit, monitoring, review and evaluation**

#### **4.4.1 Audits**

##### **List of system audits carried out**

The Audit Authority pursuant to Article 4.6 of the Regulations on the implementation of the EEA FM and NFM did not carry out any system audit in the period from 1 July 2012 to 30 June 2013.

The assessment of compliance with respect to the setting of the management and control systems of the Programme Operator for the SK02 and SK04 programmes was carried out by the Audit Authority in the period from 15 April 2013 to 26 August 2013.

The assessment of compliance involved the verification of the Programme Operator's management and control system set up at the Government Office of the Slovak Republic.

Scope of compliance assessment:

- obtaining assurance that the management and control systems within the EEA FM and NFM comply with the requirements under Article 4.8 of the Regulations on the implementation of the EEA FM and NFM;
- obtaining assurance that the Programme Operator has been formally designated at national level;
- obtaining assurance that the system for the verification of payment claims (Article 4.8 (2)(a)) has been properly set up;
- obtaining assurance that the audit and monitoring system has been properly set up;
- obtaining assurance that the system for preventing, mitigating, detecting, reporting on and remedying irregularities has been properly set up;
- obtaining assurance that the system established to maintain an audit trail of all supported activities has been properly set up;
- obtaining assurance on the compliance with other requirements imposed on the Programme Operators under the Regulations;
- obtaining assurance on the preparation and approval of the programme pursuant to Chapter 5 of the Regulations (where relevant);
- obtaining assurance on the existence of a programme implementation agreement pursuant to Article 5.8 of the Regulations (where relevant);
- verifying the implementation of measures adopted to remove deficiencies identified by previous government audits No. A 349, K 2271 (a system audit from the previous programming period of 2004-2009) and No. A 403, K 2604 (an audit of operations from the previous programming period of 2004-2009).

### **Key findings and conclusions from audits**

N/A – because the Audit Authority pursuant to Article 4.6 of the Regulations on the implementation of the EEA FM and NFM did not carry out any system audit in the period from 1 July 2012 to 30 June 2013.

In accordance with Article 4.8 of the Regulations on the implementation of the EEA FM and NFM, the Audit Authority carried out an assessment of the management and control systems whereby identifying two deficiencies related to the Programme Operator's evaluation and selection process and the failure to incorporate procedures for the recovery of unduly paid expenditure; the deficiencies have been rectified through the adoption of measures for remedying deficiencies and were assessed within the documentary verification as fulfilled.

In the light of the above, the audit group obtained assurance on the compliance of the management and control systems.

On 13 September 2013, the National Focal Point FP sent, in accordance with Article 4.8 of the Regulations on the implementation of the EEA FM and NFM, the detailed description accompanied by a report and an opinion confirming that the implementation system complies with the Regulations on the implementation of the EEA FM and NFM and generally accepted accounting principles.

## Audits on projects

Because, during the period under review, the implementation of programmes was in the preparatory phase within which the activities of the managing authorities and the certifying authority focused in particular on the preparation and approval of managing documents, i.e., this period corresponded to the phase of setting up the management and control systems, and because no expenditure was declared to the Financial Mechanism Office, the Audit authority did not carry out any audit on projects pursuant to the Regulations on the implementation of the EEA FM and NFM.

### 4.4.2 Monitoring

Within the reporting period the NFP did not carry out any programme-level monitoring. This was due to the fact that, during that reporting period, the calls under the individual programmes were being published (SK02, SK04) and/or a programme agreement was signed (SK05) and, therefore, it was not possible to carry out the monitoring at programme level.

The NFP plans to perform programme-level monitoring in 2015.

### 4.4.3 Monitoring Committee

In 2013, the NFP convened the second session of the National Monitoring Committee, the main agenda of which was to approve the Strategic Report for 2012.

At the end of 2013, the government plenipotentiary for civil society development resigned from his post which is currently vacant and, therefore, the NFP decided to amend the Statutes of the Monitoring Committee in that the deputy of the government plenipotentiary for civil society development is now on the committee as its member.

## 4.5 Information and publicity<sup>11</sup>

The year 2013 saw the implementation of key information and publicity measures which significantly contributed to the objectives set out in the communication strategy. The National Focal Point is implementing several communication activities continuously, and the implementation of these measures is based on the principle of effective and speedy communication with the controlled impact on the target groups. By employing this type of communication process, the NFP strives to ensure higher transparency and efficiency in the implementation of the EEA and Norway grants 2009 – 2014, which also constitutes the primary objective of open communication serving as the basis for the entire communication process. As regards EEA Grants, the National Focal Point acts as the Programme Operator in SK02, SK04 and SK05 programmes. For this reason, most of the measures implemented are summarised in detail primarily *in the annual reports for the individual programmes*. Selected

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<sup>11</sup> Because many publicity-related activities were performed jointly for the EEA FM and the NFM, it is not possible to give a separate account for publicity activities for a single financial mechanism



information is summarised and elaborated in this section of the Strategic Report. All important measures relating to information and publicity are coordinated in cooperation with the donor programme partners and the Norwegian embassy in Slovakia.

All communication activities are implemented in order to raise public awareness of the EEA and Norway Grants and to highlight, to the maximum extent possible, the role of the donor states in their implementation. The period during Slovakia's presidency of the EU Council in the second half of 2016 will have the best potential for presenting the grants, as well as implementation results. The National Focal Point considers this period as a significant opportunity with a high information potential and, therefore, plans to organise the largest number of events focusing on the publicity of grants and the presentation of bilateral relations between the Slovak Republic and donor states during this very period. In keeping with the communication strategy, the National Focal Point also strives to establish and promote the 'EEA and Norway Grants', 'EEA Grants' or 'Norway Grants' brand instead of the EEA Financial Mechanism and the Norwegian Financial Mechanism. Wherever practicable, the abbreviated form and logos constitute an integral part of all information and publicity measures.

**The visual image** of the grants predominantly focuses on logos as the primary identification component of the grants in terms of publicity. At the same time, it can be noted that strong public interest has been registered at all levels of the communication process which is demonstrated, for instance, by a high number of people attending various types of events or by many e-mails about aid provided from the grants or queries about calls, etc.

During the monitored period, special hyperlinks were created for the individual programmes operated by the National Focal Point.

<b>Programme</b>	<b>Hyperlinks</b>
<b>SK02</b>	<a href="http://www.eeagrants.sk/climate">www.eeagrants.sk/climate</a>
<b>SK04</b>	<a href="http://www.eeagrants.sk/inclusion">www.eeagrants.sk/inclusion</a>
<b>SK05</b>	<a href="http://www.eeagrants.sk/culture">www.eeagrants.sk/culture</a>

### **Websites visit rate**

By means of the GoogleAnalytics portal, the NFP established a system for the monitoring the websites visit rate. The NFP keeps an in-depth statistics of the number of people visiting the websites and subpages, how long they stayed on the individual pages or the number of exclusive visitors/returning visitors. With the help of this system, it can efficiently and immediately assess the visit rate of the websites. In the course of 2013, a total of 210,191 pageviews<sup>12</sup> and 47,032 visits<sup>13</sup> were recorded, with returning visitors accounting for 55.90% (based on unique IP addresses) and new visitors of the website accounting for 44.10%. The

<sup>12</sup> Total number of all pageviews per website, including repeated pageviews.

<sup>13</sup> A website visit means a set of all actions performed by a visitor on all web pages/ subpages of a website

number of unique visitors<sup>14</sup> represented 21,591. Of the total number of visits recorded, 88.70% of visitors came from the webnodes with the .sk domain name and 11.30% from foreign webnodes. The average websites visit rate increased in the periods immediately following the publication of calls. The average length of stay at the website is roughly 4 minutes, with the number of pages viewed averaging at 4, which indicates that the visitors are seeking specific information.

### **Communication through Facebook**

In accordance with the communication strategy, the National Focal Point created a profile on Facebook under the title “EEA and Norway Grants Slovakia”. The National Focal Point regularly updates its Facebook profile with the news and relevant information in sync with the websites. During the pilot run, it also launched subpages of three implemented programmes, however, due to receiving insufficient interest from Facebook users, further activities have been suspended and the efforts concentrated on the common Facebook profile. On Facebook, the National Focal Point publishes all reports on the individual programmes under the common profile “EEA and Norway Grants Slovakia”. In 2013, the number of published posts was roughly 30, and the “Like” count of the profile itself totalled 187, with the percentage share of women accounting for 45% and men for 54%. In terms of posts, the highest post view count was recorded in relation to programme SK08 “Cross-border Cooperation”.

### **An overview of organised events – conferences, information days, seminars**

	Launching Conference	Average number of participants	Information Day	Average number of participants	Seminar	Average number of participants	Number of potential partners from Norway
<b>SK02</b>	12.4.2013	150	18.6.2013	50	Matchmaking seminar, 12.4.2013, as a separate part of the conference	40	7
<b>SK04</b>	24.9.2013	75	24.9.2013, as a separate part of the conference	75	Matchmaking seminar, 24.9.2013, as a separate part of the conference	75	1
<b>SK05</b>	14.11.2013	180	X	X	X	X	X

In 2013, a total of 7 events were organised under programmes SK02, SK04 and SK05 (launching conferences, information days, matchmaking seminars). More than 600 people attended the events in total. At the same time, several potential partner institutions from Norway were presented at the matchmaking seminars. All the organised events were open to the public which showed great interest in this issue. As proof of this fact, there were many requests for participation arriving even after the individual events were filled to capacity.

<sup>14</sup> The number of unique visitors indicates the number of non-duplicate visits counted only once during the reporting period

### **Press releases, media direct emailing, FAQ, advertisements**

Several *press releases* were published in 2013 concerning the implementation of programmes implemented under the EEA and Norwegian Grants. The press and information department of the Government Office of the Slovak Republic distributed the press releases through news agencies - the News Agency of the Slovak Republic (TASR) in particular. Three press releases were published in total. A majority of press releases concerned the implementation of programme SK05 which also attracted the strongest media attention. The press releases were also published at [eeagrants.sk](http://eeagrants.sk) and [norwaygrants.sk](http://norwaygrants.sk).

In cooperation with the GoodWill magazine, an article with a cover picture showing the Rusovce manor house in an autumn setting was published. The magazine was distributed as a promotional material to the participants of the programme SK05 launching conference held in November in Bratislava's Reduta building.

Several TV reports were broadcast in nation-wide media - for example, one TV report on the support provided from the EEA Grants for Roma language educational under programme SK04. With respect to programme SK05, one TV report was broadcast by RTVS in its prime time news, two reports by Radio Slovensko, 2 TV reports as part of the "Slovakia in Picture" television cycle (RTVS), and several articles were published in print and electronic dailies, which largely focused on pre-defined project "*Rusovce Servant's House and Gardens*".

As part of information and publicity measures, mass emails were sent under calls published under programme SK04 and SK02, which represents, in absolute figures, more than 4,000 direct emails sent to all primary and secondary schools.

As part of the published calls, frequently asked questions of the applicants (FAQs) were published as well. At the same time, more than 200 questions were answered through the general e-mail address [eeagrants@vlada.gov.sk](mailto:eeagrants@vlada.gov.sk).

As regards advertising in the press, the Pravda daily, a nationwide periodical with the longest tradition in Slovakia, published an advertisement for the currently published calls ACC01, ACC02, GII01 and DGBV01 on 19 April 2013. The average Pravda print run in 2012 was 69,735 copies, with the average paid circulation standing at 51,833 copies.

### **Plan of information and publicity measures for 2014**

Type of activity (set)	Activity title
<b>Web</b>	The <a href="http://www.eeagrants.sk">www.eeagrants.sk</a> and <a href="http://www.norwaygrants.sk">www.norwaygrants.sk</a> website – regular publication of the news and all relevant information
	Website monitoring
<b>Social networks</b>	Regular updates and communication through Facebook
	Creating user profiles on Facebook
	Regular updating of Facebook profiles
<b>Preparation of the Communication Action Plan</b>	Preparation and approval of the Communication Action Plan for the upcoming period (typically one year) by the National Focal Point in cooperation with the Royal Norwegian Embassy in Slovakia

<b>Press releases</b>	As required
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### Quantitative assessment

Criterion	Impact indicator	Output
<b>The degree of general public awareness of the EEA and Norway Grants</b>	% of individuals familiar with the existence, mission and aims of the EEA and Norway Grants	The exact percentage amount is not known
<b>Interest in support from EEA and Norway Grants</b>	Number of project applications under calls closed in 2013	126
<b>Success rate of media outputs (EEA Grants)</b>	Number of positive media outputs	more than 3

Criterion	Output indicator	Output
<b>Conferences, seminars and other events (EEA Grants)</b>	Total number	7
<b>Attendance at events (EEA Grants)</b>	Total number	approximately 600
<b>Satisfaction of people attending the events (EEA Grants)</b>	%	The exact percentage rate is not known – feedback based on a sample – maximum satisfaction
<b>Website traffic (EEA and Norway Grants)</b>	Number of visits	Special chapter
<b>Publications, materials and brochures (EEA and Norway Grants)</b>	Total number	1
<b>Published reports in all types of the media (EEA Grants)</b>	Total number	more than 10
<b>Communication channels used (EEA and Norway Grants)</b>	Total number	5 main types of the media (web, social network, TV, press, radio)
<b>Reports, news published on own website (EEA Grants)</b>	Total number	more than 20
<b>Press conferences (EEA Grants)</b>	Total number	0
<b>Journalists attending the events (EEA Grants)</b>	Total number	approximately 5
<b>Citizens addressed through the media (EEA Grants)</b>	Total number	Broad public (it is not possible to indicated the exact figure)
<b>Number of answers to e-mails (EEA Grants)</b>	Total number	more than 200

In general, the overall image of the EEA and Norway Grants is characterised as very positive. Norway, Liechtenstein and Iceland are considered the best examples in many relevant social, scientific, cultural or commercial contexts. The implementation of the 2004–2009 programme period certainly played a significant role in bridging societal gaps.

However, there is no relevant statistics to prove this statement, and it can only be derived from partial statistics. The number of overnight stays in accommodation establishments published by the Statistical Office of the Slovak Republic, which clearly indicates an increasing number of tourists travelling from the Kingdom of Norway to Slovakia, is regarded as a very interesting figure.

#### **Number of visitors in tourist accommodation establishments in the Slovak Republic<sup>15</sup>**

Country	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012 <sup>16</sup>
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<sup>15</sup> <http://portal.statistics.sk/showdoc.do?docid=67349>

<b>NORWAY</b>	3301	3762	5092	5678	5184	5153	4174	5054	6224	7823
<b>ICELAND</b>	Not identified – information not available at the Statistical Office’s website.									
<b>LIECHTENSTEIN</b>	Not identified – information not available at the Statistical Office’s website.									

Without a doubt, the statistics shows that the number of visitors increased by more than 100% against 2003, which proves higher mobility of tourists amidst positive trends in tourism.

The implementation of the project encompassing general medicine studies in Slovakia represents another important element. At the beginning of August in 2013, entrance examinations were held at the Representative Office of the Slovak Republic in Oslo for students from Iceland; this event was organised by the Jessenius Faculty of Medicine in Martin, Comenius University, in cooperation with the Slovak honorary consul to Iceland SR Runólfur Oddsson and the Slovak Embassy. In the 2013/2014 academic year, more than 40 students from Iceland and 80 students from Norway started studying at the Martin medical faculty. Their preparation for studying in Slovakia is done in cooperation with the Bjørknes College in Oslo. The total number of Norwegian and Icelandic students in Slovakia rose to more than 500 in September.

The National Focal Point’s strategic interest is to continuously improve the promotion of grants in Slovakia. One of the primary activities is to improve the contacts with the media. In general, the media is more interested in negative or tabloid news and Slovakia is no exception. However, progress made in green innovation and energy, preservation of cultural heritage or complex social issues such as domestic and gender-based violence can be a very interesting source of information, if thoroughly communicated in compliance with the communication strategy. All communication activities are implemented in order to raise public awareness of the EEA and Norway Grants and to highlight, to the maximum extent possible, the role of the donor states in their implementation, which is the primary objective and mission of the implemented information and publicity strategies.

#### 4.6 Work plan

The National Focal Point/Programme Operator are planning the following activities for 2014:

1. The signing of the Programme Agreement for the Scholarships Fund and the subsequent signing of an implementation agreement for the Scholarship Fund in 1Q2014
2. Publication of the call under programme SK05 *Conservation and Revitalisation of Cultural and Natural Heritage & Promotion of Diversity in Culture and Arts within European Cultural Heritage* in 1Q2014 and under publication of the call under a small grant scheme in 2Q2014
3. Signing project contracts under programmes SK02, SK04, SK05.
4. The NFP plans to convene a session of the Monitoring Committee in March 2014 in order to approve the Strategic Report for 2013. Further meetings of the Monitoring Committee will be convened in 2014 as required by the implementation of the EEA FM.
5. Opening the individual components – publication of the announcement under the Bilateral Fund at national level.
6. Implementation of predefined activities under the Bilateral Fund at national level.
7. Updating the Internal NFP Manual

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<sup>16</sup> At the time of preparation of the Strategic Report, only data until 2012 were available

8. Updating the Communication Strategy
9. Sessions of the Cooperation Committees under programmes SK02 (April 2014), SK04 (April 2014), SK05 (January 2014, 2Q2014)
10. Convening the annual meeting in November 2014 (preliminary)
11. Organising a consultation meeting to share opinions on the issue of common interest concerning the Roma issue with participation of all relevant stakeholders, including NGOs (autumn 2014)

## 5 OVERVIEW OF PROBLEMS AND RECOMMENDATIONS

The National Focal Point has identified the following major problems:

1. Time delays. - The NFP has long been drawing attention of all relevant institutions to this problem - the Financial Mechanism Office in Brussels, the EEA Financial Mechanism Committee and the Norwegian Embassy in Slovakia. A possibility to extend the eligibility period was discussed at the annual meeting held at the end of 2013. Unfortunately, the donors have always rejected the possibility to extend the eligibility period.

The major problem, according to the NFP, is the extremely short time period remaining for the implementation of projects. Based on its previous experience, the NFP considers it necessary to extend the expenditure eligibility period, thus the period for implementation of individual projects, until 30 April 2017, at least. It should be noted that the extension of the expenditure eligibility period would apply to individual programmes since the eligibility period for expenditure under the National Bilateral Fund lasts until October 2017 and for expenditure under the Technical Assistance Fund until December 2017.

The delay caused by lengthy negotiations between the European Commission and Member States that took nearly two years is enormous given the five-year eligibility period. Despite the maximum efforts of all institutions engaged in the implementation of the financial mechanism, the time available for the implementation of projects will be limited, which, in some cases, may result in non-achievement of the planned indicators. Therefore, the NFP will again open the question of extending the expenditure eligibility period. At the same time, the NFP welcomes the effort of the Commission and of the donors to align the future programme period with that of the EU Cohesion Policy and extend its implementation period from five to seven years.

2. Changes in legislation with possible adverse impacts on the achievement of outcomes at the programme level. The NFP cannot eliminate this risk completely; it can only consult with experts and relevant ministries in order to minimise the risk, for example, by re-allocation of funds originally allocated for a particular measure and/or project to another measure and/or project (similarly as done with respect to programme SK02), or by modification of selected indicators. However, it must be noted in this respect that negative impacts of this potential risk are increasing as the time period for project implementation shortens.

## **6 ANNEXES**

Annex 1 - Number of applications submitted

Annex 2 and 3 - Overview of projects implemented with a donor project partner

Annex 4 - Irregularities at the programme and national levels

Annex 5 - Irregularities at the project level

Annex 6 - Monitoring and audit plan for 2014

Annex 7 - Risk assessment at the national and programme levels

Annex 8 - Annual Report of the Technical Assistance Fund

Annex 9 - Disbursement of funds under the EEA FM

Annex 10 - Abbreviations