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**Annual Meeting of the EEA and Norwegian Mechanism 2014-2021 Estonia**

Date: September 23, 2020

Venue: Partially virtual meeting; physically in Suur-Ameerika 1, Tallinn (Room: Sirel)

Added:

1. Agenda of the meeting
2. List of participants
3. Presentation of the meeting
4. Videos of the meeting

**Opening remarks and adoption of the agenda**

The Annual Meeting (AM) was opened by the Head of the National Focal Point (NFP) Mr Martin Karro with welcoming the participants, emphasizing the achievements made since last AM and introducing the agenda of the meeting.

Mrs Torill Johansen, co-chair from the donor side, welcomed the opportunity to learn more about the progress of the implementation of the EEA/Norway Grants in Estonia, future plans as well as to hear about potential or ongoing challenges that need to be addressed. She stated that last year has been a challenge for all of us and it is good to see that it has not had a significant impact on implementing. She emphasized that mitigating measures sent out from the chairman of FMC in April 2020 are still valid and stated that the final date of eligibility for payments remain as 30 April 2024.

Mr Ole Øveraas Ole Øveraas Ole Øveraas Ole ØveraasAuðunn Atlason from the Embassy of Iceland, commented on his successful visit to Estonia in previous days where he was able to meet NFP and ambassador of Norway Mrs Else Berit Eikeland in person. He emphasized that the role of the embassy is to follow the progress of the Grants, to assist in identifying areas where meaningful cooperation is mutually beneficial and to facilitate cooperation when needed. He pointed out that the cooperation projects with Icelandic partners already initiated and plans for the future provides reassurance that the cooperation is on track at this point of time.

Mrs Else Berit Eikeland from the Norwegian Embassy welcomed the opportunity to work with all the partners involved in implementation of the EEA/Norway Grants in Estonia. She emphasized that the Embassy puts emphases on the bilateral ambitions of the Grants but also closely follows the implementation in Estonia and actively gives support and guidance when relevant.

**Annual Strategic Report**

Ms Laura Pikkoja from the NFP, emphasized that the Annual Strategic Report (SR) addresses additional topics that have not been covered in recent SRs. These topics are: political, economic and social context; effects of the grants; evaluation plan. While other topics were more or less covered by the next agenda points then presentation focus in this agenda point was on these three topics presented by Miryam Vahtra from the Ministry of Finance of Estonia.

Ms Laura Pikkoja also emphasized that given the complicated situation the world is facing and the fact that Estonia is still at early stage of implementing the overall status of programmes can be considered good and absorption rate of the bilateral funds can be considered satisfactory. There are no major risks, overall the risk level is low and well managed. There are no complaints reported nor project audits undertaken. She brought out one mistake in SR as one irregularity case had been reported in the SR by mistake and needs to be corrected. There have been few irregularity cases and no trends or similarities been observed. Last but not least, she expressed that NFP is very thankful and happy about the good cooperation between all relevant implementing partners.

Mrs Torill Johansen was happy to note the good cooperation as it is crucial at this point in the implementation. She also emphasized that good cooperation is one of the strengths of Estonian Focal Point the donors have been witnessing throughout all the programming periods of EEA/Norway Grants.

Ms Miryam Vahtra from the Ministry of Finance of Estonia gave an overview of the political, economic and social context, the effects of the grants and on the evaluation plan.

The key messages from the economic forecast of the Ministry of Finance of Estonia is that Estonia, like its neighbours, is doing better than the EU average.

Green ICT programme (EE-Innovation) contributes to increase in innovative enterprises, raise in share of R&D investments, increased productivity, lowering the CO2 emissions etc.

Baltic Research Programme (EE-Research) enables high level and diverse research and networking of research institutions.

The Programme “Local Development and Poverty Reduction” (EE-Localdev) contributes to diverse essential objectives like reducing gender-based violence, decreasing the number of youth unemployment and early leavers from education and training, decreasing the risk of poverty rate and increasing gender equality.

Climate Change Mitigation and Adaption programme (EE-Climate) enables the improved ability to address climate change.

There will be one evaluation for each programme. All evaluations concentrate on results and impact criteria and are ex-post evaluations (evaluation timing 2023-2024).

Mrs Torill Johansen thanked NFP for submitting the Annual Strategic Report on time. She commented that the report was well written and it reflects the current situation of the Grants in Estonia.

**Decision:** The Annual Strategic Report is approved taking note of the need to amend the mistakenly reported complaint.

**Bilateral Cooperation**

Ms Laura Pikkoja gave an overview of the bilateral funds at national and programme level.

At national level

There are two finalized initiatives since 2017 (with 84 991 euros disbursed out of 85 000 euros) and two on-going initiatives: one since 2018 (Estonian Labour Inspectorate initiative “Co-operation for decent work and fair competition in labour market”); the other from 2020 (Estonian Foreign Policy Institute initiative “Estonian-Norwegian cooperation in the United Nations and its Security Council: Defending and renewing multilateralism”).

*Co-operation for decent work and fair competition in labour market*

Grant amount € 151 500, incurred expenditure € 33 784. As long as there will be restrictions, most of the activities are currently on hold. Staff visits for assistance and staff learning visits are on hold. Meetings under joint communication campaign „Know Your Rights“ have been held virtually. The campaign was publicized in September, 2020. The next annual meeting will be held virtually in November, 2020.

To be able to fulfil the activities that have been agreed on, the extension of the project until 31st December 2022 was approved by JCBF on 22nd of September, 2020 (final minutes approved on 12th of October, 2020).

*Estonian-Norwegian cooperation in the United Nations and its Security Council: Defending and renewing multilateralism*

Grant amount € 66 697, incurred expenditure € 0. The initiative was approved on 14th of May 2020. The first event is planned to be held virtually on the 4th and 5th of November 2020, as initially planned. This is the first event according to the workplan of the initiative.

At Programme level

EE – Localdev

Allocation in MoU is € 125 000. To date, 33 520 euros has been allocated for bilateral activities in the area of cultural heritage protection and 20 875 euros in the area of youth at risk. The activities have been postponed to 2021 due to the COVID-19 situation. Indications have been made to use the funds for developing victim support in Estonia (approximately 50 000 euros) but this is on hold due to the COVID-19 situation.

EE - Research

Allocation in MoU is € 100 000. Bilateral activities have so far been carried out for the total amount of € 28 790. This year there have been matchmaking events in Lithuania (February 2020) and Latvia (August 2020, virtually).

*Initiative from the reserve for the programmes: “(Joint) Baltic-Nordic Cooperation Platform for Research Managers”.*

Allocation is € 100 000 from the reserve of programmes. The first planned activity was to take place on 16th September 2020 namely the “Nordic-Baltic Conference on International Research Cooperation” at the Estonian National Museum in Tartu. The conference has been postponed due to COVID-19. As the organisers wish to conduct the conference as initially planned, as a physical event, they are also looking for alternatives.

EE - Innovation

Allocation in MoU is € 125 000. Bilateral activities have been conducted in the amount of € 76 353. There was a matchmaking event in March 2020 in Oslo. It is now considered to gather all the project promoters of financed projects (from the main call) and organise a virtual seminar (initially planned as a physical event) in November 2020. The idea is being discussed with the donor programme partner (DPP).

EE - Climate

Allocation in MoU is € 75 000. No bilateral activities have been carried out yet.

Bilateral activities plan was approved in the first CC meeting on 9th of July, 2020.

Partner visits and expert visits in relation to calls 1 and 3 are planned by the end of 2020 but these visits might be delayed due to COVID-19. Calls 1 and 3 are also not launched yet due to the state aid issues that need to be resolved.

Other plans involve the years 2021-2022 -> partner visits concerning calls 2 and 4 and expert visits.

Initiatives proposed at the JCBF meeting 22.09.2020

*e-Healthcare Initiative: providing equal treatment opportunities for everyone (€ 100 000)* -> written procedure follows.

The mission is to educate, promote and activate health and social care institutions in the use of distance-spanning technologies (online consultations).

*Estonian-Icelandic Cooperation Towards a Sustainable Artic (€ 9 500)* -> approved by all the members who participated.

The aim of this proposal is to recognize and promote early stage development, strategy planning, capacity building, networking and awareness of cooperation between the Estonian School of Diplomacy and the Institute of International Affairs at the University of Iceland with specific focus on Arctic affairs and hybrid threats.

Mrs Torill Johansen welcomed the effort and commitment of the NFP to organize the JCBF meetings twice a year emphasizing the relevancy of the JCBF to meet in order to boost the collaboration between Estonia and the donor countries and to come up with strong initiatives. The donors suggested to prioritize the use of bilateral funds at programme level as the absorption level at programme level is low. The donors advised the NFP to encourage POs to consider and suggest new good initiatives. It is also important to discuss the bilateral ambitions of the programmes at Cooperation Committee meetings so that DPPs can also take part and contribute and know about the absorption and therefore the availability of bilateral funds. The donors suggested the NFP to encourage POs to be more flexible when it comes to prolongation of initiatives during the current difficult situation. The donors acknowledge the impact that COVID-19 has on implementing the Grants and therefore encourage to work together closely in order to overcome the difficulties.

Mrs Else Berit Eikeland expressed high interest in the bilateral fund activities. Norwegian Embassy is planning to suggest some new bilateral initiatives shortly.

Mr Ole Øveraas Ole Øveraas Ole Øveraas Ole ØveraasAuðunn Atlason thanked for the overview and on behalf of the Embassy of Iceland expressed also high interest in bilateral cooperation.

**Progress of programmes and risk assessment**

Ms Laura Pikkoja gave an overview of the overall status of programmes (EE-Localdev, EE-Research, EE-Innovation, EE-Climate).

Mr Árni Páll Árnason from the FMO gave an overview of programmes operated by the FMO (Active Citizen Fund, Decent Work, Youth Employment, Regional Cooperation).

1. **EE – LOCALDEV**

In this short period of time since the signing of the PA in December 2019, 5 out of 8 calls for proposals have been launched and 7 out of 8 pre-defined projects (PDPs) appraised/started. The disbursement rate (payments to project promoters out of total budget) is 1,18% (cut-off 19.09.2020). It is realistic and not too low given the fact that the programme has actively just started the implementation this year. The efforts put into opening the calls and starting the PDPs in 2020 will hopefully show strong results soon and the disbursement rate will increase.

Mrs Torill Johansen was happy to see that the programme is in full implementation. She commended the PO on excellent progress since the signing of the PA. She emphasized that as it is a complex programme with many components the NFP and PO need to follow the implementation and the allocated budget lines closely to ensure optimal effect and to ensure that the funding sources are clearly distinguished. She also asked about private and civil society organisations ability to provide co-financing in this critical time.

Ms Laura Pikkoja explained that they are aware the co-financing can become a risk as due to COVID-19 private and civil society organisations might have difficulties with co-financing and NFP and POs have to keep that in mind. She also added that so far no big problems have occurred.

1. **EE – RESEARCH**

The EE-Research programme already started in 2018 and only one call is yet to be launched. There have been 3 successful open calls, one in the research cooperation and two in the higher education area. There will be one open call for higher educational projects in 2021. 2 out of 2 PDPs have been appraised/started. The disbursement rate is 49,41% (cut-off 19.09.2020) and considered good.

Mrs Torill Johansen appreciated the PO’s efforts for well-functioning programme. She commended on the good cooperation between all parties including DPPs. It is the first regional initiative and it will be interesting to follow the implementation and learn from its experience. The donors took note of the merger of the Archimedes Foundation with other youth and education entities into Education and Youth Authority. The donors encourage the NFP to give all the necessary support needed to the new entity and communicate closely with FMO to get the PA and MCS amended.

1. **EE – INNOVATION**

The EE-Innovation programme also started in 2018. The Small Grant Scheme (SGS) was launched in the beginning of 2019, the main call in the beginning of 2020. With the surplus from the SGS and the main call, an additional call will be organized by the end of 2020. The results of the main call were presented by the representative of the Implementing Agency Enterprise Estonia, Anari Lilleoja. Unfortunately the two PDPs have not started yet but a considerable effort has been put into preparing documents and communicating in order the get PDPs started before the end of the year. The disbursement rate is 4,12% (cut-off 19.09.2020) and considered realistic and not too low while only SGS projects have been finished and main call projects and PDPs not started yet.

Mrs Torill Johansen asked about the bilateral outcome and the number of bilateral partnerships and continued that she was happy to see development in the two predefined projects, which are being finalized and she expressed hope to see the projects in implementation soon

Ms Laura Pikkoja informed that overall the number of partnerships can be considered good given the difficult situation. The bilateral indicators have not been reached but despite that the number of partnerships is bigger than expected. The more detailed overview was given by Anari Lilleoja from Enterprise Estonia in her presentation on the programme following the formal closing of the AM.

1. **EE – CLIMATE**

As the PA was signed by the end of 2019 and the MCS approved in July 2020 no calls for proposals have been launched yet. There are some additional obstacles in launching the calls but extra efforts are put into resolving it in order to get the calls launched as soon as possible. No PDPs are foreseen. The disbursement rate is low accordingly.

Mrs Torill Johansen asked about the obstacles mentioned in launching the calls.

Ms Laura Pikkoja answered that there are some state aid issues that need to be resolved and discussed between different parties and due to state aid issues the opening of the calls is also dependant on PA amendment. Therefore, the launching of the calls has taken more time than initially expected.

Mrs Torill Johansen emphasized the importance of being in close contact with the FMO and the DPP to get the necessary amendments approved and calls launched. She also pointed out that it would be interesting to see how public procurement is used as a tool to reach the climate change targets.

**Overall progress**

Ms Laura Pikkoja brought out that overall half of the calls have been launched (10 out of 20) and 9 out of 12 PDPs appraised/started. As concerns the disbursement rate, including the Technical Assistance and Bilateral Fund, absorption rate is approximately 10%.

She also emphasized that overall the risk level is low and well managed. Higher risks affecting all programmes is due to COVID-19 and procurement rules related.

Mrs Torill Johansen expressed her concern about the low disbursement rate considering the fact that we are already in the year of 2020. She emphasized that close attention has to be paid to it by securing efficient implementation of the Grants in Estonia.

Mr Martin Karro assured Estonia’s awareness of the low disbursement rate and that close attention has and will be paid on in for the future.

1. **Active Citizens Fund**

The implementation of the fund has been successful. Despite the COVID-19 the planned schedule has been followed. Two open calls have been launched (May 2019; October 2019). It is very impressive that almost half of the projects from the first call involve a donor partner. There will be 3 open calls for Estonian NGOs between 2020 and 2023: 1 call for medium-sized and large grants, 2 for small capacity building grants. NFP is encouraged to keep close collaboration with the Fund Operator to secure synergies with other national programmes.

1. **Decent Work**

The total allocation of 357 000 euros is divided by 3 outcomes: improved social dialogue and cooperation; enhanced implementation of decent work agenda; access to employment facility. There have been two open calls (2018, 2020). Regarding the first call 1 project was selected with Estonian partner. Regarding the second call 2 projects were selected with Estonian partner.

1. **Youth Employment**

The programme has had one open call for proposals. 25 projects are in implementation. 2 Estonian entities are involved in the implementation of 2 projects in Estonia as project partners: The Stockholm Environment Institute Tallinn Centre and Tartu Art School. The second call for proposals was launched in September 2020 with the deadline in January 2021.

1. **Regional Cooperation**

The programme has had one open call for proposals. There were more than 700 applications received. 9 Estonian entities submitted full proposals. There are 4 Estonian partners in selected projects.

**Mid-term review and allocation of the reserve**

Ms Laura Pikkoja presented the initial thoughts of the NFP concerning the mid-term review and allocation of the reserve. The official submission date is in November 2020.

While the mid-term review is not during the middle of actual implementation of the programmes in Estonia it is difficult to predict whether allocated funds are sufficient or not. The goal of programmes now is to absorb the already allocated funds and deliver results in terms of the agreed outcomes.

There is currently uncertainty in terms of funding of Civil Society Organisations (CSOs). Additional resources will be invaluable support for Estonian CSOs to continue their work in strengthening democratic culture, raising awareness on human rights and equal treatment at a time when democratic values have been put to a test. Noting the great work and efforts carried out by the ACF programme and in confidence that the programme’s capability of absorbing additional funds efficiently, the NFPs initial proposal is to use the (entire) reserve to support ACF activities.

Mrs Torill Johansen emphasized that ACF is important for donors and that the possibility to allocate reserve to the bilateral fund should also be considered.

Mr Ole Øveraas Ole Øveraas Ole Øveraas Ole ØveraasAuðunn Atlason agreed with Mrs Torill Johansen and also highlighted the relevance of ACF and bilateral fund and welcomed the possibility of allocating reserve funds to the two funds. He was also curious about how the COVID-19 has affected ACF activities and CSOs.

Ms Laura Pikkoja answered that of course all projects and funds are affected by the pandemic but no major problems have been faced yet. She also emphasized that the NFP is presenting their initial thoughts (nothing certain yet) and that the official submission date is in November 2020.

Mrs Torill Johansen added that the donors are waiting for the review in due time and emphasized the importance of collaborating and communicating with FMO.

**National Management and Control System**

Mr Martin Karro gave an overview of the National Management and Control System.

MCS describing the roles and responsibilities of NFP, Certifying Authority (CA), Audit Authority (AA) and Irregularities Authority (IA) was approved by AA and FMO in autumn 2019. Moving the NFP and other units/agencies into the State Shared Service Centre (SSSC) was part of the state reform to make the state agencies operating in more efficient way.

The Ministry of Finance has two ministers: the Minister of Public Administration and the Minister of Finance. SSSC (including NFP, CA and POIA of Local Development Programme) is an organization under the Minister of Public Administration. AA and IA are under the Minister of Finance. Under the Director General of SSSC who is also the Head of the CA, there is a direct line to the EEA and Norway Grants Unit of the CA. The deputy director of SSSC who is responsible for the grants and the subsidy area overall is also the Head of the NFP.

The departments of grants area sit in the SSSC: Grants Implementing Department (including responsibilities of POIA under the Local Development Programme); Grants Development Department (including the responsibilities of NFP), Grants Payments Department (responsibilities of CA) and Communication Department. The main unit of the NFP is the Grants Development Department where there are 4 areas: Grants Managing Division (specific expertise knowledge), Service Design Division (knowledge on how to put together programmes, information system; end-to-end approach, from the launch until final payments), Risk Management and Supervision Division (including risk assessment; processing of irregularities, financial corrections) and Cross-Border Cooperation Programmes Management Division. The Service Design Division where the Norwegian/EEA desk is located, is coordinating the implementation and ensuring that the machine works well. There is one responsible Norwegian/EEA expert and contact point but the expert is not alone, experts from other divisions provide support as needed.

As concerns the communication the NFP has informal communication with all parties on daily basis. The communication, as emphasized before, is very good between all relevant parties. The official communication involves weekly meetings inside the NFP, monthly info sharing with POIAs, quarterly meetings with POs (Norwegian Embassy has participated also), at least quarterly meetings/info sharing with FMO (practice has shown that info sharing takes place more often on informal bases), biannual meetings with JCBF (successfully organized twice this year) and Annual Meetings with the donors and other relevant parties. Ad hoc meetings are organized when necessary.

This system has proved itself and is working well.

Mrs Torill Johansen was pleased to see that the new setup has served us well. The donors are also happy to see that progress has been made with the preparations and the actual start of the implementation of programmes. Active communication between NFP, POs and Implementing Agencies in order to secure efficient implementation is also much appreciated. The donors are also happy to note the good functioning of the Certifying Authority and the Audit Authority and that good contacts have been established between authorities, the NFP and the FMO.

The IFRs are of good quality and submitted timely. She underlined the importance of accurate forecasts. It is important to prepare and submit realistic disbursement forecasts in close cooperation with CA, POs and NFP in order to help the donors to plan the annual budget and communicate the budget needs to the national parliaments. There is no need to add safety layer to the forecast.

Mr Árni Páll Árnason confirmed that despite some confusion with the MCS setup in the beginning and somewhat slow start up the cooperation between FMO and NFP is now very good.

**Publicity and Communication**

Ms Brit Koppel from NFP gave an overview of the publicity and communication activities.

According to the public awareness surveys done in previous years the public awareness of the Norwegian/EEA Grants has more or less stayed at the same level (14%). The results of 2020 public survey will be available in November 2020.

NFP is closely communicating with the Norwegian Embassy and POs when making annual plans for communication. POs have direct access for promoting information about open calls or projects on the EEA and Norway Grants Estonia Facebook page.

Among other activities the NFP participated for 2 days in Estonian music event called Viru Folk in August 2020 that focused on Norwegian music and culture. NFP has had successful TV projects with the coverage of Norwegian/EEA Grants - two TV clips in a TV show called “Estonia - full of experiences” presenting projects supported through Active Citizen Fund in August 2020 (approx. 60 000 views). Videos had also sponsored ads on social media (approx. 17 000 views).

The communication strategy has been updated in collaboration with POs.

NFP is planning to integrate EEA and Norway Grants to a new webpage and it is planned to be launched in 2021. The address https://eeagrants.fin.ee/ will still be in use but it directs the user to NFP-s website which will have better possibilities. This way, NFP believes, information will not get outdated so easily (everything in one webpage) and also people, interested in European structural funds or different national grants will find their way to EEA and Norway Grants which with great probability raises awareness about what those grants are about and for.

Future plans involve social media posts with interesting facts about previous and/or ongoing period, launching special newspaper about the implementation of projects of this financial period, presenting the success stories of funded projects on the Estonian map in new webpage.

Mrs Torill Johansen commends NFPs effort of having regular public awareness surveys and is looking forward to see these surveys continue and the latest outcome in November. The donors applaud NFPs effort in promoting the Grants in different ways: being active on social media as well as participating in events. The donors take note of the plan to integrate EEA and Norway Grants to a new webpage and that the communication strategy has been updated. The donors encourage NFP to work closely with FMO in order to implement the strategy.

Mrs Piret Marvet was happy to inform that despite the COVID-19 situation the Norwegian Embassy and the NFP were able to promote the EEA and Norway Grants in Viru Folk festival together side by side. She also confirmed good cooperation between Norwegian Embassy and NFP in social media: sharing posts and providing material for posts.

Mrs Else Berit Eikeland informed that next year there will be the 100th anniversary of bilateral relationship between Estonia and Norway. Starting with the celebration activities in February 2021 the Norwegian Embassy will keep NFP informed and involved in the celebration.

Mr Ole Øveraas Ole Øveraas Ole Øveraas Ole ØveraasAuðunn Atlason commends NFP for good communication networks. He also pointed out that although the Embassy of Iceland in Helsinki is not as close as the Norwegian Embassy, they are always interested and available through other channels (online) for cooperation.

**Closing remarks.**

Mrs Torill Johansen highly appreciated the continued good work in implementing the Grants and close cooperation with different partners including the representatives of embassies, DPPs and the FMO. The close cooperation is paramount in reaching the planned results. The donors are pleased to see the progress made in the reporting year but great attention has to continue on the implementation and on the possible negative effects of COVID-19. In the coming months the mid-term review is an important task to be concluded. The donors also emphasize that FMO is there for the Beneficiary State in order to provide advice, assistance and needed trainings. Finally, the donors are very much looking forward to visit Estonia for the next Annual Meeting and hoping to visit interesting projects.

Mr Martin Karro thanked all the participants for all the good comments and active listening. He pointed out that it has been a challenging year getting ahead with the MCS and adapting to changes in the world. He emphasized that NFP remains positive and believes that disbursement rates will pick up as the implementation is taking off. Finally he stressed that NFP would be happy to welcome all the participants in Estonia for the next Annual Meeting.