



CZECH REPUBLIC

4th STRATEGIC REPORT

reporting period: 1.1.2014 – 31.12.2014

Norwegian Financial Mechanism 2009-2014

National Focal Point

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LIST OF PROGRAMMES
(EEA Grants / Norway Grants)

PRG	Programme name	Programme Operator	Programme Partner
CZ01	Technical Assistance and Fund for Bilateral Relations at national level	NFP	---
CZ02	Biodiversity and Ecosystem services & Environmental Monitoring and Integrated Planning Control & Adaptation to Climate Changes	Ministry of Finance	Ministry of Environment
CZ03	Funds for Non-governmental Organizations	Civil Society Development Foundation	---
CZ04	Children and Youth at Risk	Ministry of Finance	Ministry of Labour and Social Affairs
CZ05	National, Regional, Local Initiatives to Reduce Inter-Group Inequalities and to Promote Social Inclusion	Ministry of Finance	---
CZ06	Cultural Heritage and Contemporary Art	Ministry of Finance	Ministry of Culture
CZ07	Scholarship Programme	Dům zahraniční spolupráce - Centre for International Cooperation in Education	Ministry of Education, Youth and Sport
CZ08	Pilot Studies and Surveys on CCS Technology	Ministry of Finance	Ministry of Environment
CZ09	Czech-Norwegian Research Programme	Ministry of Education, Youth and Sport	---
CZ10	Capacity Building and Institutional Cooperation between Beneficiary State and Norwegian Public Institutions, Local and Regional Authorities	Ministry of Finance	---
CZ11	Public Health Initiatives	Ministry of Finance	Ministry of Health
CZ12	Mainstreaming Gender Equality and Promoting Work-Life Balance & Domestic and Gender-based Violence; Let's give (wo)men a chance	Open Society Fund	---
CZ13	Domestic and Gender-based Violence & Mainstreaming Gender Equality and Promoting Work-Life Balance	Ministry of Finance	---
CZ14	Schengen Cooperation and Combatting Cross-border and Organised Crime, including Trafficking and Itinerant Criminal Groups	Ministry of Finance	Ministry of Interior
CZ15	Judicial Capacity-building Cooperation and Correctional Services, including Non-custodial Sanctions	Ministry of Finance	Ministry of Justice

1 EXECUTIVE SUMMARY

The National Focal Point (NFP) submits its Strategic Report for 2014 to the Norwegian Ministry of Foreign Affairs, in accordance with Article 2.2 of the Regulation on the Implementation of the EEA/Norwegian Financial Mechanisms 2009-2014.

Within the year 2014 the EEA/Norway Grants 2009-2014 in the Czech Republic shifted from the preparatory phase to the implementation phase as all 15 approved programmes started, most of predefined projects were approved, open calls launched and projects selected. The verifications of the selection procedure were running and part of projects contracts were concluded till the end of the 2014. By the end of 2014 23,4 mill. EUR (19,3 % of total allocation) was disbursed to the Programme Operators (advance payments or already incurred expenditures) of which 9 mil. EUR (7,5 % of total allocation) were already disbursed by the Programme Operators (POs). As programmes were in the initial stages of their implementations these disbursements belongs mainly to the programme management costs or costs for bilateral activities at programme level.

The deadline for the reallocation between the programmes was finished on 31 October 2014. Therefore, the NFP asked for three reallocations between the programmes in order to ensure the efficient commitment of all available funds for the Czech Republic.

Within the programme implementation no actual or suspected irregularities have been reported yet.

There was an enormous interest in submission of applications within the open calls in sectors where there are insufficient financial resources provided, especially in the sectors related to gender equality, domestic and gender-based violence, mental health and cultural heritage.

During the year 2014 new legislation in the framework of some programmes came into force and preparation of new strategic documents and new policies were under way. New positive trends have been developed especially in the sectors of gender equality, research and development, combating the corruption, and correctional services. Certain developments and improvements were noticed within the horizontal concerns such as social inclusion for the Roma, combating gender-based violence and combating discrimination and hate speech.

The time risk still remains at the high level of importance within all Czech programmes. In order to minimize the time risk, Programme Operators strived for speeding up the whole administration process of project selection including verification of the selection procedure. In order to strengthen the capacity of the NFP and Programme Operator – Ministry of Finance the staff capacity has been increased accordingly.

In order to strengthen bilateral relations between the Czech Republic and Donor states the activities at national as well as programme and project level have been carried out. Several significant and very successful conferences / seminars were carried out attended by representatives and experts from Donor states. It is expected that bilateral relations will be further strengthen in the following years as new open calls within the Fund for Bilateral Relations at national level have been launched and Funds for Bilateral Relations at programme level – measure B are to be opened simultaneously with start of the implementation of selected projects within programmes.

As regards the management and controls systems, the Audit Authority concluded 5 system audits at Programme Operators in order to verify the effectiveness of the management and control systems setting and started also audit of systems at the national level. No shortcomings were found in Programme Operators' system audits.

2 ASSESSMENT OF THE EFFECT OF THE GRANTS

2.1 Cohesion

2.1.1 The macroeconomic situation in the Czech Republic in 2014¹

According to preliminary data for 2014, gross domestic product in the CR increased by 2.0 %, with economic growth mainly being driven by external demand. Domestic demand for capital goods and final consumption by households also contributed to growth. In the 4th quarter of 2014, a quarterly GDP growth rate of 0.4 % was maintained. During the same period, the quarterly growth rate of gross value added significantly accelerated by 0.6 percentage points to 1.1 %. The high rate of indirect taxes collected at the end of 2013, due to the stockpiling of tobacco products before a planned increase in consumer tax affected the year-on-year slowdown in GDP growth in the 4th quarter of 2014. This effect was not repeated in 2014.

Table 1: Macroeconomic indicators for the Czech economy

	2011	2012	2013	2014
GDP growth (% , constant prices)	2.0	-0.8	-0.7	2.0
Household consumption and NPISHs (change, %, constant prices)	0.2	-1.8	0.4	1.7
Government consumption (change, %, constant prices)	-2.9	-1.0	2.3	1.6
Gross fixed capital formation (change, %, constant prices)	1.1	-2.9	-4.4	4.6
Inflation (CPI, period average, %)	1.9	3.3	1.4	0.4
LFS unemployment rate (period average, %)	6.7	7.0	7.0	6.1
Current account balance to GDP (% , current prices)	-2.1	-1.6	-1.4	0.3 ²
Balance of goods to GDP (% , current prices)	1.9	3.1	4.0	5.6 ²

Source: CSO, CNB, MF CR Macroeconomic forecast, not adjusted for seasonal variations

The rate of inflation calculated using the consumer price index reached an average of 0.4 % in 2014 and was the second lowest in the history of the independent Czech Republic. The extremely low level of inflation was influenced by an unusual decrease in regulated prices, with cheaper electricity making the greatest impact. The low growth rate in prices also reflected the sharp drop in oil prices at the end of the year. The only substantial inflationary factor in 2014 was the weakening of the CZK exchange rate. The strengthening economy has already started to be positively reflected in the unemployment rate, which, according to the Labour Force Survey in 2014, fell to an average of 6.1 %.

The external balance, expressed by the ratio of the current account deficit to GDP, was positive in 2014, for the first time since 1993, reaching 0.3 %. The improved current account balance was due to a marked increase in the balance of goods surplus and a reduction in the primary income deficit. In contrast, the positive contribution of the balance of services to the overall current account balance fell year on year. The effect of the primary income balance on the annual change in the ratio of the current account to GDP was neutral. The increase in the current account balance is in line with the development of the Czech economy and creates no risk of macroeconomic imbalances.

2.1.2 Development of sectors in the CR

In 2014, there have been no major changes in policies or legislation that would have a negative impact on the implementation of EEA/Norway Grants 2009-2014 in the Czech Republic. New legislation was

¹ Based on data published on 27 February 2015.

² Based on data from the monthly balance of payments.

adopted in the sector of culture (CZ06), education policy (CZ07), climate and energy (CZ08), corruption (CZ10), gender equality (CZ12, CZ13) and Schengen acquis (CZ14). As it was already mentioned in the last Strategic Report, the new Civil Code came into force in January 2014 with fundamental consequences for many areas and especially the whole Czech non-profit sector. The new Civil Code harmonized the legal forms of NGOs and their activities and removed the currently non-transparent rules governing civic association. A transparent public register of civic associations became operative.

EEA/Norway Grants stayed one of the most important financial sources for programme areas Mainstreaming Gender Equality and Promoting Work-Life Balance and Domestic and Gender-Based Violence in 2014. The new Czech government which was established in early 2014 partly changed the view on equal opportunities. Mr. Jiří Dienstbier was appointed the Minister for Human Rights, Equal Opportunities and Legislation. The agenda of equal opportunities was moved from the Ministry of Labour and Social Affairs to the Office of the Government of the Czech Republic to which the cross-sectional agenda rather belongs. Nevertheless, according to the Gender Gap Index 2014 (published by the World Economic Forum in October 2014), the Czech Republic fell to position 96 out of the 142 countries assessed. The position of the Czech Republic is getting worse (compared to the 83rd position last year). The Czech Republic was scored very well in access to health care and access to education. But the score is quite bad when it comes to economic opportunities and political participation. Czech economy suffers from a low labour participation rate of mothers with young children. Regarding political participation, there are only three female members of the government and barely one fifth of the Members of Parliament is women.

Research and development belong to one of the main government priorities and the government strived for increasing expenditure even in the period of economic crisis. However, Czech-Norwegian Research Programme (CZ09) has been currently the only programme in the Czech Republic promoting the bilateral research and development cooperation between Czech and Norwegian partners. From the enormous interest in open calls within the programme it is evident that the programme addressed a huge potential of cooperation among Czech and Norwegian entities.

Fighting corruption and money laundering also belong to one of the main governmental priorities in the year 2014. The government approved a strategy “The Government Concept for Combating Corruption for the years 2015 to 2017” together with document “Action Plan for Combating Corruption in year 2015”. Another priority of the government policy is an effort to increase the transparency of the financing of political parties and election campaigns as well as protection of whistle-blowers. Moreover, the government established Governmental Council for Coordinating the Fight against Corruption. Thus, the programme CZ10 is being implemented in favourable social and political circumstances.

On the other hand, a cultural sector still remains undervalued and unrecognized especially in terms of financing. A long-term insufficient financing of all cultural areas such as monuments, sites, items of movable cultural heritage and arts (theatre, music, cultural press etc.) represents the main trend in the area of culture. The Ministry of Culture registers 77 reserve projects – cultural sites in the state ownership – for the period 2014-2018 in the total value of 980 billion CZK, 5 % of which are in a critical state. The National Heritage Institute, which is the state contributory organization directed by the Ministry of Culture and the biggest owner of cultural heritage sights in the Czech Republic, registered the need for reconstructions of 440 cultural heritage sights in total costs value of 108,8 million CZK in 2014. Due to the lack of financial resources, reconstruction works are being performed only in a very limited scope, causing that some sights are in serious disrepair. At the end of the year 2014, the National Heritage Institute requested for additional resources (20 million CZK) to be allocated on reconstructions of sights in critical state.

Unfortunately, the area of mental health in the Czech Republic is also underfinanced. The number of mentally ill people has been growing in the past year which is documented by increasing number of

examinations carried out in psychiatric departments of hospital or in psychiatric hospitals. Data show a trend of decreasing of number of beds in psychiatric hospitals.

As regards scholarships, the Erasmus+ Programme has been launched in 2014. The aim of the Erasmus+ Programme is to improve the quality and adequacy of qualifications and skills. Two thirds of the funds from the Erasmus+ Programme are intended to be consumed for scholarships for more than 4 million people for the purpose of studying, training, working or volunteering abroad in 2014-2020 (compared to 2.7 million in 2007-2013).

There have been some new positive trends in the justice sector in 2014. A new General Director of the Prison Service of the Czech Republic, who was appointed in April 2014, proposed a new policy regarding reduction of reoffending rate and increase of the professional level and efficiency of management of the Prison Service. The policy will enhance reaching of programme's objectives. Other new trends in the justice sector include ongoing efforts to improve conditions of inmates in remand prisons and determination to improve correctional services including alternative sentencing, i.e. by re-launching the initiative to implement the system of electronic monitoring. The average prison occupancy, which was significantly lowered in 2013 thanks to amnesty, was increased again from nearly 80 % to 93 %.

2.1.3 Main Programme Risks

In general, there is a positive trend in the evaluation of the risk analysis made in 2014 in comparison with that made in 2013. The risk analysis at the programme level was updated by the Programme Operators at the end of August 2014 under the guidance of the NFP. The risk analysis results were also partially updated in December 2014 by the Programme Operators when elaborating the Annual Programme Reports.

In accordance with the statement in previous Strategic Report, the time risk still remains at the high level of importance within all Czech programmes, having a deep impact on all other risk factors. In order to minimize the time risk, Programme Operators strived for speeding up the whole administration process of project selection including verification of the selection procedure. The verification process had to be adjusted and its scope limited only to the evaluation of the selection process, so that the implementation period of projects would not be much shortened and a good standard of quality in the projects not threatened.

As regards the projects implementation phase, the Programme Operators together with Programme Partners strive for adopting more flexible approach especially in case of problems occurred during the realization and changes within the projects. Delays in tender procedures within projects and climate conditions for construction part of projects or for environmental projects belong to main factors related to time risk. The period for projects implementation is limited till 30 April 2016 and the risk of nonfulfillment of project activities and indicators is significant. Mitigating actions, put in place to address time delays, include regular monitoring of tender procedures and project time schedule in the monitoring reports. Moreover, implementation of new modern IT systems supporting the selection, monitoring and payment to the projects and realization of other components within the Programmes has been running, in order to secure more effective process and communication among different stakeholders.

The second most significant risk identified within the analysis of programme risks was the absorption capacity. Programme absorption capacity turned out as the major risk factor in 2014 within the programmes CZ04, CZ07, CZ08 and CZ11. Lower number of grant applications than expected lead to and

will lead to prompt reallocations and necessary modifications within the programmes in order to ensure efficient use of the programme funds.

The risk analysis at a programme level – results in individual programmes, traffic lights table and a comparative table – forms a part of **Annex 5**.

2.1.4 Risks at the National Level

The NFP continuously monitors and controls national risks that may affect the implementation of programmes and the achievement of the overall objectives of the EEA/Norway Grants 2009-2014 in the Czech Republic. A risk analysis at the national level was carried out by the NFP in September 2014 and further updated in March 2015.

As it was already stated in the previous Strategic Report, the risk analysis shows that most of the risks are of low significance. Moreover, in comparison with the analysis made in the year 2013 the current analysis demonstrates a light improvement in two risk factors – pre-financing from the state budget and exchange rate risk.

The most important risk which may endanger and threaten the whole implementation of EEA/Norway Grants in the Czech Republic is the time risk. The NFP therefore primarily monitors and takes steps to minimize the time risk, especially within the “big” programmes containing lots of programme components such as open calls, pre-defined projects, bilateral funds and complementary actions. The NFP urges the Programme Operators to speed up the whole selection process, verification and set up flexible monitoring system within the projects implementation phase.

The risk analysis at a national level forms part of **Annex 5**.

2.1.5 Horizontal concerns

The National Focal Point supports horizontal concerns within EEA/Norway Grants 2009-2014 in the Czech Republic especially within the programmes CZ03, CZ04, CZ05, CZ06 and CZ14.

On 26 March 2014 the National Focal Point organized a Roma issue round table where all relevant stakeholders such as Civil Society Development Foundation, NGOs, Ministry of Culture, Police Presidium, etc. were discussing issues related to active participation of Roma and Roma NGOs at projects financed from EEA/Norway Grants, prejudices about Roma minorities, priorities of Roma issue and better involvement of Roma NGOs in EEA/Norway Grants.

There was an extensive survey among youth in the Czech Republic which was conducted in November 2014 within the programme CZ05. This survey affirmed negative perception of Roma community among young people. Young people tend to trust hateful hoaxes about Roma and findings show that the experience of young people is often skewed by the media or social media. Research also confirms that those who know some Roma person evaluate cohabitation significantly more positively.

In 2014 the main topics such as inclusive education, situation of the Roma in housing and media image of the Roma and spreading prejudices and stereotypes in public media were disputed. An electronic survey by the Czech School Inspectorate carried out at the end of 2013 found that 28,2 % of pupils educated according to the education programme for pupils with slight mental disability are Roma. The highest percentages were recorded in two regions – Ústí nad Labem and Moravia and Silesia. Analyses

in recent years document that the educational system in the Czech Republic does not provide equal access to education to all Roma children yet.

The National Focal Point together with the Programme Operator for the programme CZ05 and all relevant stakeholders started to prepare an international conference on pro-inclusive education which will be partially funded from the programme CZ05 and partially from the Fund for Bilateral Relations at national level. The conference is planned to be held in autumn 2015.

A spike of hate speech was in the name of islamophobia in the year 2014. From the perspective of hate speech and hate violence it seems obvious that there is a portion of Czech society that seeks any external enemy to channel its hate aggression towards to them.

Nationwide media campaign “Against racism and Hate Violence” was successfully launched at the end of the year 2014 within the programme CZ05 with the aim to systematically disprove hateful hoaxes that are being shared via social media channels. Different channels are used within the programme CZ05 to distribute relevant content, share stories of victims of hate violence and to promote a dialogue such as e.g. www.hatefree.cz, facebook page HateFree Culture and TV spots. Based on initial assessment, the campaign raised primarily positive feedback. Most importantly, the campaign also received positive feedback from the Roma community.

Over a half of the re-granting allocation of the programme CZ03 will cover horizontal concerns such as democratic values, human rights, tolerance/multicultural understanding, Roma, combat racism and xenophobia, antidiscrimination , etc. Furthermore, most of sub-projects under PA 17 are focused on solving of issues related to social inclusion, understanding of cultural varieties etc. Within the programme CZ06, two of sixteen approved sub-projects within the small grant scheme are explicitly aimed at the issues related to Roma people. During approval process of CZ06 programme it was additionally determined that min. 5 % of allocation for PA16 will be dedicated for renovation of Jewish cultural heritage. The Selection Committee recommended for support 4 projects of Jewish cultural heritage in total amount of grant 24 064 727 CZK. Horizontal concerns are also fully supported within the programme CZ04, where the improvement of the situation of children at risk, including also Roma children and youth is profoundly incorporated in the programme. It has been estimated that Roma children represent 50-70 % of infants in the institutional care. Concurrently, numerous studies suggest that compared with other children, Roma infants are much more likely to stay in the institutional care rather than move to foster families.

Horizontal concerns were also one of the selection criteria in the open calls within the programme CZ12. Open Society Fund Prague supported and encouraged Roma organisations (or organisations working with Roma) to apply for the grant from the programme CZ12, by holding a meeting for Roma organisations on 9 January, 2014, organized by a non-Governmental organisation called Otevřená společnost o.p.s. with the aims to provide the organisations with all relevant information about the conditions of the programme, consult on their project topics and help them with the application form.

2.2 Bilateral relations

In the Czech Republic the EEA/Norway Grants promote strengthening of bilateral relations and cooperation between subjects from the Czech Republic and the Donor States.

The special position in the bilateral relations belongs to the Council of Europe that is the partner for two programmes and one important bilateral activity under the Fund for bilateral relations at national level:

Council of Europe (CoE) is in the role of the Donor programme partner in the Programme CZ15 – Effective Cooperation in Justice and the Development of Correctional Services. The partner CoE is in the

role of advisor and observer. It provides consultations during the implementation of the programme, if needed CoE also provides with its expertise or experts. CoE was involved in the preparation of the programme, in the process of approval of the pre-defined projects and in the Bilateral Fund on programme level. Cooperation with the Council of Europe in this programme was complicated at the beginning of the programme preparation period. The CoE had a different opinion than the FMO towards selection of target prisons (project promoters). There was a lack of communication in this matter between both partners. However, compromise was made by adding the CoE a possibility to review projects before their approval.

Council of Europe is also the Project Partner for the pre-defined project in the Programme CZ10 - Strengthen Institutional Capacity in Preventing and Combating Corruption. Under this Programme the CoE is actively involved and effectively contributes to the implementation of the project. The cooperation in this programme is fruitful and beneficial for both partners.

The CoE has also an important role in the preparation of European anti-corruption conference that will be held in October 2015 in Prague. During the autumn 2014 the Concept Note of the Conference was prepared. The draft was prepared by the Ministry of Finance and also by the CoE. Initial preparatory meetings between Czech authorities, the FMO, the Norwegian Embassy and the Council of Europe were held on 7 January 2015 in Prague and on 26 January 2015 in Strasbourg. Overall objectives and approach of the conference and the creation of expert group were discussed at these meetings.

2.2.1 Extent of cooperation

Part of the CZ01 Technical Assistance programme also includes a Fund for Bilateral Relations at national level (BFNL), whose allocation provides support for wider bilateral initiatives, relations and contact between entities from the Czech Republic and the donor countries. Part of the BFNL allocation – in accordance with the updated BFNL Work Plan – serves to finance the activities of the National Focal Point and to support cooperation in areas that overlap programmes or are outside the framework of the EEA/Norway Grants - see 2.2.3.

A significant part of the funds (EUR 150,000, i.e. 57 % of the available Fund allocation) was allocated to the 1st open call, announced on 21 January 2013, which was permanently open to applicants from the general public until 31 December 2014.

The 2nd open call for regions and municipalities was launched in October 2014 and the 3rd open call was launched in January 2015.

For the purposes of the 2nd open call, dedicated to municipalities and regions, the overall allocation of the Fund for Bilateral Relations at national level was increased by 80 000 EUR (reallocation from other programmes). Another 150 000 EUR was added to the BFNL budget for the organization of the European anti-corruption conference – for details see above.

For the purposes of 2nd open call the Guidelines for Applicants and Final Beneficiaries from the BFNL were updated in October 2014. The Guidelines and Annexes were modified as regards the allocations, change in fixed CZK/EUR rate and number of calls, as well as procedures necessary for the applicant and the beneficiary.

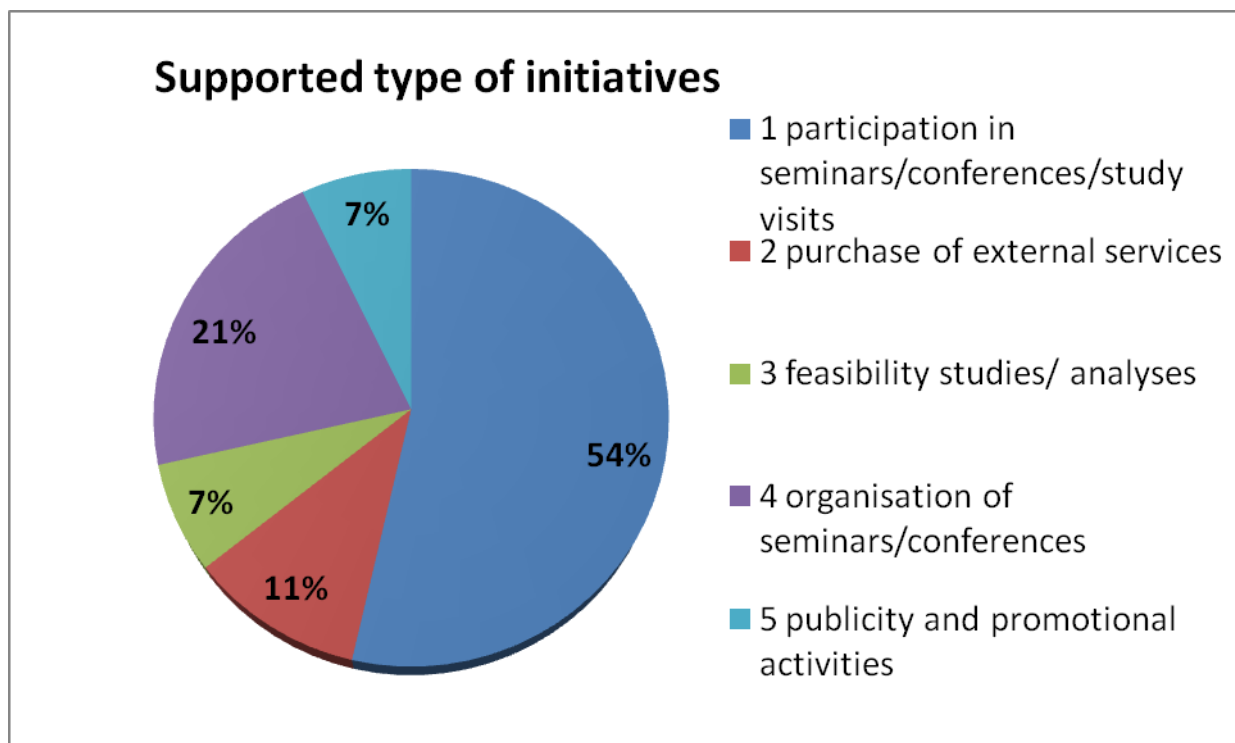
During 2014 out of 26 applications submitted 12 new bilateral applications received support under the 1st open call of BFNL in the total amount of 2.024.575 CZK (78.233 EUR). The size of grants that do not require co-financing ranged from CZK 37,000 to CZK 359,356 (EUR 1,492 – 13,063).

The last one bilateral application out of 1st open call was approved on 12th January 2015 in the amount of 104.944 CZK (3.960 EUR).

Nine applications approved in 2014 were already realized in 2014, the rest are planned for 2015.

The type of initiatives that received support were:

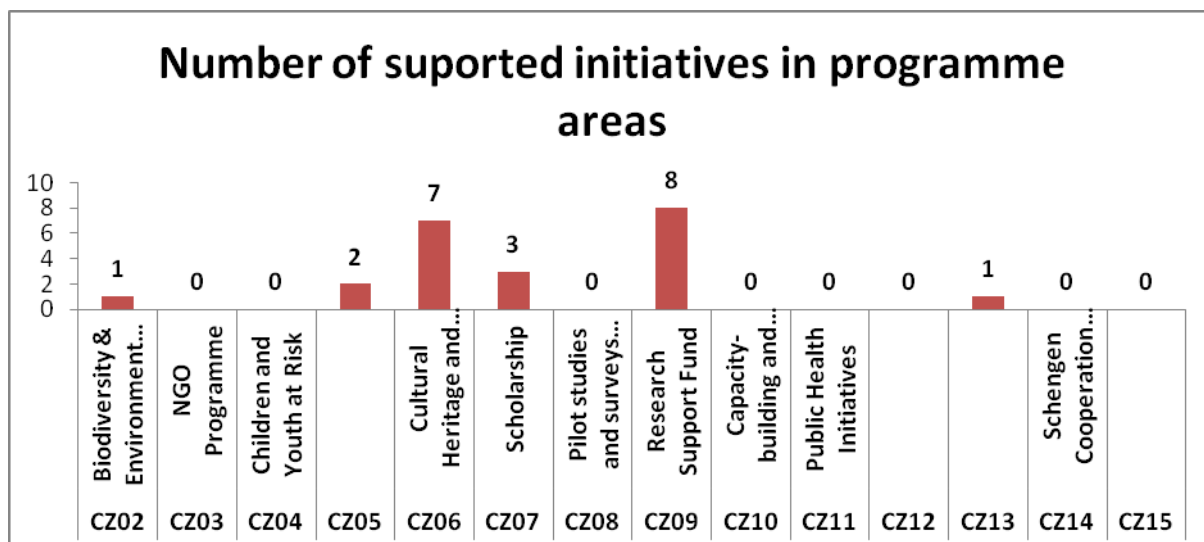
- 1) participation in contact seminars, meetings, conferences etc. (15 initiatives),
- 2) purchase of external services (3 initiatives),
- 3) feasibility studies/analyses (2 initiatives),
- 4) organisation of seminars, conferences, workshops, meetings (6 initiatives),
- 5) publicity (2 initiatives).



Bilateral indicators achieved / will be achieved in 2015 – according to applications – in the supported initiatives are:

- the number of participants in bilateral relations - 203, of which 38 were from donor countries,
- the number of events organised - 8,
- the number of analyses/studies - 3,
- the number of external services purchased - 1 (translations and interpreting).

Bilateral relations were mainly developed by grant applicants in the following programming areas: PA 12 (CZ 05), PA 17 (CZ06), PA 18 (CZ 02, 09), PA 19, 24 (CZ 07) and most of the initiatives related to project plans for CZ09 research programme and for CZ06 cultural programme.



Representatives from the following institutions from the donor countries attended in the role of either visitors or receiving hosts:

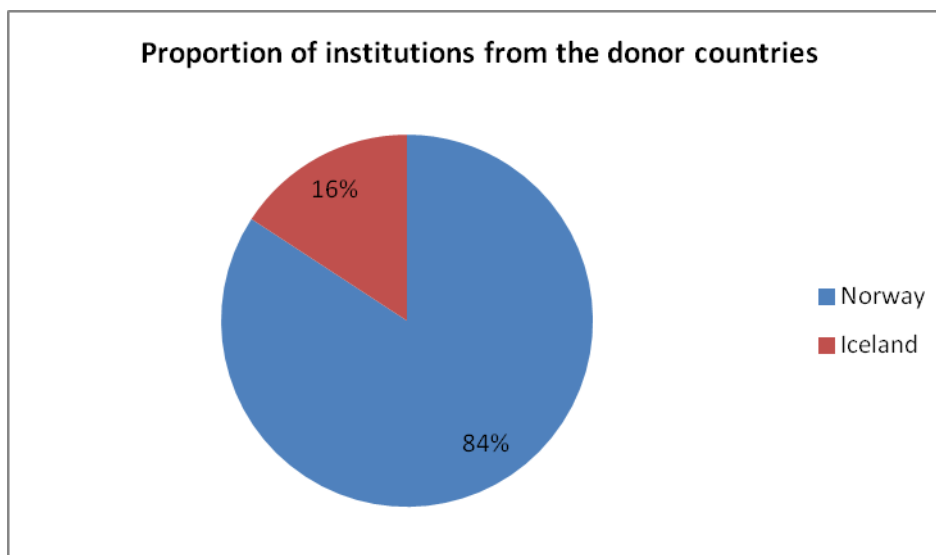
- Norway: University of Oslo, Folkemuseem, The Municipality of Oslo, IOM Oslo, Kulturofering Yagori, Baerum Kulturhus, Tou Scene Stavanger, Sandnes Kulturhus, Dansens Hus Oslo, Riksantikvaren, NIVA, UMB University, Norwegian Tourist Routes, Bergen School of Architectures, PIQL, Artists from Oslo
- Iceland: University of Iceland, University Centre in Svalbard, Stofnun Sæmundar Fróða

Number	Beneficiary	Programme area	Related PRG	Initiative	Number of participants	- of which from the Donor states
014	MZM	PA17	CZ06	1,2	7	4
015	Slovo 21	PA12	CZ05	1	7	4
016	Tanec Praha	PA17	CZ06	1,3,4	8	4
017	BÚ AV ČR	PA18	CZ02	1	1	0
018	MK/NPÚ	PA17	CZ06	1	4	0
019	CVGZ AV ČR	PA18	CZ02	1,4	98	15
020	VŠE	PA 18	CZ09	4,5	62	3
021	DOX	PA17	CZ06	5	*	2
022	VŠB-TUO	PA19,24	CZ07	1	2	0
023	VÚŽV	PA 18	CZ09	1	2	0
024	Galerie JF	PA17	CZ06	1	4	*
025	BC AV ČR	PA 18	CZ09	1	4	*
026**	Bonton	PA17	CZ06	1	4	*

* will be specified after receiving Application for Payment

**approved on 12th January 2015

A total of 13 institutions from Norway and 3 from Iceland are going to participate/already participated in bilateral initiatives approved in 2014:



2.2.2 Shared results, improved knowledge and mutual understanding

The sharing of outcomes and knowledge is also supported at the programme level in the Czech Republic by the contribution of programme partners from donor countries.

Interesting conferences were held in 2014, which in themselves contained elements of bilateral relations between Czech entities and entities from donor countries.

One of the most important conferences held was the “Gender stereotypes and their influence on equal opportunities and domestic violence – sharing international experience in projects EEA/Norway Grants”. This conference took place on 20 November 2014 in Prague and was organized by the Open Society Fund, the PO for CZ12. There was a lot of space dedicated to the topic of domestic and gender-based violence since this area is underrepresented in other conferences and debates. The conference brought a lot of insight into the topics of gender equality and domestic violence in a European context, such as: current Norwegian perspectives on domestic and gender based violence; data resulting from the research on domestic and gender-based violence prepared and introduced by the representative of the European Union Agency for fundamental rights, as well as a comparison of data from the Czech Republic with data from the EU; an introduction of the so called Istanbul Convention. There were a lot of experts to share their experiences in the direct work on the problem from different perspectives (Norway, Estonia, Spain, Slovenia, Slovakia and the Czech Republic).

Within the context of the individual programmes, a series of meetings was also held by the Cooperation Committee, contact seminars and workshops. One of the seminars held in Prague was an one-day contact seminar for Programme CZ03. The seminar took place on 23 September 2014 in the IMPACT HUB Prague. In the morning part of the programme, the Programme Operator presented opportunities on bilateral cooperation within the Czech NGO Fund, coordinators from Norway and Iceland have spoken on the bilateral cooperation within EEA Grants and Czech Project Promoters selected under the 1st call shared their experiences with searching and developing the projects with Norwegian NGOs. Several representatives of Norwegian NGOs participated in the thematic workshops (for example Hedda Larsen Borgan - Director of Juss-Buss, Rune Berglund Steen and Anne Marie Mollen of the Norwegian Center Against Racism, Morten Irwin Kerr - Senior Architect of the Agency of Urban Environment, City of Oslo, Maurizio Eric Munoz - Director of the Change of the World and Ashild Marie Vige, Director of the Norwegian Children and Youth Council).

The conference was followed by the workshop in Brno that took place on 24 September 2014 and was organized by the Environmental Partnership Foundation. The workshop was led by Morten Kerr, the city

of Oslo representative and a long-time proponent of the bikesharing concept. The event was attended by general public as well as representatives of the cities of Brno (Czech Republic) and Žilina (Slovakia) alike. Experience sharing was the key goal of the event. Besides introducing the major pillars of the Oslo bikesharing concept, the seminar focused on the reasons of its economic self-sufficiency and stressed its benefits for the whole community.

In December 2014, two representatives of the Programme Operator of CZ02 participated in the “1st PO and DPP workshop for EEA and Norway Grants Environmental/Energy/Climate Change Programmes”. The event took place in Brussels, Belgium, from 2 to 3 December 2014 and was preceded by an informal reception. The workshop was organized by the FMO. The Czech representatives had an opportunity to discuss the implementation of the environmental programmes and compared their experience with other colleagues from Poland, Romania, Slovenia and other beneficiary countries as well as with attending donor programme partners from Iceland and Norway.

On 8 – 9 December 2014 a workshop focused on the issue of domestic violence and children was organised within bilateral cooperation under the PDP by the Programme CZ13. The workshop was focused on training of personnel working with children on the issue of domestic violence. A short movie “Sinna Mann” (Angry Man) created by Norwegian Film Institute was presented and representatives of schools, social services and NGOs were trained in order to use the movie for domestic violence prevention among children. The movie will be translated and dubbed into Czech and distributed among workshop participants. The workshop was led by Marius Rakil and Barbora Jakobsen from Alternative to Violence (ATV), donor project partner. Another workshop aimed at representatives of intervention centres is planned for June 2015.

Progress towards strengthening bilateral cooperation between the Donor states and the Czech Republic was made not only via the Fund(s) for Bilateral Relations, but also through the open calls for individual projects and SGS sub-projects announced in 2014. Many projects and sub-projects were submitted in partnership with an institution from the Donor states and those which were approved could contribute to further development of bilateral cooperation between the CR and the Donor states. Details are provided in **Annex 2**.

Cooperation Committees meetings within the programmes realized in cooperation with Donor programme partners (DPPs) were also held in 2014.

2.2.3 Wider effects

As part of the NFP activities under the Fund for Bilateral Relations at national level, the 4th meeting of Working group for the Fund for Bilateral Relations took place on 17 June 2014. At the meeting representatives of the NFP, Norwegian Embassy, Financial Mechanism Office, Czech Ministry of Foreign Affairs, Programme Operators and programme partners – other Czech ministries and also donor programme partners participated. General aim of the meeting was the exchange of information in respect of establishing and strengthening bilateral cooperation between Czech and Donor institutions. The Working group also discussed ideas for the area of support for the respective year. As a potential focus area for 2015 **Environment** and **Home Affairs and Justice** were suggested. Both focus areas were subsequently approved by donors.

On 26 March 2014 the National Focal Point organized the Round table meeting regarding the Roma issue with participation of Programme operators of CZ05, CZ03, CZ04, CZ06, CZ12, CZ14, Roma organizations, experts for social inclusion, representatives of the FMO and Norwegian Ministry of Foreign Affairs. The aim of the meeting was to inform participants about how the relevant programmes deal with the Roma issue and social inclusion and to discuss how the benefits from these programmes

can be maximised in order to support Roma community. Within the round table the links between the programmes and possible synergy effects in this area were also discussed and participants were informed about the most acute Roma problems and proposals how they can be mitigated.

The NFP also organized the seminars and round table on research and innovations in cooperation primarily with the Academy of Sciences of the Czech Republic and also with the Research Council of Norway. The two-day event was held in Prague on 22 September 2014 (seminar and round table) and in Brno on 23 September 2014 (seminar and visit to the South Moravian Innovation Centre). The main aim of the seminar was to strengthen the bilateral relations in the field of science, research and innovation. Within the seminar the „Round Table Meeting on Transfer of Research Results to Industry and Evaluation of Research Activities“ was also organized to exchange experiences within the Czech and Norwegian research community (6 experts from Norway and Lichtenstein participated).

The effects of the bilateral relations at national level will be further strengthened in 2015. As part of the NFP activities, two international conferences are planned: the international conference on social inclusion (together with CZ05) and the European anti-corruption conference organized in cooperation with Council of Europe, both planned in autumn. The National Focal Point also plans to undertake a survey on bilateral relations under the Financial Mechanisms 2009-2014 (at national, programme as well as project level).

Moreover, a conference on mapping and assessment of ecosystems and their services is expected to be held in May 2015 in Trondheim. This conference is organized by the DPP-Norwegian Environmental Agency. It is anticipated this conference would be an arena for learning, sharing experiences and discussing policy guidelines, methodology and practical approaches.

2.2.4 The Risks of Bilateral Relations

The NFP continuously monitors the risks involved in strengthening bilateral relations at the level of programmes, projects and initiatives supported by the Funds for Bilateral Relations at both national and programme levels. As the results of the risk analysis at the national level for bilateral relations show, the significance of this risk has been decreased. There is a great interest from the part of Czech and especially Norwegian institutions in the open calls within the Fund for bilateral relations at the national level. In order to strengthen bilateral relations the National Focal Point closely cooperates with the Norwegian Embassy in Prague.

As regards the risk of bilateral relations at programme level, analysis of this risk factor within programmes showed mainly stable figures as in the last Strategic Report. Programme CZ07 faced some difficulties to allocate the overall allocation in 2014 also due to the bilateral character of the programme (prerequisite of a project partnership with institutions from donor states). Within the programme CZ09 bilateral cooperation at the project level mainly followed up contacts established in the previous EEA/Norway Grants 2004-2009.

Open calls for Fund for Bilateral Relations at programme level – measure B – will be for most programmes opened at the start of the year 2015 together with the beginning of realization of most projects within programmes. The NFP and Programme Operators will closely monitor the course of the Fund and the interest of the Promoters for bilateral initiatives beyond the project scope.

3 REPORTING ON PROGRAMMES

3.1 Overview of Programme status

Within the year 2014 all 15 approved programmes were in the implementation phase. The main part of predefined projects (22) was approved and all of them started their realization in the second half of the year 2014 (the last predefined project will be approved in 2015). In total 19 open calls were launched in the programmes (out of which 7 calls were in the Small grant schemes and 1 extra call within the Fund for Bilateral Relations at national level) and 308 project were selected and 88 sub-projects within the small grant scheme were selected. The verification of the selection procedures were running and part of the project contracts were concluded till the end of the 2014. More details about numbers of selected projects are provided in **Annex 2**.

Four calls (in the programmes CZ03, CZ06 and CZ11) had a deadline for submission of applications at the end of the year or in January 2015 so that the applications will be evaluated and projects selected at the beginning of the 2015.

The realization of all the selected projects will start at the beginning of the year 2015.

The deadline for the reallocation between the programmes was finished on 31 October 2014. Therefore, the NFP asked for three reallocations between the programmes in order to ensure the efficient commitment of all available funds for the Czech Republic. Below is the summary of the reallocations officially requested by the NFP and approved by the donors:

Based on the finalisation of programme proposal for the program CZ14 the unused funds were occurred in the programme budget. The NFP ask for the utilisation of the financial sources to strengthen the bilateral relations through the Fund for Bilateral Relations at national level. The use of savings was approved by the donors on 2 April 2014 – the part of amount will be utilised in the programme CZ12 (435 817 EUR for the small grant scheme, 100 000 EUR for the complementary action) and the rest in the Fund for Bilateral Relations at national level (150 000 EUR for the anti-corruption conference, 80 000 EUR for new open call). The Memorandum of Understanding was modified and the reallocation was reflected in all Programme Agreements.

The reallocation from CZ08 to CZ09 was requested in August 2014 due to the low number of applications and specific focus of the programme to the research programme that received 400 applications and only 19 projects were supported, similar type of projects (research projects) and programme is extended till 30 April 2017. Amount of reallocation was in total 2 016 377 EUR. The reallocation was approved on 22 October 2014. The reallocated amount also increased the co-financing on programme level. Programme Operator (Ministry of Education, Youth and Sport) assured the NFP that the ministry allocated in state budget enough resources for the increased regrating part of the programme.

Reallocation from CZ04 to CZ06 was requested on 30 September 2014. After the closure of deadline for submission of applications, only 2 applications were submitted and therefore reallocation of amount 1 559 191 EUR requested. The reason to reallocate it to the CZ06 was that huge interest for the Programme Area 16 resulted in submitting of 209 applications and 26 of them were selected by Selection Committee and also the focus of the PRG into the renovated culture heritage, results very visible in the Czech Republic and popular in the public. The donors rejected reallocation to CZ06 and approved the reallocation from CZ04 but to the CZ03 programme to support the NGO sector on 22 October 2014.

Financial overview of the programmes

In the year 2014 the Programme Operators asked for the advance payments (or reimbursements of actually incurred expenditure) in the total amount of **23 411 869 EUR (ca 19,3 % of total allocation)**. The amount is based on the reported and certified amounts in IFRs and is also in line with the financial flows set in the Czech Republic. Within programmes where the pre-financing from the state budget is applied, the EEA/Norway grants (actually incurred expenditure) are released in favour of the Programme Operators within 15 working days after the IFRs are approved by the Certifying Authority (CA). However, most of the programmes receive their funds (proposed expenditure) within the time period of 15 days after the funds reach the source account of the CA, as required by the Regulation. With regard to this time limit the payments received by the CA at the end of the 2014 were transferred to the POs at the beginning of 2015.

Two programmes (CZ10, CZ14) didn't receive any advance payments in the year 2014. The first payment for the programme CZ10 based on the 1st IFR was sent from the CA on 7 January 2015. The Programme operator of programme CZ14 will ask for the first payment in the first IFR in 2015.

Table 2: Payments disbursed by the CA to POs (EEA Grants / Norway Grants)

PRG	Total eligible grant (without PRG co-fi)	Disbursed to POs	
		up to 31/12/2014	just in 2014
CZ01	2 866 000 €	443 348 €	108 172 €
CZ02	18 420 000 €	5 509 736 €	5 509 736 €
CZ03	11 369 191 €	7 932 792 €	7 932 792 €
CZ04	2 738 809 €	377 642 €	377 642 €
CZ05	1 242 000 €	503 548 €	503 548 €
CZ06	21 490 000 €	3 614 400 €	3 614 400 €
CZ07	3 827 000 €	96 068 €	96 068 €
CZ08	5 023 623 €	843 720 €	843 720 €
CZ09	14 516 377 €	47 656 €	47 656 €
CZ10	1 760 000 €	0 €	0 €
CZ11	19 180 000 €	1 116 421 €	1 116 421 €
CZ12	6 735 817 €	2 382 367 €	2 382 367 €
CZ13	840 000 €	342 928 €	342 928 €
CZ14	6 274 183 €	0 €	0 €
CZ15	4 928 000 €	536 419 €	536 419 €
Total	121 211 000 €	23 747 045 €	23 411 869 €

In the year 2014 the amount **9 mil. EUR (ca 7,5 % of the allocation)** were disbursed by Programme Operators. Within the programmes mainly the programme management costs were disbursed (costs for administration of the calls, assessment of the applications and selection of projects); also the costs for bilateral activities for searching of partners were paid (Bilateral Funds at programme level). The programmes CZ03 and CZ09 also provided the advance payments for the project promoters successful in the 1st open call.

Table 3: Payments disbursed by the POs (EEA Grants / Norway Grants)

Programmes	PRG allocation		Disbursed by PO till 31 Dec 2014	
	CZK	EUR	CZK	EUR
CZ01	-	2 866 000	14 358 351	552 269

Programmes	PRG allocation		Disbursed by PO till 31 Dec 2014	
	CZK	EUR	CZK	EUR
CZ02	488 019 451	18 420 000	7 386 576	275 271
CZ03	259 954 926	11 369 191	92 780 282	3 376 096
CZ04	72 548 196	2 738 809	1 753 380	65 536
CZ05	32 909 870	1 242 000	254 535	9 445
CZ06	569 343 637	21 490 000	11 331 404	420 504
CZ07	113 308 475	3 827 000	7 882 227	326 160
CZ08	133 126 010	5 023 623	2 102 235	79 144
CZ09	309 999 992	14 516 377	65 268 063	2 370 576
CZ10	46 634 603	1 760 000	301 089	11 302
CZ11	508 142 932	19 180 000	6 784 394	254 401
CZ12	178 497 268	6 735 817	31 060 811	1 131 262
CZ13	22 253 656	840 000	202 465	7 742
CZ14	166 241 759	6 274 183	1 256 196	47 260
CZ15	130 558 933	4 928 000	1 955 516	73 158
Total	3 031 539 708	121 211 000	244 677 524	9 000 126

3.2 Individual Programme summaries

The status of the individual programmes is provided in more detail in **Annex 1 – Status of the programmes**.

4 MANAGEMENT AND IMPLEMENTATION

4.1 Management and control systems

The Management and Control systems at programme level were elaborated for each programme by Programme Operators. The NFP in cooperation with the Certifying Authority checked all the documents describing the systems. The documents were also submitted to the FMO in line with the Regulation (Art. 4.8) on 13 September 2014.

Because the implementation phase has started, the capacity of the NFP as well as PO-Ministry of Finance has been strengthened accordingly. The NFP – Centre for Foreign Assistance – Realization, Monitoring and Evaluation (CFA2) will be strengthened by three more staff members in first months of 2015. The same applies for the Central Finance and Contracts Unit of the Ministry of Finance that is the Programme Operator for 10 programmes where its capacity was supported by additional staff as well. The new staff will ensure that all the tasks related to the implementation phase are fulfilled properly so that all projects could be monitored properly.

At the PO-Ministry of Finance an important step that has been made in 2014 was to speed up the verification process by changing of setting in the verification procedure. The crucial measure consists in the cancelling of on-site visits within the verification phase, the visits will be provided during project's implementation. The whole verification process was simplified and shortened from 2 or 3 months as originally intended, to 4 to 5 weeks.

In relation to the cooperation with Programme partners (sectoral ministries), this cooperation has become more effective. The fluctuation of staff within the Czech administration remains the general

problem that makes the communication more difficult. In any case the NFP is in intensive contact with the Programme partners and the cooperation goes on effective way. A good platform for communication is the Steering Committee meetings that are held twice a year and certainly the Cooperation Committees.

Based on the recommendations included in the Transparency International Corruption Risk Report the NFP made the web sites section “Complaints” more visible. The email box stiznosti-czp@mfcz.cz was established in late 2014 and serves as one of the main tools of the Complaint Mechanism. Received complaints and warnings are answered as soon as possible, and within 30 days at the latest. In 2014 no complaints were sent to this email box. Two complaints and 11 appeals as a reaction on the rejection of an application were officially sent to the NFP by regular post.

Audits of management and control systems

In 2014 the Audit Authority (AA) issued the Report according to Article 4.8, para 2, 3, 4 of the Regulation that evaluated the results of an assessment of the implementation system settings. The Audit Authority issued also the opinion on compliance of management and control system for the implementation of the EEA/Norway Grants 2009-2014 on the programme level, i.e. at Programme Operators. For the purposes of the Report and opinion 5 extraordinary audits of systems were performed at Programme Operators. No shortcomings were found in these extraordinary system audits. Extraordinary audit reports were sent to the audited entities and presented to the FMO.

Table 4: Audits of management and control systems in 2014

Audit No.	Audit name	Audited entity
FM2/2014/SM/01	Setting of management and control system at the Programme Operator CZ03	The Civil Society Development Foundation and Environmental Partnership Foundation
FM2/2014/SM/02	Setting of management and control system at the Programme Operator CZ12	Open Society Fund Prague
FM2/2014/SM/03	Setting of management and control system at the Programme Operator CZ09	Ministry of Education, Youth and Sport
FM2/2014/SM/04	Setting of management and control system at the Programme Operator CZ07	Dům zahraniční spolupráce - Centre for International Cooperation in Education (DZS)
FM2/2014/SM/05	Setting of management and control system at the Programmes Operator CZ02, CZ04, CZ05, CZ06, CZ08, CZ10, CZ11, CZ13, CZ14, CZ 15	Ministry of Finance – Department 58
FM2/2014/S/01	Verifying management and control system within FM EEA/Norway 2009 - 2014	Ministry of Finance: CA – Department 55 NFP – Department 58, Dept. 5801 + 5804

Regular system audit No. FM2/2014/S/01 focused on the management and control system of the NFP and CA was performed as planned but was not finished by the end of 2014. Report of this system audit will be sent to the Financial Mechanism Office after the settlement of opinions.

The results of PO's extraordinary system audits and system audit at National Focal Point and Certifying Authority will be reflected in the Annual Audit Report in 2015, which will include the results of audits

performed during the previous period from 1st July 2014 to 30th June 2015 according to Article 4.6, paragraph e) of the Regulation.

4.2 Compliance with EU legislation, national legislation and the MoU

CZ08 – Based on the nature of this programme and the experience from the notification of the CZ06 programme (Cultural heritage) it was decided that state aid will be evaluated on an individual basis for each of submitted applications. Five applications were submitted within the open call. One applicant withdrew from the application, 4 projects received grants. The financing of all projects was provided in line with the Commission Regulation (EU) No 651/2014 of 17 June 2014. In case of three applications the grant for one of Czech project partners was announced to the Commission as an ad hoc state aid. In case of one Czech project partner the grant was awarded in line with Commission Regulation (EU) No 1407/2013 of 18 December 2013 and recorded into the de minimis register. All grants have been published on the NFP web site.

CZ02 – In case of one project promoter, the grant was awarded in line with Commission Regulation (EU) No 1407/2013 of 18 December 2013 and recorded into the de minimis register.

Irregularities

During 2014 no actual or suspected cases of irregularities were reported. The latest Quarterly Report on Irregularities in 2014 covering the period from 1 July to 30 September 2014 was sent to the Financial Mechanism Office on 14 November 2014.

4.3 Audit, monitoring, review and evaluation

Audit Authority – audits of operations:

When selecting the sample of operations for the year 2014, the Audit Authority proceeded in accordance with Regulation of EC, audit strategy for Financial Mechanisms EEA/Norway 2009-2014 and with regard to updated EC guidance on sample selection (COCOF 08/0021/03).

Sample for audits of operations was chosen from the programme CZ01 – Fund for Bilateral Relations at national level – initiatives. Base for sample selection included 14 initiatives of total amount 2 253 400 CZK, which represents approx. 90 863 EUR, out of which 3 initiative were selected for audits of operations.

Audits of operations started in the period from 1 July 2014. During these audits neither shortcomings with an impact on the expenditure nor findings with an impact on management and control systems were identified. No irregularities were found in audits of operation.

Table 5: Audits of operations in 2014

Audit No.	Audit name	Audited entity	Audited expend. CZK	Audited expend. EUR
FM2/2014/O/02	CZ01 – BFN-001 Participation on the 57th session of the UN Commission for women's position and organization of side-event "Experience with the implementation of action plans for prevention of domestic violence and gender-based violence and transfer of best practice."	Ministry of Labour and Social Affairs	202 500,00	8 165,00
FM2/2014/O/03	CZ01 – BFN-025 Seminar for cooperation support between local administrations of the Czech Republic and Norway	Union of Towns and Municipalities of the Czech Republic	371 980,00	14 999,00
FM2/2014/O/04	CZ01 – BFN-019 Cultural bridges 2013 bilateral Czech-Norwegian meeting	Kulturní mosty, o.s.	360 420,00	14 533,00

Audit Authority – Audit plan for 2015

In 2015 the Audit Authority will perform system audits and audits of operation according to audit strategy that includes the audit plan till 31 December 2015. The Audit Authority supposes that in 2015 two system audits and 23 audits of operation will be performed. The final version of the audit strategy will be sent to the Financial Mechanism Office during the month of April 2015, its working version is attached in **Annex 4**.

Certifying Authority

No on-the-spot verifications were performed in 2014. The Certifying Authority is able to verify 100 % of expenditures during their certification so no special on-the-spot verifications are necessary. The same applies for 2015.

National Focal point

In line with the national legislation the NFP took part in the financial control of the programmes CZ03 and CZ12. The financial control covers the administrative check of the documents and carrying out the on-site visits. The additional staff (1 employee) was hired. NFP plans to start the on-site visits of the programmes and sample of projects in the second half of the year 2015 (see **Annex 4**). The external company can be contracted to ensure the technical assistance to NFP at the on-site visits.

4.4 Information and publicity

During 2014, 7 Launch Conferences were held and these also involved press conferences.

The open calls within all programmes were announced and published at the websites of the Ministry of Finance, as the NFP and PO, and Programme Partners (if relevant) and for particular programmes also in the press.

Lists of approved applications under particular programmes were published after verification process followed by detailed tables about each approved project with information on Project Promoter, region, Partners, project description, allocation and project duration.

Details on information and publicity activities are provided in **Annex 3**.

4.5 Work plan

In 2015 the EEA/Norway Grants will be in full operation. Expected activities for 2015 at a national level and for each programme are listed below:

National level

Action	Time period	Note
Meetings		
Monitoring Committee	25 March 2015	
Annual meeting	September 2015	
FMO regular meetings	Once in 2 months	
Regular meetings with POs	2.Q 2015 and 4.Q 2015	
Conferences		
Conference on Mapping and Assessment of Ecosystems and their Services	May 2015	Organized by DPP of CZ02 in cooperation with NFP as part of the bilateral activities at national level
European anti-corruption conference	October 2015	Organized together with the Council of Europe
International conference on social inclusion	November 2015	Organized together with CZ05
Publicity actions		
Web pages	continuously	
Publicity on Facebook, Twitter	continuously	
Promotional materials	continuously	
Brochure	September 2015	Mid-term of the implementation
Other actions		
Survey on bilateral relations	4.Q 2015	

Programme level (EEA Grants / Norway Grants)

PRG	Action	Time period	Note
CZ02	Meetings		
	Steering Committee	2.Q and 4.Q 2015	
	Cooperation Committee	April and October 2015	
	Publicity actions		
	Web pages	continuously	
	Seminar for project promoters	February 2015	

PRG	Action	Time period	Note
	Open calls		
	Open call for Fund for bilateral relations at programme level – Measure B	Launch in January 2015, open continuously	
CZ03	Meetings		
	Regular Meeting	2.Q and 4.Q 2015	
	Publicity actions		
	Seminar for project promoters	2.Q 2015	
	Web pages	continuously	
CZ04	Meetings		
	Steering Committee	October 2015	
	Open calls		
	Open call for Fund for bilateral relations at programme level – Measure B	Launch in January 2015, open continuously	
	Publicity actions		
	Seminar for project promoters	February 2015	
	Seminar for SGS promoters	April 2015	
	Web pages	continuously	
CZ05	Open calls		
	Open call for Fund for bilateral relations at programme level – Measure B	Launch in March 2015, open continuously	
	Publicity actions		
	International conference on social inclusion	November 2015	Organized together with CZ01 BFNL
	Seminar for project promoters	February 2015	
	Web pages	continuously	
CZ06	Meetings		
	Steering Committee	2.Q and 4.Q 2015	
	Cooperation Committee	April and October 2015	
	Selection Committee – 2 nd call SGS	9 April 2015	
	Open calls		
	Open call for Fund for bilateral relations at programme level – Measure B	launch in January 2015, open continuously	
	Publicity actions		
	Seminar for project promoters	February 2015	
	Workshop for POs from beneficiary states	October 2015	
	Web pages	continuously	
CZ07	Meetings		
	Regular Meeting	2.Q and 4.Q 2015	

PRG	Action	Time period	Note
	Selection Committee	May 2015	
	Cooperation Committee	2.Q and 4.Q 2015	
	Evaluation Meeting (Bi-Fond)	4.Q 2015	
	Open calls		
	Open call for projects	Launch 26 January 2015	
	Publicity actions		
	Web pages, Facebook	continuously	
	Advertisements in media (printed and electronic)	Prior to the deadline for submission of applications	
	Seminars for applicants/promoters	Prior to the deadline for submission of applications + continuously	
	Webinars/group consultations	Prior to the deadline for submission of applications	
CZ08	Meetings		
	Steering Committee	2.Q and 4.Q 2015	
	Open calls		
	Open call for project promoters	April 2015	
	Open call for Fund for bilateral relations at programme level – Measure B	Launch in February 2015, open continuously	
	Publicity actions		
	Launch conference	8 April 2015	
	Web pages	continuously	
	Seminar for project promoters	February 2015	
CZ09	Meetings		
	Regular Meeting	2.Q and 4.Q 2015	
	Programme Committee	2.Q and 4.Q 2015	
	Publicity actions		
	Web pages	continuously	
CZ10	Open calls		
	Open call for Fund for bilateral relations at programme level – Measure B	Launch in February 2015, open continuously	
	Publicity actions		
	Web pages	continuously	
	Seminar for project promoters	February 2015	
CZ11	Meetings		
	Selection Committees - SGS	23 and 25 February 2015	

PRG	Action	Time period	Note	
	Steering Committee	2.Q and 4.Q 2015		
	Cooperation Committee	April /May 2015 and October / November 2015		
	Open calls			
	Open call for Fund for bilateral relations at programme level – Measure B	Launch in February 2015, open continuously		
	Publicity actions			
	Web pages	continuously		
	Seminar for project promoters	February 2015		
CZ12	Meetings			
	Regular meeting	2.Q and 4.Q 2015		
	Publicity actions			
	International Conference “A Europe Free from Gender-Based Violence: From Commitment to Action”	May 2015		
	Seminar for project promoters	March 2015		
	Web pages	continuously		
CZ13	Open calls			
	Open call for Fund for bilateral relations at programme level – Measure B	Launch in February 2015, open continuously		
	Publicity actions			
	Web pages	continuously		
	Seminar for project promoters	February 2015		
CZ14	Meetings			
	Steering Committee	2.Q and 4.Q 2015		
	Open calls			
	Open call for Fund for bilateral relations at programme level – Measure B	Launch in February 2015, open continuously		
	Publicity actions			
	Web pages	continuously		
	Seminar for project promoters	February 2015		
CZ15	Meetings			
	Steering Committee	2.Q and 4.Q 2015		
	Cooperation Committee	18 March 2015 and October 2015		
	Open calls			
	Open call for Fund for bilateral relations at programme level – Measure B	Launch in February 2015, open continuously		

PRG	Action	Time period	Note
	Publicity actions		
	Web pages	continuously	
	Seminar for project promoters	February 2015	

5 SUMMARY LIST OF ISSUES AND RECOMMENDATIONS

During the second quarter 2014 the NFP initiated so called technical meetings with the FMO and Norwegian Embassy in Prague. The aim of these regular monthly meetings organized by the NFP is to discuss main issues, problems and publicity activities at national and programme levels with the country officer from the FMO and the representatives of the Norwegian Embassy in Prague operatively. In order to monitor the development of the programmes financed from EEA/Norway Grants in the Czech Republic and to adopt further measures, the NFP created an action plan and summary table of programmes. The documents are regularly updated and serve as a monitoring tool also for the technical meetings.

In order to minimise the time risk, Programme Operators together with Programme Partners strive for speeding up all administrative procedures connected with selection of projects including their verification within open calls and verification process within PDPs. The risk of insufficient programme absorption capacity was mitigated by ensuring a proper publicity of the programmes especially at the websites of POs and NFP and organizing seminars for potential applicants or match-making seminars. To ensure better quality projects Programme Operators together with Programme Partners organized seminars for potential applicants where all requirements for project applications, procedure of submitting applications and selection criteria were presented. During the open calls for proposals POs assisted the applicants with questions relating to their applications.

Programme Operators also strive for more flexible approach within the projects implementation especially in case of problems occurred during the realization and changes within the projects. Implementation of IT systems supporting the selection, monitoring and payment to the projects and realization of other components within the programmes makes the whole process including communication among different stakeholders more effective. Programme Operators initially organized seminars for project promoters to explain all the condition and procedures with reporting and project changes and also to give information about the control mechanism of the POs at the beginning of the project realization.

To prevent the potential risks in projects realization, the Ministry of Finance as the PO for 10 programmes will carry out interim on-site checks of projects. The on-site visits will start in April 2015 and the aim of the interim visit is to prevent the potential problems in the projects, to monitor the quality of the realized activities and achieved interim results (the external experts will be hired to assess the quality of works and achieved results) and also to discuss the risks in the projects during their implementation. NFP also discussed with other Programme Operators (programmes CZ03, CZ07, CZ09, CZ12) their monitoring tools such as monitoring reports, on site visits and controls. NFP instruct POs to inform properly about any findings or potential problems that occur by using these tools.

It is also necessary to mention two financial issues which are solved at the level of NFP. In July 2014 the reporting issues were discussed with the FMO financial manager regarding the reporting of the actually incurred expenditure for programme management costs. As a result of the meeting it was agreed that actually incurred expenditure of all Programme Operators will be reported in the month when it was firstly incurred from any bank account of the Programme Operator. As a consequence, the IFRs for many programmes were corrected and payments to CA were postponed.

The NFP in cooperation with the CA decide to change of the fixed exchange rate due Czech National Bank's monetary interventions. With effect from April 2014 the new rate was set to 26,50 CZK/EUR. As a result, allocations for all programmes in CZK were increased.

6 ATTACHMENTS TO THE STRATEGIC REPORT

1. Status of programmes
2. Applications for each Programme
3. Publicity activities
4. Plan of audits and monitoring
5. Risk assessment at the programme and national levels
6. Technical Assistance Annual Report 2014

ANNEX 1 – STATUS OF PROGRAMMES

EEA Grants / Norway Grants

Programme CZ02	Biodiversity and Ecosystem Services / Environmental Monitoring and Integrated Planning and Control / Adaptation to the Climate Change
overall progress - Programme implementation (incl. projects implementation)	<i>The Programme Agreement was signed on January 2014. Two open calls within the programme were launched in 2014 where 113 applications were submitted (59 within the SGS, 54 within the open call). The Pre-defined project was approved in August 2014.</i>
progress towards expected outcomes of programme	<i>There has been no progress towards the expected programme outcomes in 2014 although the Pre-defined Project started its realisation. Till the end of 2014, evaluation of submitted applications and verification process of selected projects took place. Projects are expected to be implemented at the beginning of 2015.</i>
Programme outputs achieved	<i>The PDP and SGS within the programme were uploaded to the electronic information system of the Programme Operator (IS CEDR). Two open calls for projects and SGS sub-projects were launched. In October 2014, Evaluation committee took place and selected projects were recommended for funding.</i>
potential risks that may threaten the achievement of the objectives set out in the Programmes	<i>The Programme Operator together with the Programme Partner regularly updates risk analysis to eliminate possible risks and find suitable source of solution if necessary. The time risk and the programme outcome risk belong to the most significant risks as they might also influence successful achievement of programme objectives.</i>
major deviations from plan (programme proposal)	<i>No significant change has been realised in the programme, however two proposals for modification of the Programme Agreement were sent to the FMO. These changes had no major impact on the final programme proposal.</i>
the need for adjustments of programme plans, including actions for risk mitigation	<i>As mentioned above, two proposals for the Programme Agreement modifications were requested. The first proposal consisted of three requests for change including: adding one new project partner to the pre-defined project; updating budget headings in relation with real expenditures stated in the Interim Financial Report and increasing number of management plans within the SGS to 10. The second modification request consisted of re-allocation between programme outcomes. No other need for adjustments is expected to be proposed in 2015.</i>
the use of funds for bilateral relations at programme level	<i>Match-making seminar within the Bilateral Fund at programme level – measure “A” was organised in January 2014. Realisation of initiatives financed from the Bilateral Fund at programme level – measure “B” has not started yet due to launching of the open call for the Bilateral Fund in January 2015. According to information from the project</i>

	<i>promoters, several applications for bilateral initiatives are being prepared.</i>
Programme CZ03	NGO Programme
overall progress - Programme implementation (incl. projects implementation)	<i>Two open calls within the programme were launched in 2014 where 940 applications were submitted. Within the 1st Call 92 NGO projects were supported.</i>
progress towards expected outcomes of programme	<i>The Programme Operator cannot provide any analysis in this regard. The selected projects are in the 6th month of their implementation period and no reporting took place with regard to achieved project outputs in 2014.</i>
Programme outputs achieved	<i>All 92 projects selected under 1st Call have contributed to each of the Programme outputs. Since the supported projects started the implementation in the second half of the year, no reporting took place yet so there has been data which has only an indicative value. There was already 100% reaching the target values of original expected PRG output indicators and in some cases values were several times higher than defined in the programme proposal.</i>
potential risks that may threaten the achievement of the objectives set out in the Programmes	<i>The risk analysis was updated in August 2014. The former risks were successfully abated. The crucial adjustment was the reduction of the planned count of Calls for Proposal from 3 to 2. The only risk worth mentioning is the lack of entities from donor states being able or willing to join in a partnership with Czech NGOs.</i>
major deviations from plan (programme proposal)	<i>In the programme several proposals for modification of the Programme Agreement were sent to the FMO. One of these changes had an impact on the final programme proposal. Due to reallocation will be supported higher number of projects, which will lead to achieving different target values of the expected output/outcomes indicators, so the PO requested increasing the target values of the indicators in the final programme proposal.</i>
the need for adjustments of programme plans, including actions for risk mitigation	<i>There were several reasons to modify the programme in 2014. The fixed exchange rate applicable for the CZ03 programme was adjusted from 24,80 to 26,50 CZK/EUR. The allocations of individual budget lines in EUR have not been influenced; however allocations in CZK have been increased by the lump sum of 16.666.926 CZK. The situation was covered by updating the pertinent contracts between NFP and PO. The allocation of the programme was increased from the programme CZ04. The PO has decided to use additional funds for the support of projects selected under that the Outcome 3 and 4 due to enormous interest of applicants in these priority areas. The Outcome 5 was also chosen for allocation of funds for both expected high level of interest of applicants.</i>
the use of funds for bilateral relations at programme level	<i>The 1st call under the Fund for Bilateral Relations aimed at the support of searching for the partners from the Donor states and developing the joint proposals was launched on Jan 20, 2014 the 1st Call for proposals within the main Programme and resulted in support of 13 microgrants</i>

	<i>(measure “a”) and 6 additional grants (measure “b”).</i>
Programme CZ04	Children and Youth at Risk
overall progress - Programme implementation (incl. projects implementation)	<i>A launch conference of the Programme took place on 24 June 2014 in Prague. The only pre-defined project was approved by the Programme Operator on 27 May 2014 after verification process. Both open calls for individual projects and sub-projects within SGS were launched in June and July 2014 and closed in September 2014. Altogether 2 projects from the open call for individual projects and 11 sub-projects within the SGS were approved at the end of 2014.</i>
progress towards expected outcomes of programme	<i>Just a little progress towards the programme outcomes has been recorded so far.</i>
Programme outputs achieved	<i>PDP implementation started in June 2014 and an analysis of current legal regulations was made. One expert round table with Norwegian Project Partner – BufDir – was held in November 2014. One methodology for the creation and implementation of the new legislation was prepared. Altogether three programme output indicators mentioned above were partially fulfilled.</i>
potential risks that may threaten the achievement of the objectives set out in the Programmes	<i>Programme absorption capacity turned out as the major risk factor in 2014. Out of 15 anticipated applications in the open call, just 2 applications were submitted because of a very low interest on the part of Czech regions to create transformation plans of institutions. Time risk still remains as one of the most significant risks threatening the programme realization. Programme Operator together with the Programme Partner strived for speeding up the whole administration process of project selection. Mitigation measures were identified and will be adopted.</i>
major deviations from plan (programme proposal)	<i>The change of fixed exchange rate from 24,80 CZK/EUR to 26,50 CZK/EUR was confirmed by the FMO on 7 April 2014. Due to this positive change it came to increase in the allocation of the whole programme in CZK. A transfer of 112 324 EUR from the allocation for PDP to increase the allocation for SGS was approved on 28th November 2014 by the FMO. Due to the fact that just two applications were submitted within the open call, the NFP asked for the reallocation of 1 559 191 EUR to the programme CZ06. At the end of October 2014 donors finally agreed to reallocate those funds to programme CZ03.</i>
the need for adjustments of programme plans, including actions for risk mitigation	<i>Please see the text above in major deviations from plan. The mitigation measures included accelerated steps leading to approval of modifications.</i>
the use of funds for bilateral relations at programme level	<i>A match-making seminar was organized by the Programme Partner on 3 June 2014 in Prague. Programme Operator finalized Guidelines for applicants and promoters within measure B at the end of 2014. A permanent call for proposals within measure B in the programme for projects within the OC and sub-projects within the SGS will be</i>

	<i>launched in January 2015.</i>
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Programme CZ05	National, Regional and Local Initiatives to Reduce Inter-group Inequalities and to Promote Social Inclusion
overall progress - Programme implementation (incl. projects implementation)	<i>A launch conference of the Programme took place on 26th March 2014 at the Ministry of Finance. The conference was followed by a Roma Issue Round Table where issues related to better involvement of Roma NGOs and Roma people in EEA/Norway Grants were discussed. The only pre-defined project was approved by the Programme Operator on 13 March 2014 after verification process. Due to a positive change of fixed exchange rate which was approved by the Programme Operator on 7 April 2014, the PDP application was resubmitted and verified once more. The Programme Operator then approved increased budget for the PDP on the 4th August 2014.</i>
progress towards expected outcomes of programme	<i>Just a little progress can be recorded within the programme results in the year 2014.</i>
Programme outputs achieved	<i>At the end of 2014 project started to contribute to the Programme output “Young people aged 15-25 will be informed via the nationwide media campaign about manifestations of racism and hate violence as well as about means of how to face them with personal attitudes and by supporting the inclusive policies”. Altogether 536 video spots aimed at young people under 25 were aired nationwide and almost half a population of the Czech Republic saw the spot once at minimum. 1 special webpage – www.hatefree.cz - promoting the campaign against racism and hate violence was developed.</i>
potential risks that may threaten the achievement of the objectives set out in the Programmes	<i>The Programme belongs to the least risky programmes in the Czech Republic. Time delay in the programme implementation still remains the most significant risk. Programme Operator strived for speeding up the verification process of the PDP and the issue of the legal act on the award of the grant. Main risk factors related to the time delay are complex open tender procedures within the PDP. Programme Operator therefore closely monitors all tender procedures and the time schedule in the monitoring reports of the PDP.</i>
major deviations from plan (programme proposal)	<i>Not applicable.</i>
the need for adjustments of programme plans, including actions for risk mitigation	<i>The change of fixed exchange rate from 24,80 CZK/EUR to 26,50 CZK/EUR was confirmed by the FMO on 7 April 2014. Due to this positive change it came to increase in the allocation of the whole programme in CZK.</i>
the use of funds for bilateral relations at programme level	<i>Programme Operator finalized Guidelines for applicants and promoters within BFB at the end of 2014. A permanent call for proposals within BFB in the programme will be launched at the beginning of 2015. PO together with the Project Promoter aim to organise an international conference under the bilateral fund at programme level – part B in the fall of 2015.</i>

Programme CZ06	Cultural Heritage and Contemporary Arts
overall progress - Programme implementation (incl. projects implementation)	<i>The launch conference of the Programme CZ06 Cultural Heritage and Contemporary Arts took place on 5 February 2014, followed by the contact seminar held on 6 February 2014 for potential project beneficiaries and partners from the Donor States. The first Open Calls within the PA 16 and the PA 17 were launched in March 2014, having the deadline till June 2014. The Selection Committees were held in September/October 2014.</i>
progress towards expected outcomes of programme	<i>There has been no progress towards the expected programme outcomes during the year 2014 as no projects (incl. PDPs) were realized during this period.</i>
Programme outputs achieved	<i>No projects were realized during the reporting period. Only estimated target values can thus be reported on. Based on the quality of the already approved applications, all the projects and sub-projects both within the PA 16 and the PA 17 are rightfully considered to have high potential to help the defined Programme outputs to be achieved.</i>
potential risks that may threaten the achievement of the objectives set out in the Programmes	<i>Time risk represents the most significant risk, having a deep impact on all other risk factors, especially the quality of projects. Importance of all the other programme risks is at the low or middle level.</i>
major deviations from plan (programme proposal)	<i>With regard to the shortened programme implementation it came to reduction of number of call for proposals within the PA 16 compared to the approved Programme Proposal. There was just one call for proposals in the PA 16 which was launched in the first quarter of 2014 in line with the signed Programme Agreement. The second call for proposals under the Small Grant Scheme was launched in the fourth quarter of 2014 according to the amended Programme Agreement.</i>
the need for adjustments of programme plans, including actions for risk mitigation	<i>The programme had to be adjusted (reduction of open calls) due to initial delay in its approval and also a delay caused by notification of state aid to the European Commission. The PO and the PP strived for immediate publishing of open calls and start of PDPs realization. The verification process had to be adjusted in order to mitigate risk of not achieving both programme and project objectives, outputs and outcomes on time due to the shortage of time for the implementation.</i>
the use of funds for bilateral relations at programme level	<i>The PP altogether with the DPP organized a match making seminar for potential project applicants and potential donor project partners, which was held in Prague on 6 Feb 2014. The Open Call for seed money applications within the measure A was launched on 18 Nov 2014 till 12 Dec 2014, supporting travels and meetings of potential partners. 14 applications were approved. The unused funds from measure A were reallocated to measure B. The open call for measure B was launched in January 2015.</i>

Programme CZ07	Bilateral Scholarship Programme
overall progress - Programme implementation (incl. projects implementation)	<i>The PA was signed in Feb 2014. The PO set into operation a new information system. There have been 2 regular calls for project proposals launched and closed in 2014 and 3 calls for Preparatory visits within the Fund for Bilateral Relations at the Programme Level (i.e. Measure A tool, announced in May, Aug and Nov 2014). Within the 2014a Call, 42 projects were supported and within the 2014b Call, 46 projects shall be implemented.</i>
progress towards expected outcomes of programme	<i>As for the outcomes, no target value has been achieved so far as no project has been completed yet. The risk of absorption capacity may result in lower achievements in some respects (to be seen from the quantitative point of view), however, the quality of the applications submitted indicates smooth achievement of the set outcomes (in the qualitative point of view).</i>
Programme outputs achieved	<i>Within the Call 2014a it was decided on the support of 42 projects. Within the Call 2014b it was decided to approve 46 projects. There were 8 promotional events organized by the PO prior to the Calls in 2014, 6 of them were key actions with the main focus on EEA and Norway grants were in the main focus.</i>
potential risks that may threaten the achievement of the objectives set out in the Programmes	<i>In 2014, there were four main risk factors to be considered, namely Programme absorption capacity closely connected to time risk-delay, communication risk, risk connected to management and control structures. The risks have been re-evaluated at the occasion of the Call 2014b, as lower number of applications was submitted than expected. Following mitigation measures were realized: request for the change of the PA in favour of relocation of unutilized means to subsequent calls and/or between measures, extending the target group/eligible institutions within EEA Grants. The mitigation measure should be accompanied by extending publicity activities.</i>
major deviations from plan (programme proposal)	<i>The Programme schedule has been updated and well-adjusted to the shortened implementation period. The allocation originally planned for 4 calls was redistributed into 3 calls. In late 2014, mitigation measures against not-spending the allocation have been negotiated and shall result into a modification in 2015.</i>
the need for adjustments of programme plans, including actions for risk mitigation	<i>The structure of calls (number, allocation) has been adjusted to optimize the start delay recuperation and to mitigate further risk in interest for grants.</i>
the use of funds for bilateral relations at programme level	<i>As for the Programme level, there has been cooperation in form of joint participation at the Selection Committee and Cooperation Committee (held twice in 2014), one PO seminar and two contact seminars in 2014. The representatives of the PO (or PO,PP, NFP) participated at the following events in 2014: contact seminar in Oslo (Feb 3-4, 2014), Selection and Cooperation Committee meetings (July 3, 2014 and December 4, 2014), seminar for the PO's and NFP's in Madrid (Oct 22-24, 2014, contact seminar in Prague (Nov 23-25, 2014). As for the project level, there were 3 calls for Preparatory visits launched (Measure A) , e.g. in May, Aug and Nov 2014.</i>

Programme CZ08	Pilot studies and surveys on CCS technology
overall progress - Programme implementation (incl. projects implementation)	<i>The PA was signed on 13 February 2014, the Partnership Declaration between the PO (MoF) and the PP (MoE) consequently. The single open Call was announced on 31 March 2014. 5 applications were submitted till June and decided to be supported, however, one applicant withdrew from the grant in late 2014, and so 4 projects shall be implemented.</i>
progress towards expected outcomes of programme	<i>No significant progress towards the expected programme outcome can be reported yet since the implementation of projects will be launched in 2015. The programme Outcomes are covered by all selected projects thus achievement of the planned contribution to the Outcome is expected.</i>
Programme outputs achieved	<i>No progress towards the expected outputs can be reported yet since the projects approved for support shall be commenced in early 2015. It is expected that all four projects shall contribute to the programme outputs.</i>
potential risks that may threaten the achievement of the objectives set out in the Programmes	<i>The main potential risk consists in the time delay at the start of the PRG and of the particular projects. The implementation period for research activities is very tight. The mitigation measures are applied - the applicants received training for public procurement and were encouraged to start preparation of public procurements before grant award.</i>
major deviations from plan (programme proposal)	<i>The modification of the fixed exchange rate from 24,80 CZK/EUR to 26,50 CZK/EUR was approved by the Programme Operator and confirmed by the FMO on 7 April 2014. The Programme underwent significant financial modification in 2014 and further adjustments are in the decision process in late 2014/early 2015. - The supported projects did not utilize all the allocation of the open call, so the reallocation of 2 016 377 EUR from the CZ08 to the CZ09 programme was agreed by donors in October 2014. Moreover, during the verification process the requested grants have been reduced due to state aid calculations, and one applicant withdrew from the grant, so 880 873 EUR remain still unallocated in the CZ08. These funds shall be distributed via an addressed call into the four supported projects, according to their applications/requests in 2015. The NFP will discuss with the FMO the procedure pursuant Art. 6.9 of the Regulation.</i>
the need for adjustments of programme plans, including actions for risk mitigation	<i>Please see the field "Major deviations from the plan" above.</i>
the use of funds for bilateral relations at programme level	<i>The funds for bilateral relations will be made available through the on-going open call to the applicants / beneficiaries in early 2015 (BFB Call). The originally planned part for Measure A has not been utilized and the funds were allocated to "B".</i>

Programme CZ09	Research Support Fund
overall progress - Programme implementation (incl. projects implementation)	<i>The Open Call for project proposals was launched on 29/11/2013 till 3/2/2014 with 389 applications. 19 projects were finally approved, the allocation is spent, no other call shall be organized. The Programme Operator issued the project contracts on 12 Sep 2014. The projects realization started immediately, at the latest till 12 Nov 2014.</i>
progress towards expected outcomes of programme	<i>No significant progress towards expected outcomes has been recorded so far due to the stage of the programme.</i>
Programme outputs achieved	<i>The single outcome of the Programme - Increased research cooperation between Norway and the Czech Republic – is composed of three outputs. With respect to the approved projects, number of cooperating institutions with its target value 50 should be reached (57).</i>
potential risks that may threaten the achievement of the objectives set out in the Programmes	<i>Any potential risks are well described and evaluated (under monitoring of the NFP), and the risk management system was set as a flexible tool to control any threats and is regularly updated. The main risks are the management structure and staffing. Both risks are low and fully under control. No new risks have been identified in 2014.</i>
major deviations from plan (programme proposal)	<i>The Programme has been modified in 2014 – the implementation period was extended – eligibility till 31 Dec 2017, and the total allocation was increased by 2,016,377 € thanks unutilized funds from the CZ08 programme. With respect to the very high overflow of submitted applications (389)/supported projects (19), the re-granting allocation has been fully spent, the additional funds shall enable supporting more projects from the reserve list and no other open Call is expected in CZ09.</i>
the need for adjustments of programme plans, including actions for risk mitigation	<i>The implementation period for research programmes was extended by the donors - the prolongation of eligibility of expenditures originally set to 30 April 2017 was extended till 31 Dec 2017. Moreover, the total allocation was increased by 2,016,377 € from unutilized funds in the CZ08 programme. The time delay at the PRG start is now transformed into the tense implementation schedules of particular research projects, thus proper monitoring shall be the most effective tool for risk mitigation.</i>
the use of funds for bilateral relations at programme level	<i>Following events took place at the programme level which contributed do developing of bilateral relations between the PO and the Donor: an information meeting promoting the Programme with the aim to encourage submission of project proposals in the open Call in the city of Brno on 21/01/2014; participation in the Seminar on Research and Innovation in Norway in Prague on 22/09/2014. At the project level the project promoters and partners were reimbursed the costs related to seeking partners, development of partnerships and preparation of the application - Measure I. Four project promoters requested the expenditures from Fund for bilateral relations.</i>

Programme CZ10	Capacity Building and Institutional Cooperation with Norwegian public institutions, local and regional authorities
overall progress - Programme implementation (incl. projects implementation)	<i>The Programme CZ10 was approved on January 13, 2014 and the Project Agreement was signed on June 24, 2014. On June 26, 2014 the launch conference took place in Prague at PO's premises. PDP was approved on Sep 9, 2014. Since then the PDP has been under implementation.</i>
progress towards expected outcomes of programme	<i>There is only one expected outcome of the Programme CZ10 termed "Enhanced capacity and quality of the services provided by public institutions, local and regional authorities through enhanced institutional capacity and human resources development". In 2014 this outcome has been continuously fulfilled by implementing project activities of the programme's PDP which resulted in partial fulfilment of the programme's outputs.</i>
Programme outputs achieved	<i>In 2014 100 out of 350 target value of the output indicator "Number of state officials, police officers, judges, state prosecutors, etc. trained in preventing and combating corruption, identifying and pursuing corruption-related proceeds" was achieved.</i>
potential risks that may threaten the achievement of the objectives set out in the Programmes	<i>In 2014 the time risk remains the most serious risk related to programme CZ10. Due to prolonged process of approval of the PA and time needed for following verification and appraisal of the grant application for first component of the PDP only 20 months remains for implementation instead of 24 months planned. The risk is partly mitigated by relatively small number of programme and PDP activities that have to be implemented and amount of financial means allocated for the programme. However the risk is connected to the Public Tender for delivering the Feasibility study as precondition for appraisal and approval of the second component of the PDP. Taking a potential appeal of some of the not-selected bidders to the Office for the Protection of Competition into consideration, the tender process and selection of the contractor could be considerably prolonged.</i>
major deviations from plan (programme proposal)	<i>As described above the major deviation from plan (program proposal) is related to limited time (20 months) for implementation of the PDP (compared to 24 months planned)</i>
the need for adjustments of programme plans, including actions for risk mitigation	<i>Currently, there is no need for adjustment. The aforementioned time risk is slightly mitigated by only limited scope of project activities, relatively small allocation of funds and high quality of a tender documentation.</i>
the use of funds for bilateral relations at programme level	<i>There was no use of funds for bilateral relations at programme level in 2014. The Open Call for Submission of Grant Applications for Initiatives financed from the Fund for Bilateral Relations at Programme Level – measure „B“ is going to be announced in January 2015.</i>

Programme CZ11	Public Health Initiatives
overall progress - Programme implementation (incl. projects implementation)	<i>Open calls – Selection Committee approved 12 projects (15 applications) within the Activity 1 on 27 Nov 2014 and 14 projects (14 applications) within the Activity 2 on 20 Nov 2014. The 3 PDPs were approved at the end of July / August 2014, the implementation has started on 1 Sep 2014.</i>
progress towards expected outcomes of programme	<i>No outcomes have been reached yet due to the fact that the implementation of the PDPs was started in the fourth quarter of 2014 and the Open call for projects was closed and evaluated in the end of 2014.</i>
Programme outputs achieved	<i>Outputs will be reached through the implementation of particular projects (PDPs and Open call projects). There were no projects implemented in 2014, thus there was no progress regarding this area.</i>
potential risks that may threaten the achievement of the objectives set out in the Programmes	<i>Reduction of the grant size does not necessarily increase the number of applications. The ensuing risk might be receiving too few applications, because applicants tend to be interested in larger projects. It may also limit the potential of projects to provide the outputs and contribute to the outcomes of the Programme and the potential of recruiting Norwegian partners. The PO and the PP reassured the DPP that they would take all possible measures to mitigate the above mentioned risks.</i>
major deviations from plan (programme proposal)	<i>There are no major deviations from the plan but there were certain modifications due to the limited time for the whole programme implementation with regard to delay of the programme start. The announcement of the first open call in the Programme (within Activity II) was originally planned in the programme proposal for the third quarter of 2013. The Open calls were being evaluated at the end of 2014 / beginning of 2015.</i>
the need for adjustments of programme plans, including actions for risk mitigation	<i>There were modifications in Annex I and Annex II related to the minimum and maximum limits for grants amount of projects within the open calls and sub-projects within the Small Grant schemes (SGSs) as well as reduction of number of calls within the SGSs. The proposed modifications were due to the limited time for the whole programme implementation with regard to delay of the programme start.</i>
the use of funds for bilateral relations at programme level	<i>Due to the forthcoming program calls the Contact seminar was held for the eligible applicants on April 23, 2014. Contact seminar was aimed at finding partners for the preparation and implementation of projects / sub-projects which are going to be implemented within the planned open call No. 1 - Psychiatric care, call No. 2 – Child Care and calls for Small Grant Schemes 1 - Psychiatric care and 2 - Child care. Contact seminar is realized within the Fund for bilateral cooperation at the program level, Measure A. Call for proposals for grants under the Fund for bilateral cooperation, Measure B, was announced on February 17,</i>

	2015.
Programme CZ12	Mainstreaming of Gender Equality and Promotion of Work-Life Balance / Domestic and Gender-based Violence
overall progress - Programme implementation (incl. projects implementation)	<i>The programme CZ 12 was approved on June 20th, 2013. One open call and one special call for proposal within the programme were launched in 2014 where 200 applications were submitted. Within the calls 33 projects were supported.</i>
progress towards expected outcomes of programme	<i>The Programme Operator cannot provide any analysis in this regard. The selected projects are in the 6th month of their implementation period and no reporting took place with regard to achieved project outputs in 2014. Despite it, they found some positive impacts of the programme that contribute to the expected outcomes.</i>
Programme outputs achieved	<i>First projects were initiated in July 2014 and no monitoring reports took place yet, so the programme operator can't assess the interim results. The programme operator is convinced that the selected projects would contribute to the programme outputs.</i>
potential risks that may threaten the achievement of the objectives set out in the Programmes	<i>The risk analysis was updated in August 2014. The most significant risks are reaching outcomes at project/programme level. Due to the programme delay the period for project implementation is shorter while the amount of grant is high. This might endanger the spending of the allocated amount of the funds and thus fulfilment of the programme outcomes.</i>
major deviations from plan (programme proposal)	<i>In the programme several proposals for modification of the Programme Agreement were sent to the FMO. These changes had no major impact on the final programme proposal.</i>
the need for adjustments of programme plans, including actions for risk mitigation	<i>There were several reasons to modify the programme in 2014. The first was new exchange rate from EUR to CZK. The allocation of the programme was increased from the programme CZ14. Due to this, there were two exceptions approved and incorporated into Annexes for the Programme Agreement. Due to interest of Applicants the Programme Operator requested a transfer of funds within the outcomes.</i>
the use of funds for bilateral relations at programme level	<i>The main tool to facilitate the bilateral cooperation between the Programme Operator, Norway and other Beneficiary States was the conference held in November 2014. The presentation of the Fund for Bilateral Relations and of the cooperation opportunities for Czech organisations was part of every information seminar for Applicants. The Fund for Bilateral Relations is open to Project Promoters, but there was no application for the bilateral cooperation submitted yet.</i>

Programme CZ13	Domestic and Gender-based Violence / Mainstreaming of Gender Equality and Promotion of Work-Life Balance
overall progress - Programme implementation (incl. projects implementation)	<i>On 13 March 2014 a side-event “Gender-based violence and its impact on labour market” was organised at the occasion of the 58th session of the Commission on the Status of Women in New York as a part of the PDP implementation. On 26 May 2014 the Programme launch conference was organized with participation of the Norwegian NGO Alternativ til Vold. As of 1 July 2014 the responsibility for gender equality policy and for the implementation of the pre-defined project was transferred from the Ministry of Labour and Social Affairs (MoLSA) to the Office of the Government – Minister for Human Rights, Equal Opportunities and Legislation (OfG – MHR). Administrative changes of the PDP were made following the transfer of the PDP Promoter and the revised version of the PDP was approved by the PO in December 2014.</i>
progress towards expected outcomes of programme	<i>With respect to the early stage of the implementation, no progress towards the Outcome indicators can be reported in 2014. Both main outcomes and relevant indicators shall be achieved by means of implementation of the one PDP.</i>
Programme outputs achieved	<i>In 2014 the following activities were realized: In total 9 meetings of the working group for the preparation of Action Plan were organised. The Action Plan was adopted by the Committee for the Prevention of Domestic Violence and Violence against Women and will be submitted to the Government of the Czech Republic in January 2015. Workshop on domestic violence and children was organised within bilateral cooperation under the PDP.</i>
potential risks that may threaten the achievement of the objectives set out in the Programmes	<i>During the 2014 no new risks have been identified. The PO maintains a sound risk management system. The operational risks include difficulties in the management/control structure, which is very low (only one PDP).</i>
major deviations from plan (programme proposal)	<i>The Programme is delayed by about 1.5 year regarding the original schedule in the FPP; however, the implementation period is still sufficient for achieving the results.</i>
the need for adjustments of programme plans, including actions for risk mitigation	<i>Administrative changes of the PDP were made following the transfer of the PDP Promoter (please see overall progress) and the revised version of the PDP was approved by the Programme Operator in December 2014.</i>
the use of funds for bilateral relations at programme level	<i>At the project level, a donor project partnership with a Norwegian NGO - Alternativ til Vold (Alternative to Violence) - has been established to contribute to the outcome “domestic violence prevention and reduction”. At the PRG level, the PO (MoF) shall announce the call for applications for funding bilateral activities BFB (addressed to the PDP promoter/partner) in early 2015.</i>

Programme CZ14	Schengen Cooperation and Fight Against Cross-border and Organized Crime, including Illicit Trafficking and Itinerant Criminal Groups
overall progress - Programme implementation (incl. projects implementation)	<i>The Programme CZ14 was approved on 19 December 2013. The Programme Agreement was signed on 15 November 2014. The Programme comprises 6 PDPs – the implementation of the projects has begun between November 2014 and February 2015.</i>
progress towards expected outcomes of programme	<i>Due to the fact that the Programme Agreement was signed quite recently, there has been no progress towards the expected outcomes, no outputs were achieved either.</i>
Programme outputs achieved	<i>Due to the fact that the Programme was signed quite recently, there have been no achievements regarding the outputs.</i>
potential risks that may threaten the achievement of the objectives set out in the Programmes	<i>According to the latest Annual Programme Report, limited time for the whole Programme implementation and complications related to the procurements (tender procedures) were identified as the main risks.</i>
major deviations from plan (programme proposal)	<i>The programme was extended to include the 6th PDP focusing on improvement of cooperation between the law enforcement authorities and general public, especially minority groups. An initial allocation of the Programme was decreased for savings (EUR 765 817) which were results of a review of the Programme Proposal. However, the revised Programme fully reflects the objectives to be achieved.</i>
the need for adjustments of programme plans, including actions for risk mitigation	<i>There is no major need for adjustments. The PDPs are being implemented according to the plan. The risk can be mitigated especially by specific and precise procurement documentation. A very minor amendment to the Programme Agreement is expected – there is going to be no need for a written partnership agreement within the PDP 6.</i>
the use of funds for bilateral relations at programme level	<i>Any bilateral meetings have not yet been organized. The call for proposals for grants under the Fund for bilateral relations, measure B, will be announced at the start of 2015 and the funds will be used during the implementation of the PDPs.</i>

Programme CZ15	Capacity Building and Cooperation in Justice / Correctional Services including Non-custodial Sanctions
overall progress - Programme implementation (incl. projects implementation)	<i>All PDPs were successfully verified and approved for financing in the period from June to September 2014. The Grant Decisions were issued subsequently and implementation of projects started. The activities realised within the projects by the end of 2014 included among others preparation of tender documentation and selection of contractors, planning of activities with donor project partner within PDP 2 and PDP 3 and realisation of first bilateral workshops and first trainings.</i>
progress towards expected outcomes of programme	<i>Implementation of projects was in its initial stage in 2014 and therefore there was only minor progress towards fulfilment of the expected Programme outcomes.</i>
Programme outputs achieved	<i>With respect to the early stage of PDPs implementation it is impossible to provide factual evidence of fulfilment of Programme outputs. Yet development of all projects, mainly in the second half of 2014, indicates the potential to achieve the outputs successfully.</i>
potential risks that may threaten the achievement of the objectives set out in the Programmes	<i>Programme Operator in cooperation with the Programme Partner updated the programme risk analysis at the end of August 2014; the second update was carried out by the PO for the purposes of the Annual Programme Report No. 2. Time delay in the programme and projects implementation still remains the most significant risk, even though all PDPs were verified and their implementation started in the second half of 2014. As concerns operational risks, the level of their importance was lowered as setting up of all systems was finalised within the year 2014.</i>
major deviations from plan (programme proposal)	<i>As regards the substantive content of the Programme, no deviations were identified within the year 2014. The Programme implementation has been delayed and this fact was taken into account during preparation of the PDPs schedules. The Programme Agreement, particularly the indicators under section 1 of the Annex II, was reviewed after verification of all PDPs.</i>
the need for adjustments of programme plans, including actions for risk mitigation	<i>The overall delay in Programme preparation and implementation was reflected in time schedules of PDPs. The risk of timely completion of projects still remains the most crucial and following mitigating action is deemed necessary: preparation of high quality tender documentation, monitoring of preparation as well as realisation of public procurement and possible assistance to the project promoters throughout the whole procurement process.</i>
the use of funds for bilateral relations at programme level	<i>The PO finalized Guidelines for applicants and beneficiaries for the Bilateral Fund at the programme level – measure B. A permanent call for proposals within BFB in the programme will be launched in January 2015.</i>

ANNEX 2 – APPLICATIONS FOR EACH PROGRAMME

Applications in Czech Republic

Reporting year 2014

General clarification to "Projects Contracted"

Amounts filled in are Projects also **Selected / Approved in 2014**, respectively. (Because only some of these were **contracted** in 2014.)
Moreover, although some of these were approved in Jan/Feb 2015, they were all included in the tables in this Annex to simplify this report.

General clarification to "Projects with donor project partners in Czech Republic"

Names of partnership projects, as well as grant amount for projects with donor project partners, are to be updated later. This StR attachment is extracted from DoRIS. However, many of them have not received a Grant Award Decision yet. Thus, these PLIs have not been uploaded into DoRIS. Nevertheless, we will be able to extract all partnership projects as soon as all GADs will have been issued and all PLIs uploaded.

Czech Republic - Summary

Project grant amount total (donor partnership projects)	to be updated
Number of projects	443
Number of projects with donor project partners	149
Proportion of projects with donor project partners	33,634%
Number of programmes *	14
EEA and Norway grants committed	€ 119 194 622

* Excluding Technical assistance programme (CZ01) and PA22

Calls for Proposals

Applications for CZ02 Biodiversity and Ecosystem Services & Environmental Monitoring and Integrated Planning Control & Adaptation to Climate Change

Calls for proposals	2014			Total		
	Received	Partnership	Projects Contracted	Received	Partnership	Projects Contracted
Predefined in MoU		1	1		1	1
Adaptation to Climate Change	8	5	9	8	5	9
Biodiversity and ecosystems	97	9	69	97	9	69

Environmental Monitoring and Integrated Planning Control	8	4	5	8	4	5
Total	113	19	84	113	19	84

Projects with donor project partners: 19 out of 84 ~ 21,43 %

Open call related outcomes:

- Increased capacity to manage and monitor Natura 2000 sites effectively
- Increased awareness of and education in biodiversity and ecosystem services, including awareness of and education in the
- Developed systems for information exchange on climate change adaptation
- Developed strategies and measures for adapting to a changing climate

Predefined project measures:

- Education and training
- Information and awareness raising
- Research

Applications for CZ03 Funds for Non-governmental Organisations

	2013			2014			Total		
	Received	Partnership	Projects Contracted	Received	Partnership	Projects Contracted	Received	Partnership	Projects Contracted
1st and 2nd Call for Proposals				940	46	112	940	46	112
3rd Call for Proposals									
Total				940	46	112	940	46	112

Open call related outcomes:

- Active citizenship fostered
- Democratic values, including human rights, promoted
- Increased contribution to sustainable development achieved
- Provision of welfare and basic services to defined target groups increased
- Empowerment of vulnerable groups

Projects with donor project partners: 46 out of 112 ~ 41,07 %

Predefined project measures:

- Advocacy
- Information and awareness raising

Applications for CZ04 Children and Youth at Risk

Calls for proposals	2013			2014			Total		
	Received	Partnership	Projects Contracted	Received	Partnership	Projects Contracted	Received	Partnership	Projects Contracted
Predefined in Programme Proposal					1	1		1	1
Open call				2	0	2	2	0	2
Open call - Small Grants Scheme				37	1	11	37	1	11
Total				39	2	14	39	2	14

Open call related outcomes:

- Quality of child welfare systems and protection measures effectively improved, relaying the views of relevant stakeholders
- Effective and efficient measures addressing vulnerable groups of children and youth facing particular risks implemented

Projects with donor project partners: 2 out of 14 ~ 14,29 %

Predefined project measures:

- Capacity-building
- Information and awareness raising
- Provision of services

Applications for CZ05 National, Regional, Local Initiatives to Reduce Inter-Group Inequalities and to Promote Social Inclusion

Calls for proposals	2014			Total		
	Received	Partnership	Projects Contracted	Received	Partnership	Projects Contracted
Predefined in MoU			1			1
Total			1			1

Predefined project measures:

- Education and training
- Information and awareness raising
- Research

Projects with donor project partners: 0 out of 1 ~ 0 %

Applications for CZ06 Cultural Heritage and Contemporary Arts

Calls for proposals	2013			2014			Total		
	Received	Partnership	Projects Contracted	Received	Partnership	Projects Contracted	Received	Partnership	Projects Contracted
Predefined in MoU					2	2		2	2
Open Call 1 Cultural heritage				209	15	26	209	15	26
Open Call 2 Contemporary art and				45	14	16	45	14	16
Open Call 3 Contemporary art and				0	0	0	0	0	0
Total				254	31	44	254	31	44

Open call related outcomes:

- Cultural heritage restored, renovated and protected
- Contemporary art and culture presented and reaching a broader audience

Projects with donor project partners: 31 out of 44 ~ 70,45 %

Predefined project measures:

- Education and training
- Information and awareness raising
- Provision of services

Applications for CZ07 EEA Scholarship Programme; Bilateral Scholarship Programme

Calls for proposals	2014			Total		
	Received	Partnership	Projects Contracted	Received	Partnership	Projects Contracted
Call 2014 A Mobility projects and Placements and Institutional Cooperation Projects	60	11	42	60	11	42
Call 2014 B Mobility projects and Placements and Institutional Cooperation Projects	49	8	46	49	8	46
Total	109	19	88	109	19	88

Open call related outcomes:

- Increased higher education student and staff mobility between Beneficiary and EEA EFTA States
- Increased and strengthened institutional cooperation at all levels of the education sector (school education, higher
- Increased higher education student and staff mobility between Beneficiary States and Norway

Projects with donor project partners: 19 out of 88 ~ 21,60 %

- Increased and strengthened institutional cooperation within the higher education sector between the Beneficiary States and

Predefined project measures:

- Research

Applications for CZ08 Pilot studies and surveys on CCS technology

Calls for proposals	2014			Total		
	Received	Partnership	Projects Contracted	Received	Partnership	Projects Contracted
Open Call 1	5	3	4	5	3	4
Total	5	3	4	5	3	4

Open call related outcomes:

- Increased knowledge and transnational cooperation on CCS

Projects with donor project partners: 3 out of 4 ~ 75,00 %

Applications for CZ09 The Czech – Norwegian Research Programme

Calls for proposals	2013			Total		
	Received	Partnership	Projects Contracted	Received	Partnership	Projects Contracted
First Call Research Support Fund	389	147	19	389	147	19
Second Call Research Support Fund						
Total	389	147	19	389	147	19

Open call related outcomes:

- Increased research cooperation between Norway and the Beneficiary States

Projects with donor project partners: 19 out of 19 ~ 100,00 %

Applications for CZ10 Capacity-building and Institutional Cooperation between Beneficiary State and Norwegian Public Institutions, Local and Regional Authorities

Calls for proposals	2014			Total		
	Received	Partnership	Projects Contracted	Received	Partnership	Projects Contracted
Predefined in MoU			1			1
Total			1			1

Predefined project measures:

- Capacity-building
- Information and awareness raising
- Provision of services

Projects with donor project partners: 0 out of 1 ~ 0,00 %

Applications for CZ11 Public Health Initiatives

Calls for proposals	2014			Total		
	Received	Partnership	Projects Contracted	Received	Partnership	Projects Contracted
Predefined in Programme Proposal		3	3	3	3	3
Open Call 1 - Improved mental health services	15	1	12	15	1	12
Open Call 2 - Improved health services	14	2	14	14	2	14
Total	29	6	29	29	6	29

Open call related outcomes:

- Improved access to and quality of health services including reproductive and preventive child health care
- Improved mental health services

Projects with donor project partners: 6 out of 29 ~ 20,69 %

Predefined project measures:

- Capacity-building
- Education and training
- Information and awareness raising
- Provision of services
- Research

Applications for CZ12 Mainstreaming Gender Equality and Promoting Work-Life Balance & Domestic and Gender-based Violence; Let's give (wo)men a chance

Calls for proposals	2014			Total		
	Received	Partnership	Projects Contracted	Received	Partnership	Projects Contracted

Mainstreaming gender equality, promoting work-life balance and tackling domestic and gender-based violence				178	4	28	178	4	28
Tackling domestic and gender-based violence				22	2	5	22	2	5
Total				200	6	33	200	6	33

Open call related outcomes:

- Gender issues across policies and practices mainstreamed
- Awareness raised and research on gender issues promoted
- Balance between work, private and family life improved
- Capacity of gender equality organisations and networks strengthened
- Gender-based violence reduced
- Domestic violence reduced

Projects with donor project partners: 6 out of 33 ~ 18,18 %

Predefined project measures:

- Education and training
- Information and awareness raising
- Provision of services

Applications for CZ13 Domestic and Gender-Based Violence/ Mainstreaming Gender Equality/ Promoting Work-Life Balance

Calls for proposals	2014			Total		
	Received	Partnership	Projects Contracted	Received	Partnership	Projects Contracted
Predefined in MoU		1	1		1	1
Total		1	1		1	1

Projects with donor project partners: 1 out of 1 ~ 100,00 %

Predefined project measures:

- Gender equality and work-life balance promoted and Gender-based violence prevented and tackled

Applications for CZ14 Schengen Cooperation and Combating Cross-border and Organised Crime, including Trafficking and Itinerant Criminal Groups

Calls for proposals	2014			Total		
	Received	Partnership	Projects Contracted	Received	Partnership	Projects Contracted
Predefined in MoU		0	2		0	2
Predefined in Programme Proposal		0	3		0	3
Total		0	5		0	5

Predefined project measures:

- Capacity-building
- Education and training
- Information and awareness raising
- Infrastructure development and provision of equipment

Projects with donor project partners: 0 out of 5 ~ 0,00 %

Applications for CZ15 Judicial Capacity-building Cooperation and Correctional Services, including Non-custodial Sanctions

Calls for proposals	2014			Total		
	Received	Partnership	Projects Contracted	Received	Partnership	Projects Contracted
Predefined in MoU			2			2
Predefined in Programme Proposal			5			5
Total			2		2	7

Predefined project measures:

- Capacity-building
- Education and training
- Information and awareness raising
- Infrastructure development and provision of equipment
- Provision of services

Projects with donor project partners: 2 out of 7 ~ 28,57 %

Bilateral Calls for Proposals

No applications have been submitted for bilateral calls yet.

ANNEX 3 – PUBLICITY ACTIVITIES IN 2014

During 2014, 7 Launch Conferences (as stated below) were held and these also involved press conferences. The Ministry of Finance – Programme Operator (MoF – PO) worked with different Programme Partners to prepare these launch conferences such as the Ministry of Environment, the Ministry of Labour and Social Affairs, the Ministry of Culture, the Ministry of Interior. The MoF - PO issues press releases for these events on an ongoing basis, including a presentation, video recording and photographs in the websites referred to below.

The open calls within 8 Programmes (as stated below) were announced and published at the websites of the Ministry of Finance, as the NFP and PO, and Programme Partners (if relevant) and in the press.

For providing information about the EEA and Norway Grants **Chyba! Odkaz není platný.** 2009-2014, the Ministry of Finance – as the National Focal Point and Programme Operator of 10 Programmes – uses websites www.eeagrants.cz and www.norwaygrants.cz where information (in Czech and English) on the EEA and Norway Grants 2009-2014, including the focus on individual programmes, in accordance with the document entitled *Communication and Design Manual*, can be found.

Table A. Attendance analysis of websites for period 1 January – 31 December 2014

Number of sessions	Number of users	User's Country	The busiest days	Avg. session duration
78 688	33 485	Czech Republic (92.5%)	19 June – 754 sessions	3 min 30 s
Avg. number of pages visited per session	Returning visitors	Norway (2.07%)	24 March – 749 sessions	
4.77	41.6%	Slovakia (1.16%)		

The Ministry of Finance, as the NFP and PO, also uses social media for promotional purposes (Facebook), and information is added continuously, including photographs and video recordings. This mainly involves information relating to prepared/completed events, etc.

A list of approved applications under the Fund for Bilateral Relations at national level is regularly published at the National Focal Point website in the middle of each month.

Lists of approved applications under particular programmes were published after verification process followed by detailed tables about each approved project with information on Project Promoter, region, Partners, project description, allocation and duration.

The most frequently asked questions (FAQ) and replies are continuously updated on the websites. Most questions concern the EEA and Norway Grants in general, the dates of calls and, last but not least, calls from the Funds for Bilateral Relations (at national and programme level). As far as questions aimed at specific programmes were concerned, most of these are focused on programmes CZ06, CZ02, CZ09 and CZ03.

The email box czp@mfcz.cz, is also an important communication tool, and is used by many potential applicants (the general public, potential applicants etc.) to address their questions.

The email box stiznosti-czp@mfcz.cz was set up as the main tool of the Complaints Mechanism. Received complaints and warnings are answered within 30 days.

Publicity activities within programmes (Programme Operator / Programme Partner)

EEA Grants / Norway Grants

Programme CZ02 (Ministry of Finance / Ministry of Environment)

The Launch Conference was held on 28 January 2014.

The open calls were announced on 31 March 2014 for individual projects and on 26 May 2014 for sub-projects within the small grant scheme (SGS).

In relation to direct communication with possible applicants, 3 seminars were organized by the PP in cooperation with the PO. At these seminars, the applicants became more familiar with the content of the open call, eligibility of applicants and expenditure and the way of filling and submitting grant applications. Those interested in specific programmes also received information containing detailed information on a given programme (who is authorised to apply, timetable, etc.).

Programme CZ03 (Civil Society Development Foundation)

Conference on Development of Bilateral Partnerships between NGOs in the Donor States and the Czech Republic will take place in Prague on 23rd September 2014.

The open call was announced on 20 January 2014 and the second open call was announced on 1 October 2014.

In relation to direct communication with possible applicants, 6 seminars were organized by the PO in February 2014. These were attended by 360 NGO representatives. At these seminars, the applicants became more familiar with the content of the open call, eligibility of applicants and expenditure and the way of filling and submitting grant applications. Those interested in specific programmes also received information containing detailed information on a given programme (who is authorised to apply, timetable, etc.). Two seminars for potential applicants under the second call were held in November 2014.

Moreover, additional ways of programme promotion were used. Programme information were published in many online and printed media (online neziskovky.cz, printed Svět neziskovek, printed weekly Respekt, online Econnet, etc.). The Conference on European Grants for NGOs was organized by the Centre for lifelong learning in order to present programme and the first call. The Programme was also promoted at the NGO Market in April 2014.

Programme CZ04 (Ministry of Finance / Ministry of Labour and Social Affairs)

The Launch Conference was held on 24 June 2014.

The open calls were announced on 17 June 2014 for individual projects and on 11 July 2014 for the SGS.

In relation to direct communication with possible applicants, 1 seminar was organized by the PP in cooperation with the PO. At the seminar, the applicants became more familiar with the content of the open call, eligibility of applicants and expenditure and the way of filling and submitting grant applications. Those interested in specific programmes also received information containing detailed information on a given programme (who is authorised to apply, timetable, etc.).

Programme CZ05 (Ministry of Finance)

The Launch Conference was held on 26 March 2014.

Programme CZ06 (Ministry of Finance / Ministry of Culture)

The Launch Conference was held on 5 February 2014.

The open calls were announced on 21 March 2014 for PA16 and 27 March 2014 for the SGS–PA17. On 23rd October 2014 the second open call was announced within the PA17 under Programme CZ06. An open call within the Fund for Bilateral Relations under measure “A” was announced on 18th November 2014. The announcement was published on the website, in the newspaper and specialized press or cultural websites (in total 34 articles for all calls).

In relation to direct communication with possible applicants, 3 seminars were organized by the PP in cooperation with the PO. At these seminars, the applicants became more familiar with the content of the open call, eligibility of applicants and expenditure and the way of filling and submitting grant applications. In addition, one seminar for applicants from the second open call was held on 23rd November 2014 (over 50 participants).

On 6 February 2014 the Programme Partner organized a bilateral contact seminar with workshops of Czech and foreign participants and DPPs. The brochure was published as part of the seminar and the results were published on specialized website www.norskefondy.cz.

The Programme Partner also undertakes regular press monitoring.

Programme CZ07 (Dům zahraniční spolupráce - Centre for International Cooperation in Education / Ministry of Education, Youth and Sports)

The open calls were announced on 17 February 2014 and 26 August 2014. Two opening seminars were held in February 2014 with the focus on the conditions of the first call launched within the Programme.

In February 2014, the Programme has been presented at the occasion of the Contact Seminar in Oslo organized by the DPP, SIU. The target group consisted of the representatives of the institutions in Norway, Iceland and Liechtenstein and the Czech institutions.

Furthermore, two another key actions were conducted prior to the Call 2014A:

- an information seminar held at the Czech Technical University in Prague in March 2014, which was focused on the staff of the two universities (Czech Technical University in Prague and Institute of Chemical Technology in Prague),
- an information seminar in Prague in March 2014, namely the presentation of the Programme CZ07 by the representative of the PO at the occasion of the presentation of the EEA and Norway Grants in general by the Norwegian Embassy in Prague in the Eurocentre in Prague.

Another six key action were conducted prior to the Call 2014B:

- Four information seminars held at universities in Brno, Ostrava, Pilsen and Ústí nad Labem focused on tertiary level of education,
- Two information seminars held in Jihlava and Pardubice focused on all levels of education.

Centre for International Cooperation in Education (DZS) also used all possible promotion tools to inform the target group about the programme and especially about the open call that will be launched in January 2015.

Programme CZ08 (Ministry of Finance/ Ministry of the Environment)

The open call was announced on 31 March 2014.

In relation to direct communication with possible applicants, 2 seminars were organized by the PP in cooperation with the PO. At these seminars, the applicants became more familiar with the content of the open call, eligibility of applicants and expenditure and the way of filling and submitting grant applications.

The Launch conference is planned for April 2015.

Programme CZ09 (Ministry of Education, Youth and Sports)

Ministry of Education, Youth and Sports, which is in the role of Programme Operator, organised the information meeting for beneficiaries and other stakeholders. This meeting was focused on the information about general and financial requirements in relation to grant administration in projects and submission of interim financial reports within the implementation. The meeting was held on 9 December 2014. Kick off meeting for beneficiaries is planned for the beginning of 2015.

Programme CZ10 (Ministry of Finance)

The Launch Conference was held on 26 June 2014.

Programme CZ11 (Ministry of Finance/ Ministry of Health)

The open calls were announced on 3 April 2014 for Fund for Bilateral Relations – measure A and on 12 June 2014 for Activity I. and II.

In relation to direct communication with possible applicants, 3 seminars were organized by the PP in cooperation with the PO. At these seminars, the applicants became more familiar with the content of the open call, eligibility of applicants and expenditure and the way of filling and submitting grant applications. Those interested in specific programmes also received information containing detailed information on a given programme (who is authorised to apply, timetable, etc.).

Launching of the SGS call as well as a seminar for the SGS applicants is also expected by the end of 2014.

Programme CZ12 (Open Society Fund)

The open calls were announced on 14 January 2014 for large grants and the SGS, both programme areas, and on 30 July 2014 (special call for large grants, Domestic and Gender-based Violence).

In relation to direct communication with possible applicants, 3 seminars were organized by the PO.

The second SGS call (both programme areas) was launched on 14th November 2014 followed by the seminar for SGS applicants.

The conference “Gender stereotypes and their influence on equal opportunities and domestic violence - sharing international experience in projects EEA / Norway Grants” took place on 20th November 2014 in Prague (Complementary Actions). The audience represents NGOs and experts in both programme areas from the Czech Republic and abroad. The main aim was to share the experiences between the projects supported by EEA/Norway Grants in other countries. It help to “set the scene” for the domestic audience and function as a prelude to the GBV conference.

Programme CZ13 (Ministry of Finance / Ministry of Labour and Social Affairs)

The Launch Conference was held on 26 May 2014.

Programme CZ14 (Ministry of Finance / Ministry of Interior)

The Launch Conference was held on 30 April 2014.

ANNEX 4 – AUDIT AND MONITORING PLAN 2015

PLAN OF AUDITS
(working version)

No.	Audit No.	Project No.	Audit type	Audit goal and focus	Audited entity	Timeframe
1.	FM2/2015/O/001	CZ01.0.01	Audit of operations	The goal is to verify the eligibility of expenditure by auditing the sample of incurred expenditures	Ministry of Finance – Department No. 58	April – May 2015
2.	FM2/2015/O/002	CZ02.MNG.3	Audit of operations	The goal is to verify the eligibility of expenditure by auditing the sample of incurred expenditures	Ministry of Finance – Department No. 58	April – May 2015
3.	FM2/2015/O/003	CZ03.DOA.1	Audit of operations	The goal is to verify the eligibility of expenditure by auditing the sample of incurred expenditures	Civil Society Development Foundations / Partnership Foundation	April – May 2015
4.	FM2/2015/O/004	76-FN-028	Audit of operations	The goal is to verify the eligibility of expenditure by auditing the sample of incurred expenditures	Czech Union for Nature Conservation	April – May 2015
5.	FM2/2015/O/005	3610046	Audit of operations	The goal is to verify the eligibility of expenditure by auditing the sample of incurred expenditures	Home Care Hospice Cesta domů	May – June 2015
6.	FM2/2015/O/006	76-FN-080	Audit of operations	The goal is to verify the eligibility of expenditure by auditing the sample of incurred expenditures	DUHA – Friends of the Earth Czech Republic	May – June 2015
7.	FM2/2015/O/007	3610067	Audit of operations	The goal is to verify the eligibility of expenditure by auditing the sample of incurred expenditures	Centre for Integration of Foreigners	May – June 2015
8.	FM2/2015/O/008	3650033	Audit of operations	The goal is to verify the eligibility of expenditure by auditing the sample of incurred expenditures	EUROTOPIA Opava o.p.s.	May – June 2015
9.	FM2/2015/O/009	3630090	Audit of operations	The goal is to verify the eligibility of expenditure by auditing the sample	P3 – People, Planet, Profit, o.p.s.	June – July 2015

No.	Audit No.	Project No.	Audit type	Audit goal and focus	Audited entity	Timeframe
				of incurred expenditures		
10.	FM2/2015/O/010	3610066	Audit of operations	The goal is to verify the eligibility of expenditure by auditing the sample of incurred expenditures	Counselling Centre for Citizenship, Civil and Human Rights	June – July 2015
11.	FM2/2015/O/011	CZ04.MNG.1	Audit of operations	The goal is to verify the eligibility of expenditure by auditing the sample of incurred expenditures	Ministry of Finance – Department No. 58	June – July 2015
12.	FM2/2015/O/012	CZ05.PRC.1	Audit of operations	The goal is to verify the eligibility of expenditure by auditing the sample of incurred expenditures	Ministry of Finance – Department No. 58	June – July 2015
13.	FM2/2015/O/013	CZ06.PRC.1	Audit of operations	The goal is to verify the eligibility of expenditure by auditing the sample of incurred expenditures	Ministry of Finance – Department No. 58	July – August 2015
14.	FM2/2015/O/014	CZ07.MNG.1	Audit of operations	The goal is to verify the eligibility of expenditure by auditing the sample of incurred expenditures	DZS - Centre for International Cooperation in Education	July – August 2015
15.	FM2/2015/O/015	CZ08.MNG.1	Audit of operations	The goal is to verify the eligibility of expenditure by auditing the sample of incurred expenditures	Ministry of Finance – Department No. 58	July – August 2015
16.	FM2/2015/O/016	CZ09.MNG.1	Audit of operations	The goal is to verify the eligibility of expenditure by auditing the sample of incurred expenditures	Ministry of Education, Youth and Sport	August – September 2015
17.	FM2/2015/O/017	CZ10.PRC.1	Audit of operations	The goal is to verify the eligibility of expenditure by auditing the sample of incurred expenditures	Ministry of Finance – Department No. 58	August – September 2015
18.	FM2/2015/O/018	CZ11.MNG.1	Audit of operations	The goal is to verify the eligibility of expenditure by auditing the sample of incurred expenditures	Ministry of Finance – Department No. 58	August – September 2015
19.	FM2/2015/O/019	CZ12.MNG.1	Audit of operations	The goal is to verify the eligibility of expenditure by auditing the sample of incurred expenditures	Open Society Fund Prague	September – October 2015
20.	FM2/2015/O/020	CZ12 REG 19	Audit of operations	The goal is to verify the eligibility of expenditure by auditing the sample	Fórum 50%	September – October 2015

No.	Audit No.	Project No.	Audit type	Audit goal and focus	Audited entity	Timeframe
				of incurred expenditures		
21.	FM2/2015/O/021	CZ12 REG 05	Audit of operations	The goal is to verify the eligibility of expenditure by auditing the sample of incurred expenditures	Business for Society, Responsible Women Forum	September – October 2015
22.	FM2/2015/O/022	CZ13.MNG.1	Audit of operations	The goal is to verify the eligibility of expenditure by auditing the sample of incurred expenditures	Ministry of Finance – Department No. 58	September – October 2015
23.	FM2/2015/O/023	CZ15.PRC.1	Audit of operations	The goal is to verify the eligibility of expenditure by auditing the sample of incurred expenditures	Ministry of Finance – Department No. 58	October – November 2015
24.	FM2/2015/S/001		System audit	Verification of remedial measures at the Programme Operator for CZ07	DZS - Centre for International Cooperation in Education	October – November 2015
25.	FM2/2015/S/002		System audit	Verification of the effective management and control system on programme level within programme CZ03	Civil Society Development Foundations / Partnership Foundation	October – November 2015

MONITORING PLAN - NFP

Programme no.	Name of the programme	Planned date of on-site monitoring visit	Note
CZ03	Funds for Non-governmental Organisations	4.Q 2015	The on-site visit will cover the programme management (Programme Operator) and sample of sub-projects (2-3 sub-projects)
CZ09	The Czech – Norwegian Research Programme	4.Q 2015	The on-site visit will cover the programme management (Programme Operator) and sample of sub-projects (2-3 sub-projects)

ANNEX 5 – RISK ASSESSMENT OF THE PROGRAMMES

EEA Grants / Norway Grants

Programme CZ02

Type of objective ³	Risk	Description of risk in the reporting period	Likelihood ⁴	Impact ⁵	Importance ⁶	Mitigation planned/done
Cohesion (Programme) outcomes:	Programme absorption capacity	Absorption capacity of the programme was exceeded. Applications submitted within the programme exceeded the planned allocation by approx. 220 mill. CZK. Similarly, the allocation within the SGS was exceeded by approx. 50 mill. CZK. Request for re-allocation between programme outcomes was sent.	High	Low	Middle	<ul style="list-style-type: none"> - selection of quality projects within all defined outcomes for the programme - creation of reserve list of projects
	Legislation changes	Programme is not directly connected to implementation of legislation changes. There are no planned legislation changes for the implementation phase nor the sustainability period.	Middle	Low	Low	<ul style="list-style-type: none"> - regular monitoring of possible changes in legislation connected to the environmental area
	Time risk - delay in commitment and disbursement of funds	The programme is in its implementation phase. The grant for the PDP was awarded in November 2014; open calls for individual projects and SGS sub-projects were finished. Time risk has been eliminated by shortening the verification process of selected projects from formerly 3 months to 2-3 weeks. However, the limited time for project implementation period with the length of maximum of 16 months remains.	High	Middle	High	<ul style="list-style-type: none"> - fastening the process before start of the implementation phase - effective communication with relevant subjects (FMO, Head of Units, Director of Department, Deputy Minister) - effective communication and reporting mechanism with project promoters
	Specific programme risk (risk identified in PP relating to PRG)	Not all selected outcomes within the programme might be reached by selected	High	Middle	High	<ul style="list-style-type: none"> - submission of request to the FMO for the outcome modification in the

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⁵ Impact is described as Low, Middle or High according to its scoring gained in the risk analysis. (Low: 1-2, Middle: 3-4, High: 5)

⁶ Importance is counted as Likelihood multiplied by Impact and described as Low, Middle or High according to its scoring gained in the risk analysis (Low: 1-8, Middle: 9-15, High: 16-25).

Type of objective ³	Risk	Description of risk in the reporting period	Likelihood ⁴	Impact ⁵	Importance ⁶	Mitigation planned/done
	outcomes)	individual projects regarding the enormous interest for submission of applications in certain outcomes by applicants.				Programme Agreement
Bilateral outcome(s):	Bilateral relations	The PO supports bilateral cooperation via bilateral initiatives financed from the Bilateral Fund at the national and programme level (measures A and B) as well as via Complementary Actions	Middle	Middle	Middle	<ul style="list-style-type: none"> - providing information to the project promoters about possible bilateral partnerships, supports for creation of such partnerships and giving clear instructions for submission of applications for bilateral initiatives
Operational issues:	Management and control structures, programme management	<p>Implementing System of the PO is based on systems of manuals and guidelines. The most complex manual “The Programme Operator intern manual” was completed in March 2014.</p> <p>Management structure requires deep coordination between Units of the PO.</p>	High	Low	Middle	<ul style="list-style-type: none"> - regular updates (if necessary) of the guidelines and manuals - well-functioning system of control structures - effective communication and cooperation between Units - setting up system of regular controls of management and control structures
	Programme implementation set-up	System of implementation of the programme was successfully set up. Internal PO’s manual and Guidelines for project promoters were completed as well as guidelines of the PP for the SGS.	Middle	Middle	Middle	<ul style="list-style-type: none"> - systematic updates of guidelines and manuals - regular controls from the Audit Department - actualisation of the control system by the PO
	Reports and irregularities within programme	No reports and irregularities were noticed within the programme.	Middle	Low	Low	<ul style="list-style-type: none"> - regular programme monitoring
	Programme audits/controls	An extra audit control of the PO’s management structures and administrative procedures was realised in August 2014. No findings were identified by AO.	Middle	Middle	Middle	<ul style="list-style-type: none"> - setting up plan of audits and controls
	Information system	Programme is realised within the IT system CEDR developed by the PO. The PDP application was uploaded, and the selection procedure for the open call was realised via this system. The full functioning of the system is being finished and tested via a demo version.	Middle	Middle	Middle	<ul style="list-style-type: none"> - completing full functioning of the system - training project managers in the system - functioning hot line

Type of objective ³	Risk	Description of risk in the reporting period	Likelihood ⁴	Impact ⁵	Importance ⁶	Mitigation planned/done
	Corruption risk	Implementation system is set up transparently. Programme is realised in line with guidelines and manuals published by the NFP where responsibilities of the Programme Managers are defined. Evaluation Committee meeting was established with professionals not connected to submitted project applications.	Middle	Low	Low	<ul style="list-style-type: none"> - setting up transparent implementation system and regular controls - actualization of manuals and guidelines - control of interim and financial reports by the Head of Unit - professional evaluation of project proposals by more than one person

Programme CZ03

Type of objective ⁷	Risk	Description of risk in the reporting period	Likelihood ⁸	Impact ⁹	Importance ¹⁰	Mitigation planned/done
Cohesion (Programme) outcomes:	Programme absorption capacity	According to the assumptions, demand for funding considerably exceeded the available allocation within both CfPs. The risk has been mitigated successfully.	Low	High	Low	PO has ensured that full information was provided to the applicants and that evaluation process leads to selection of applications with high relevance and quality.
	Legislation changes	New Civil Code is applied since January 2014, causing changes in the forms of legal entities, including eligible applicants. This situation has been resolved without major complications.	Middle	Middle	Middle	PO has adopted the changes into the documents issued within the CfPs as well as within template of the Project Contract.
	Time risk - delay in commitment and disbursement of funds	The period available for implementation of the Programme is significantly shorter, than foreseen initially, due to delay in approving the Programme. The planned operations thus have to be conducted within much tighter timeframe.	Middle	High	Middle	The risk has been mitigated by adopting the modifications of the PA – only 2 CfPs have been conducted within the Programme.
	Specific programme risk (risk identified in PP relating to PRG outcomes)	Irregularities perpetrated at the project level. Rules of the Programme with consequent demands for management of individual Projects could constitute problems, in some cases, for Project promoters. This could potentially lead to their underperformance or misconduct.	Middle	Middle	Middle	The set-up of the Programme was designed to be as “user-friendly” for the Project promoters as possible, however not prejudicing the binding rules of the EEA Funds. PO adopts monitoring and control environment (described in FPP/Manual) that enables to prevent and identify potential irregularities perpetrated by Project Promoters.
Bilateral outcome(s):	Bilateral relations	The capacity of entities in donor countries to establish partnerships with Project Promoters within the Programme seems to be quite saturated. We suspect that it might be difficult to meet the desired objectives in terms of bilateral relations enhancement.	Middle	Middle	Middle	PO cooperates with Norwegian Helsinki Committee and Norwegian Embassy to help in searching for relevant entities having capacity to interact with Czech NGOs. PO also proposed transfer of unused funds within measure “a” to continuous call for measure “b”.
Operational issues:	Management and control structures, programme management	Management and control system is defined within the PO Manual of Procedures, which has been developed in accordance with the Regulation and other binding guidelines. The Manual has been endorsed by NFP and audited by AO.	Low	Middle	Middle	Ongoing test of efficiency and effectiveness and pertinent optimization of the system.

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¹⁰ Importance is counted as Likelihood multiplied by Impact and described as Low, Middle or High according to its scoring gained in the risk analysis (Low: 1-8, Middle: 9-15, High: 16-25).

Type of objective ⁷	Risk	Description of risk in the reporting period	Likelihood ⁸	Impact ⁹	Importance ¹⁰	Mitigation planned/done
	Programme implementation set up	The necessary Programme documents (Manual of Procedures, Guidelines for Applicants, Project Contract) have been developed. The documentation has been approved by relevant authorities.	Low	Middle	Low	Ongoing test of efficiency and effectiveness and pertinent optimization of the system.
	Reports and irregularities within programme	PO duly exercises all its reporting duties. In case of need, uncertainties are consulted, mainly with Certification Authority.	Low	Middle	Low	Adherence to the existing system and guidelines.
	Programme audits/controls	The inception system audit took place, conducted by AO. No findings were reported.	High	Middle	Middle	All the requested obligations regarding the audits are respected at the level of PO and they are transferred by the Project Contract also to the level of Project promoters.
	Information system	Within implementation of the Programme PO adopts specific information system Grantys. Grantys is a verified information system that has already been successfully used within implementation of the 1 st CfP.	Low	Middle	Low	Functionality of the system has been tested before each CfP.
	Corruption risk	Transparency issues have been closely addressed during the Programme set-up. PO is aware of the crucial importance of this issue and high priority attributed by the donor.	Low	Middle	Low	All the operations of the PO are set-up and conducted in transparent and documented manner. Procedures adopted by PO for evaluation and assessment of the grant applications meet the highest standards. Strict rules and information in respect of secondary contracting is provided to Project promoters.

Programme CZ04

Type of objective ¹¹	Risk	Description of risk in the reporting period	Likelihood ¹²	Impact ¹³	Importance ¹⁴	Mitigation planned/done
Cohesion (Programme) outcomes:	Programme absorption capacity	Programme absorption capacity turned out as the major problem in 2014. Out of 15 anticipated applications in the open call, just 2 applications were submitted because of a very low interest on the part of Czech regions to create transformation plans of institutions. On the contrary, there was quite a big interest on the part of NGOs for the grants in SGS.	high	high	high	MoLSA tried to ensure the interest of regions by an increased programme publicity and enhanced communication with the regions. There was a three months duration of the open call for the regions. A launch conference together with seminars for applicants were also organized in time.
	Legislation changes	The Programme is directly linked to a proposal of a new legislation and is linked to the legislative proceedings. The key activities of the PDP consist of preparation of a new law and its implementation – the passing of the law is, however, not a condition to the realization of the Programme.	middle	high	middle	Implementation of PDP started in June 2014 and all the preparation activities linked to the proposal of new legislation started. An analysis of the current legal regulations was carried out. Regular reporting in the quarterly submitted monitoring reports, minutes from meetings, sufficient personnel resources and ensuring a political agreement.
	Time risk - delay in commitment and disbursement of funds	Realization of the PRG is endangered by a considerable delay in its approval phase. All projects within the programme were approved in 2014. PDP started with its implementation and all other projects will start its implementation at the start of 2015. There is a risk of delay in individual project activities mainly caused by tender procedures.	high	middle	high	Accelerated administration of steps leading to the approval and implementation of projects within the PRG. Accelerated selection and verification process.
	Specific programme risk (risk identified in PP relating to PRG)	Insufficient cooperation of regions and municipalities in creation of the services for	middle	middle	middle	Programme partner will regularly and intensively communicate with key

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¹³ Impact is described as Low, Middle or High according to its scoring gained in the risk analysis. (Low: 1-2, Middle:3-4, High:5)

¹⁴ Importance is counted as Likelihood multiplied by Impact and described as Low, Middle or High according to its scoring gained in the risk analysis (Low: 1-8, Middle: 9-15, High: 16-25).

Type of objective ¹¹	Risk	Description of risk in the reporting period	Likelihood ¹²	Impact ¹³	Importance ¹⁴	Mitigation planned/done
	outcomes)	PRG target groups.				stakeholders and will create relevant legal environment for the realization of the programme.
Bilateral outcome(s):	Bilateral relations	A match-making seminar for potential project partners was held at the start of June 2014. Two bilateral partnerships will be established within the PRG – one within PDP and one within sub-project in SGS.	middle	middle	middle	Signing of Partnership agreements with clearly defined responsibilities. Coordination meetings and Steering committee meetings. Consistent verification of expenditures in bilateral relations, sufficient planning within the frame of the PRG.
Operational issues:	Management and control structures, programme management	The Manual of the Programme Operator was issued in March 2014. Cooperation within the PO is sufficient, though its capacity is slightly limited also due to personal changes; external consultations are to limited extent.	high	low	middle	Regular check and update of PO Manual. Ensuring sufficient personnel capacity of the PO, regular meetings, Steering committee with programme partner and other meetings.
	Programme implementation set up	All relevant manuals and guidelines were issued in 2014, such as guidelines for project promoters, guidelines for BFB.	middle	middle	middle	Observance of manuals and guidelines, regular check and update of manuals.
	Reports and irregularities within programme	No irregularities has been reported	middle	middle	middle	Consistent verification of monitoring reports, on-the-spot monitoring, audits.
	Programme audits/controls	One control was carried out by the Audit Authority in August 2014 with no findings.	low	middle	middle	Regular monitoring, on-the-spot visits and audits.
	Information system	The IS CEDR which was created by the PO runs and is being updated and adjusted.	middle	middle	middle	Breakdowns and failures will be minimized by intensive cooperation with the contractor.
	Corruption risk	The PO/NFP system of control is well set. The corruption risk, however, exists due to higher number of participating stakeholders.	middle	low	low	Thorough verification of procedures, evaluation, etc.

Programme CZ05

Type of objective ¹⁵	Risk	Description of risk in the reporting period	Likelihood ¹⁶	Impact ¹⁷	Importance ¹⁸	Mitigation planned/done
Cohesion (Programme) outcomes:	Programme absorption capacity	Irrelevant, the Programme is composed of one PDP.	low	high	low	n/a
	Legislation changes	The PDP is not directly linked to legislation. The area of Roma issues is, however, a part of political parties' election programs, so it can, to a limited degree, influence the governmental strategy.	low	low	low	All legislative proposals will be monitored in advance and evaluated with regard to their impact on the PDP realization. In case of need, changes will be implemented to reflect the actual legislation.
	Time risk - delay in commitment and disbursement of funds	The Legal act on the award of the grant for the PDP was issued. Nevertheless, the potential delay in tender procedures might significantly endanger the fulfillment of planned PDP indicators.	middle	high	middle	Programme Operator strived for speeding up the verification process of the PDP and the issue of the legal act on the award of the grant. Tender procedures are and will be monitored by the Programme Operator and the time schedule is closely monitored in the monitoring reports of the PDP.
	Specific programme risk (risk identified in PP relating to PRG outcomes)	Failing cooperation with other ministries, lack of trust of regions, NGOs, etc., in the planned activities.	middle	middle	middle	All relevant stakeholders were deeply involved in the preparation of the PDP. Representatives of ministries, NGOs and regions are members of the Steering committee. Memorandum of cooperation was signed with the Police Presidium and the Ministry of Interior. Communication with all the relevant stakeholders will continue during the whole project implementation.
Bilateral outcome(s):	Bilateral relations	The international cooperation is related only to participation at the final conference. The Programme Operator together with the Project Promoter of the PDP will organize an international conference on pro-inclusive education at the fall 2015.	Low	Low	low	N/A
Operational issues:	Management and control structures, programme management	The Manual of the Programme Operator was issued on 13 March 2014.	low	high	middle	Procedure according to the PO Manual, regular check and update of PO Manual. Meetings with the Project Promoter.

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¹⁷ Impact is described as Low, Middle or High according to its scoring gained in the risk analysis. (Low: 1-2, Middle:3-4, High:5)

¹⁸ Importance is counted as Likelihood multiplied by Impact and described as Low, Middle or High according to its scoring gained in the risk analysis (Low: 1-8, Middle: 9-15, High: 16-25).

Type of objective ¹⁵	Risk	Description of risk in the reporting period	Likelihood ¹⁶	Impact ¹⁷	Importance ¹⁸	Mitigation planned/done
	Programme implementation set up	All the manuals and guidelines are elaborated and regularly checked and updated. Guidelines for the Project Promoters were issued in March 2014.	high	middle	middle	Check and update of manuals and guidelines.
	Reports and irregularities within programme	No irregularities have been reported.	low	high	low	Consistent verification of monitoring reports and on-the-spot controls.
	Programme audits/controls	One control was carried out by the Audit Authority in August 2014 with no findings.	high	middle	middle	Regular monitoring, on-the-spot visits and audits.
	Information system	The information and monitoring system CEDR is in service. Adjustments are ongoing.	middle	middle	middle	Adjustments of the system are solved with the contractor. Breakdowns and failures will be minimized by intensive cooperation with the contractor.
	Corruption risk	The NFP system of control and tender procedures are well set up.	Middle	Middle	middle	Thorough verification of procedures, evaluation, etc.

Programme CZ06

Type of objective ¹⁹	Risk	Description of risk in the reporting period	Likelihood ²⁰	Impact ²¹	Importance ²²	Mitigation planned/done
Cohesion (Programme) outcomes:	Programme absorption capacity	Risk not applicable, the number of submitted applications far exceeded the available allocation both within the PA 16 and the PA 17.	low	high	low	The allocation on the PA 16 and the PA 17 will be covered. Many projects of high quality and significant importance could not be supported, necessity to seek out possibilities of creating outside-budget resources.
	Legislation changes	Risk not applicable, Programme not directly related to any legislation change implementation. No legislative changes with the impact on the Programme changes occurred during this reporting period.	low	low	low	All legislative proposals will be monitored in advance and evaluated with regard to their impact on the projects realization. In case of need, changes will be implemented to reflect the actual legislation.
	Time risk - delay in commitment and disbursement of funds	Short projects implementation period due to the initial delay of the Programme, with the first projects approved at the end of 2014, prevents the efficient mitigation of unforeseen obstacles (e.g. unfavorable weather conditions may cause that projects exposed to weather risks are vulnerable to delayed project completion). The deadline for submitting applications within the PA 17 second Open Call is on 9 January 2015. The BFB Open Call launch is planned for January 2015. Short time for the Programme implementation may increase the risk that the selected projects will not be completed and expose the budget heading Funds for Bilateral Relations to risk of not being fully drawn.	high	high	high	The PO have strived for speeding up all administrative procedures connected with the selection of projects including the verification process and adopted more flexible approach within the project implementation. Implementation of new modern IT systems supporting the selection, monitoring and payment to the projects and realization of other components within the Programme has been running, in order to secure more effective process including communication among different stakeholders. Both the PO and the PP strive for the Programme prolongation till April 2017.
	Specific programme risk (risk identified in PP relating to PRG outcomes)	Failure to keep the projects quality is related to the time risk as shortened time for project implementation might have a bad influence on results quality.	high	high	high	In order to prevent the risk of bad project and results quality, the PO and the PP organized seminars for potential applicants and assisted the applicants with questions relating to their applications. Contact seminars were organized with the help of the DPP. Seminars for project promoters will be held in order to provide proper training to final beneficiaries in order to avoid errors

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²¹ Impact is described as Low, Middle or High according to its scoring gained in the risk analysis. (Low: 1-2, Middle:3-4, High:5)

²² Importance is counted as Likelihood multiplied by Impact and described as Low, Middle or High according to its scoring gained in the risk analysis (Low: 1-8, Middle: 9-15, High: 16-25).

Type of objective ¹⁹	Risk	Description of risk in the reporting period	Likelihood ²⁰	Impact ²¹	Importance ²²	Mitigation planned/done
						made by project promoters. Proper monitoring of project implementation will be secured by the PO. Manuals and Guidelines have been prepared and updated.
Bilateral outcome(s):	Bilateral relations	Difficulties to find project partners from the Donor States were prevented by the active help of the DPP, motivating in obtaining a partner from the Donor States. Both the majority of approved projects within the PA 17 and the PA 16 are implemented in the cooperation with the entities from the Donor States. The BFB Open Call text discussed by the PO with both the PP and the DPP, prepared for the launch in January 2015. The DPP has been actively involved in search for partners, BFA Open Call evaluation and project selection, information provision to entities from the Donors States acting as project partners.	middle	middle	middle	Contact seminar for potential applicants and partner from the Donor States was organized, support of bilateral relations through the websites of the PO, the PP, the DPP and the Norwegian Embassy provided. Communication between the PO, the PP and the DPP is ongoing on regular basis, Cooperation Committee meetings organized.
Operational issues:	Management and control structures, programme management	In order to prevent inconsistencies in the implementation process including failures in keeping deadlines and rules stipulated by the EEA Grants, the Manual of the Programme Operator was issued on 13 March 2014. The PO became responsible for the Small Grant Scheme implementation.	low	high	middle	Ongoing communication between the PO, the PP and the DPP, procedures performed according to the PO Manual, regular checks and update of PO Manual.
	Programme implementation set up	All the manuals and guidelines are elaborated and regularly checked and updated. Guidelines for the Project Promoters were issued in March 2014 and will be updated in February 2015.	middle	middle	middle	Check and update of manuals and guidelines.
	Reports and irregularities within programme	No irregularities have been reported.	low	middle	low	Regular programme and project monitoring to be performed.
	Programme audits/controls	The audit authority performed a programme control of the PO's management structures and administrative procedures in August 2014. No findings of irregularities were identified by the AA.	middle	middle	middle	Regular monitoring, on-site controls and audits to be carried out.
	Information system	The information and monitoring system CEDR is in service. Adjustments are ongoing.	middle	middle	middle	IT systems supporting the selection, monitoring and payment to the projects and realization of other components within the Programmes has been running, in order to secure more effective process including communication among different stakeholders. Adjustments of the system are solved with the contractor. Breakdowns and failures will be minimized by intensive cooperation with the contractor.

Type of objective ¹⁹	Risk	Description of risk in the reporting period	Likelihood ²⁰	Impact ²¹	Importance ²²	Mitigation planned/done
	Corruption risk	The NFP system of control and tender procedures are well set up.	low	high	low	Project selection performed transparently according to the rules and legislation. Regular monitoring of the Programme and projects to be carried out. Seminar on tender procedures was organized by the PO.

Programme CZ07

Type of objective ²³	Risk	Description of risk in the reporting period	Likelihood ²⁴	Impact ²⁵	Importance ²⁶	Mitigation planned/done
Cohesion (Programme) outcomes:	Programme absorption capacity	The absorption capacity is to be seen as a risk (especially the absorption capacity of the Donor project partners) in view of the delays related to the launch of CZ07 in comparison to the scholarship programmes within EEA and Norway grants	5	5	25	Making the use of all current instruments to address potential applicants more effectively (web, FB), introduction of new tools (webinars), support of the already existing partnerships (from the FM1 period, ERA+, CZ09),
	Legislation changes	The implementation of the programme is not to be seen as immediately impacted by legislation changes.	1	3	3	The establishment of the cooperation within relevant stakeholders via agreements and memoranda.
	Time risk - delay in commitment and disbursement of funds	The time risk – delay related to CZ07 is of immense importance, as the financial allocation is to be distributed within more calls and years of implementation.	5	5	25	More flexible reallocation of funds, making the administration process as smooth as possible (relevant IT-tools, personal conditions – staff), negotiations of prolongation of the programme implementation period
	Specific programme risk (Communication risk)	Communication risk is to be seen as important with regard to the communication and cooperation with other stakeholders, especially NFP, as CZ07 is one of the very few programmes, where the Programme Operator is not represented by Ministry of Finance of the Czech Republic. The long-distance communication between the PO and DPPs is not always flexible enough via current communication tools	4	4	16	There are regular meetings to be held; direct communication between Ministry of Finance and Programme Operator is to be conducted. Programme Operator is to be informed on all relevant issues related to CZ07 without delay. There could be new IT tools introduced in order to support more flexible ways of communication between PO and the DPPs (webinars, e-conference)
Bilateral outcome(s):	Bilateral relations	There are three Donor Programme Partners, however it is to be presumed that their capacity is rather limited.	3	3	9	Regular attendance of the Programme Operator on joint meetings, conferences and activities.
Operational issues:	Management and control structures, programme management	Management and control structures, programme management was proposed in accordance with regulation and is to be approved by the FMO. The administrative capacity of the Programme Operator could be a source of risk.	3	5	15	The Programme Operator team is to be supported by enough staff, especially in the case of time risk-delays and corresponding need to allocate financial sources within short time.
	Programme implementation set up	The programme implementation set up is in accordance with Regulation, good governance principles and the functionality of the Programme.	3	4	12	Publication of guidelines, rules and procedures and their maintenance.

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²⁵ Impact is described as Low, Middle or High according to its scoring gained in the risk analysis. (Low: 1-2, Middle:3-4, High:5)

²⁶ Importance is counted as Likelihood multiplied by Impact and described as Low, Middle or High according to its scoring gained in the risk analysis (Low: 1-8, Middle: 9-15, High: 16-25).

Type of objective ²³	Risk	Description of risk in the reporting period	Likelihood ²⁴	Impact ²⁵	Importance ²⁶	Mitigation planned/done
	Reports and irregularities within programme	No irregularities have been detected yet.	1	4	4	Monitoring of the activities supported within EEA and Norway Grants.
	Programme audits/controls	There was an Audit conducted by the Audit Authority (Ministry of Finance) focused on management and control system conducted in 2014 (without any observation)	3	3	9	Implementation of proper control and audit plan, conducting of on-the –spot controls, risk-analysis on the project level.
	Information system	Relevant IT tool is be used	3	3	9	The database was adapted to the needs of CZ07, there are amendments to be done, so that the database is in accordance with current situation/information requested
	Corruption risk	PO disposes of internal control system in accordance to the law, which is being controlled both internally and externally. The employees of the PO and their behavior are bounded by ethical code.	1	4	4	Implementation of internal control system, obeying of ethical code.

Programme CZ08

Type of objective ²⁷	Risk	Description of risk in the reporting period	Likelihood ²⁸	Impact ²⁹	Importance ³⁰	Mitigation planned/done
Cohesion (Programme) outcomes:	Programme absorption capacity	The interest at applicants cannot be expected, the applications may not cover both the programme Outcomes	middle	high	high	Clear description of both Outputs in the Open Call, promotion and networking. The PO shall encourage the applicants to include both aspects (research and awareness raising) into the projects.
	Legislation changes	The programme is not directly related to any current legislative measure, no one is in process, however, in the future some measures regarding the CCS are to be expected.	low	middle	middle	Proper tracking changes in legislation on CCS, evaluation of their impact on CZ08.
	Time risk - delay in commitment and disbursement of funds	The delay of the programme launch led to delay at the start of projects. The research nature of the projects provides risk of ability to reach all outputs /indicators in time.	high	high	high	All stakeholders involved shall speed the administrative processes regarding selection of projects, verification and issuing the grant award decision / implementation contracts.
	Specific programme risk (risk identified in PP relating to PRG outcomes)	The content of projects in combination with the time pressure – the projects should contribute to two Outputs (CCS research and public awareness) . The research projects require longer implementation period which is not available.	middle	high	high	Well organized and selected evaluation strategy during the grant award process, support of projects with preferably CCS research and of those which contribute to both the Outputs in parallel. Well designed time schedule in the projects.
Bilateral outcome(s):	Bilateral relations	The research activities will require mutual expert cooperation between Czech and donor states institutions. – Three of four supported projects will be implemented in partnership with Norwegian partners.	middle	low	middle	Support to international cooperation, availability of additional funds dedicated to bilateral knowledge exchange, visits, seminars... via the fund for bilateral relations (NFB) and for complementary actions initiated by the programme partner (MoE).
Operational issues:	Management and control structures, programme management	The Control system to be duly incorporated into the PO Manual. Particular processes shall be designed in relation to implementation needs.	low	high	middle	The control system and management system are well designed and incorporated into the PO Manual. The Manual of the Programme Operator was issued on 13 March 2014.

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³⁰ Importance is counted as Likelihood multiplied by Impact and described as Low, Middle or High according to its scoring gained in the risk analysis (Low: 1-8, Middle: 9-15, High: 16-25).

Type of objective ²⁷	Risk	Description of risk in the reporting period	Likelihood ²⁸	Impact ²⁹	Importance ³⁰	Mitigation planned/done
	Programme implementation set up	All the manuals and guidelines are elaborated and regularly checked and updated.	low	middle	middle	Check and update of manuals and guidelines.
	Reports and irregularities within programme	No irregularities have been reported.	low	high	low	Consistent verification of monitoring reports and on-the-spot controls.
	Programme audits/controls	The CZ08 underwent the AO audit in August 2014 – no findings identified.	high	middle	middle	Regular monitoring, on-the-spot visits and audits.
	Information system	The information and monitoring system CEDR is in service. Adjustments are ongoing.	middle	middle	middle	Adjustments of the system are solved with the contractor. Breakdowns and failures will be minimized by intensive cooperation with the contractor.
	Corruption risk	The NFP system of control and tender procedures are well set up.	Middle	Middle	middle	Thorough verification of procedures, evaluation, etc.

Programme CZ09

Type of objective ³¹	Risk	Description of risk in the reporting period	Likelihood ³²	Impact ³³	Importance ³⁴	Mitigation planned/done
Cohesion (Programme) outcomes:	Programme absorption capacity	Interest of applicants was very high (389 proposals submitted/19 supported). The rate of the successful selection was 4,96%.	1	5	5	The overflow of project proposals in comparison to the Call allocation resulted in selection only projects of the best quality. – The risk is fully eliminated.
	Legislation changes	At present there is no running or expected change of legislation with any impact on principal rules of Programme implementation (namely regarding the Act No 130/2002). On 1 July 2014 the new EC regulation and European Framework on public support came into force.	2	3	6	Potential legislation changes are mentioned in relevant manuals, guides and project contracts. In case of any needs relevant adjustments can be done immediately and with no serious impact on implementation.
	Time risk - delay in commitment and disbursement of funds	The period for eligibility of costs within the Programme is laid down in Regulation. The period has been extended till 31 Dec 2017.	2	5	10	Conditions for disbursement of eligible cost at the projects level are specified in individual Projects Contracts . The Promoters were repeatedly informed at seminars and consultations.
	Specific programme risk Demanding administration of the Programme, personal capacity of the PRG management team	The administrative load of PRG management proved to be a risk in the reported period as the evaluation process of the Call was very demanding due to the overflow of submitted applications (387/19). - The varying administrative load as well as personal changes cannot be totally eliminated, but it is possible to minimise the impact.	5	5	25	A documented Programme management system and processes are included in the Programme Operator's Manual. Obligation for reporting of such changes will be incorporated in Project contracts. Programme Operator ensures mutual replacement of individual Programme administrators
Bilateral outcome(s):	Bilateral relations	Some bilateral relations have been already established and launched, the cooperation mainly follows up the contacts established in the previous programming period	2	3	6	PO fully supports the cooperation; presentation of news on progress in CZ09 on website, participation in Programme Operator's workshops; consultations with the Programme partner are provided.
Operational issues:	Management and control structures, programme management	Management and control structure has been established, the management is duly running	3	5	15	Detailed procedures are described in relevant chapter of the Programme Operator's Manual
	Programme implementation set up	Text of Call, Programme Operator's Manual, Guide for Evaluators, Guide for Applicants, Project Proposal form were prepared,	3	4	12	Manual and Guides fully reflect requirements of Regulation and its Annex 12. There are clear links

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³² Likelihood is described as Low, Middle or High according to its scoring gained in the risk analysis. (Low: 1-2, Middle:3-4, High:5)

³³ Impact is described as Low, Middle or High according to its scoring gained in the risk analysis. (Low: 1-2, Middle:3-4, High:5)

³⁴ Importance is counted as Likelihood multiplied by Impact and described as Low, Middle or High according to its scoring gained in the risk analysis (Low: 1-8, Middle: 9-15, High: 16-25).

Type of objective ³¹	Risk	Description of risk in the reporting period	Likelihood ³²	Impact ³³	Importance ³⁴	Mitigation planned/done
		approved and applied				between each other. The guidelines were completed, approved and are being duly applied. No problem is expected.
	Reports and irregularities within programme	No irregularities so far	1	4	4	Procedures on identification, reporting and solving of irregularities is implied in specific chapter of Programme Operator's Manual. Project Promoter is obliged to report on irregularities in the contract.
	Programme audits/controls	Programme was approved on 25 February 2013. Internal audit is operated by PO once a year.	4	3	12	In August 2014 an audit of systems by NFP and PO was set. Both audits confirmed correct setting of management and control systems. Audit and control system is described in detail in Programme Operator's
	Information system	On the basis of Act No 130/2002 relevant information is stored in the R&D&I IS. The on-line submission system (Data storage Open KM) is used for electronic submission of project proposals.	4	3	12	Obligation for storing of relevant data into R&D&I IS is incorporated in Project Contracts. All relevant data are stored in accordance with Regulation and national legislation.
	Corruption risk	Programme Operator does all steps in transparent manner and in accordance with accepted rules and principals. PO avoids conflicts of interest, uses information systems. Decisions on funding issues are accepted step by step and separately.	1	4	4	Individual procedures are specified in detail in relevant guides and manuals. All relevant data will be published on Programme Operator's website. According to Regulation PO informed on evaluation results all applicants.

Programme CZ10

Type of objective ³⁵	Risk	Description of risk in the reporting period	Likelihood ³⁶	Impact ³⁷	Importance ³⁸	Mitigation planned/done
Cohesion (Programme) outcomes:	Programme absorption capacity	Programme absorption capacity risk is irrelevant as the Programme CZ10 consists of only 1 PDP	Low	High	Low	N/A
	Legislation changes	The programme and its PDP have to permanently face the risk of modifications of legislation and related regulations in the process of drawing-up and development of comparative analyses of Czech and foreign legislation as one of the outputs of the programme. Stabilized legislative environment would be beneficial to the project implementation. On the other hand the likelihood of the risk is mitigated by government's approval of the strategy, concept and action plan for combating corruption in year 2013 – 2017. Thus background for follow-up legislation has been laid down. Moreover one of the documents directly addresses the Programme CZ10.	Low	Middle	Low	Sufficient flexibility during drawing-up and development of comparative analyses of Czech and foreign legislation will be secured in order to incorporate modified legislation if comes about.
	Time risk - delay in commitment and disbursement of funds	Time risk remains the most serious risk related to programme CZ10 implementation. The programme was approved in January 2014 and the PA was signed only on June 24, 2014. The only PDP of the programme was apprised and approved in September 2014. Thus only 20 months remains for implementation instead of 24 months planned. The risk is partly mitigated by relatively small number of programme and PDP activates that have to be implemented and amount of financial means allocated for the programme. Nevertheless the high rate of likelihood and impact of the risk is primarily connected to the Public Tender for delivering the Feasibility study as precondition for appraisal and approval of the second component of the PDP. Taking a potential appeal of some of the not-selected bidders to the Office for the Protection of Competition	High	High	High	Adherence to the PDP time schedule of the project activities will be essential. Obstacles in programme/project implementation if occurs needs to be solved in time and efficiently. Regarding the public procurements all tender documents as well as procedures has to properly designed and executed. Reimbursement requests for incurred expenses have to be settled in time.

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³⁶ Likelihood is described as Low, Middle or High according to its scoring gained in the risk analysis. (Low: 1-2, Middle:3-4, High:5)

³⁷ Impact is described as Low, Middle or High according to its scoring gained in the risk analysis. (Low: 1-2, Middle:3-4, High:5)

³⁸ Importance is counted as Likelihood multiplied by Impact and described as Low, Middle or High according to its scoring gained in the risk analysis (Low: 1-8, Middle: 9-15, High: 16-25).

Type of objective ³⁵	Risk	Description of risk in the reporting period	Likelihood ³⁶	Impact ³⁷	Importance ³⁸	Mitigation planned/done
		into consideration, the tender process and selection of the contractor could be considerably prolonged.				
	Specific programme risk (risk identified in PP relating to PRG outcomes)	Change of Government anti-corruption Strategy could endanger programme's outputs and outcome as positive approach of Czech government towards combating corruption and money laundering is essential for the Programme realization. The risk is partly mitigated by addressing these topics by the current government, government's approval of the strategy, concept and action plan for combating corruption in year 2013 – 2017 and no parliamentary election is expected in the implementation period.	Low	Middle	Low	If described risk occurs certain rate of flexibility will be apply in order to modify outputs of the programme/PDP.
Bilateral outcome(s):	Bilateral relations	The programme CZ 10 faces the risk of relatively low number of institutions and organizations from donor state suitable for cooperation on programme activities and goals. The risk is partly lowered by intensive and fruitful cooperation on project level between the PP and the CoE.	Low	Middle	Low	Draft of the Open Call for Submission of Grant Applications for Initiatives financed from the Fund for Bilateral Relations at Programme Level – measure „B“ was developed by the PO, approved by the SC and the Open Call should be announced in January 2015.
Operational issues:	Management and control structures, programme management	The risk is connected to personnel fault. However the risk likelihood is low as the management as well as control structure is defined and separated, the PO is personally stabilized, and staff is trained and aware of its duties. The Manual of the Programme Operator was issued on 13 March 2014.	Low	High	Middle	Procedure according to the PO Manual, regular check and update of PO Manual. Meetings with the Project Promoter.
	Programme implementation set up	All the manuals and guidelines are developed and regularly checked and updated. Guidelines for the Project Promoters were issued in March 2014.	Middle	Middle	Middle	Check and update of manuals and guidelines.
	Reports and irregularities within programme	No irregularities were reported/indicated in the reporting period.	Low	Middle	Low	Regular verification of monitoring reports and on-the-spot visits.
	Programme audits/controls	Extraordinary audit of the PO's system was carried out in August 2014 by the Audit Authority. No findings were identified.	Middle	Middle	Middle	Regular monitoring, on-the-spot visits and audits.
	Information system	An information system for implementation of Norway/EEA Grants was termed IS CEDR was developed, the system is in service, however certain adjustments were needed.	Middle	Middle	Middle	Necessary adjustments of the IS CEDR are carried out by provider. The desired functioning is regularly tested. Ascertained imperfections are reported to provider and overcome. Intensive cooperation with provider is needed in order to overcome IS failures and breakdowns.
	Corruption risk	NFP's and PO's system of control and tender	Low	Middle	Low	Thorough verification of procedures,

Type of objective ³⁵	Risk	Description of risk in the reporting period	Likelihood ³⁶	Impact ³⁷	Importance ³⁸	Mitigation planned/done
		procedures is set up. All project managers were trained in anti-corruption conduct.				evaluation, etc.

Programme CZ11

Type of objective ³⁹	Risk	Description of risk in the reporting period	Likelihood ⁴⁰	Impact ⁴¹	Importance ⁴²	Mitigation planned/done
Cohesion (Programme) outcomes:	Programme absorption capacity	The sufficient absorption capacity can be assumed. Absorption capacity can be limited especially by risk of time delay.	5	3	15	The absorption capacity in 2014 had been influenced especially by informing the eligible applicants (in the group of expert public), by publicity for call announcement, by seminars for applicants and consultation with applicants provided by PO and PP. Eligible applicants are also informed through web presentation.
	Legislation changes	There was no legislation change in 2014 that would have had any influence regarding the PRG risk.	1	3	3	Considering the fact of no risky situation there was no need of its elimination.
	Time risk - delay in commitment and disbursement of funds	PRG and project activities have been delayed due to the late signing of Programme Agreement.	3	4	12	Lowering of the minimal and maximal grant amount will result in higher number of smaller and less difficult investment projects, when realization will not be too long and will eliminate the risk of time delay.
	Specific programme risk (risk identified in PP relating to PRG outcomes)	Focusing on two different areas of health care brings the risk of difficulty of the Programme.	4	3	12	In 2014, the risk had been eliminated during the administration of individual calls and settings the calls for SGS. There were many consultations within the calls in 2014 related to the risk prevention. The risk prevention was also pointed out during the contact seminar.
Bilateral outcome(s):	Bilateral relations	Reduction of the grant size for projects may limit the potential of recruiting Norwegian partners.	2	3	6	To eliminate the risks in 2014 at the level of projects there was realized a contact seminar. Also the call for bilateral fund at the program level. In 2014, communication on the level of Programme Partners took place. There were two meetings of the Cooperation Committee and two events to promote the co-operation within the Complementary Action.
Operational issues:	Management and control structures, programme management	Communication between all parties involved: (PP, PO and DPP). Projects supported within the PDPs and Open Call will be monitored by the programme Operator and the sub-projects	5	2	10	Regular monitoring and periodic updates of the Programme Manual.

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⁴² Importance is counted as Likelihood multiplied by Impact and described as Low, Middle or High according to its scoring gained in the risk analysis (Low: 1-8, Middle: 9-15, High: 16-25).

Type of objective ³⁹	Risk	Description of risk in the reporting period	Likelihood ⁴⁰	Impact ⁴¹	Importance ⁴²	Mitigation planned/done
		within Small Grant Schemes will be monitored by the Programme Partner.				
	Programme implementation set up	NFP and PO prepared several manuals for the implementation of Norway Grants 2009 – 2014: Guidelines for Calls – submission and review of applications – grant award, Manual for PDP applicants, Manual for applicants for a grant, Manual for Bilateral fund at programme level – measure A, Manual for eligible expenditures, Manual for small-scale contracts financed from EEA and Norway Grants 2009 – 2014, Manual for implementation of SGS. Management control system. (internal Manual) is being finalized.	4	3	12	Manuals and other relevant guidelines for the recipient were/are being issued.
	Reports and irregularities within programme	No irregularities were reported in 2014.	3	4	12	The system of reporting of irregularities was set.
	Programme audits/controls	An extra audit of PO's management structure was realised in August 2014. No findings were identified by the AO.	3	5	15	Setting up the plan of controls.
	Information system	Programme Operator has created a grant information system (CEDR) for Programme administration. The system was launched in 2013. Due to the lack of time it hasn't been possible to reveal any deficiencies at this moment.	3	3	9	Setting the system was carried out continuously for several months. Ongoing corrections of the system according to the requirements of the individual partners were made.
	Corruption risk	Risk of the corruption is mainly on the side of promoters of the individual projects. Both, the Programme Operator and the Programme Partner are the central government bodies and as such they have their codes of ethics which compliance is monitored. People with impeccable record are chosen for the individual working positions through the transparent selection process.	4	1	4	Function code of ethics at all levels of management and administration of the Programme, open selection process for all working positions included in the implementation of the Programme.

Programme CZ12

Type of objective ⁴³	Risk	Description of risk in the reporting period	Likelihood ⁴⁴	Impact ⁴⁵	Importance ⁴⁶	Mitigation planned/done
Cohesion (Programme) outcomes:	Programme absorption capacity (8)	Programme absorption capacity is fulfilled partly, by having the results from the first round of calls for proposals (in June 2014) and the special call (in December 2014). Thus, the planned allocation for the first round was spent with just a small fund balance. The second round of calls was launched in November 2014.	Middle	Middle	Middle	Done: The allocation for large grants within the PA 29 was not fully spend after the 1. round. Therefore we launched the special call less than two months after the 1. Round's results. Moreover, we finished the evaluation process at the very beginning of December and the projects supported from this special call might start from January 2015. Planned: We plan to evaluate the applicants from the 2. round within a 2-3 months period in order to have the project implementation length as long as possible (i.e. possible 12 months).
	Legislation changes (9)	Possible legislation changes/ amendments might support the programme areas outcomes or the projects implementation positively. In 2014, we did not see any significant influence of the new Civil Code from 2014 (that has consequences on the legal status of different subjects, NGOs included).	Low	Middle	Low	Planned/done: To follow the legislation changes and modifications in the programme areas.
	Time risk - delay in commitment and disbursement of funds (7)	Due to the programme delay the period for project implementation is shorter while the amount of the grant especially for the open call is rather high. This might endanger spending the allocated amount (rather than disbursement) of the funds and thus fulfillment of the programme outcomes.	Middle	Middle	High	Done: - We consulted the project applications with the applicants intensively (there were around 500 questions tackled). - There were several seminars for applicants in February and August 2014. - We promoted the calls widely in accordance with the programme PR strategy. - We managed to shorten the evaluation process of the applications as much as possible (2,5 months for the first round and 2 months for the special call) to keep the implementation period the longest. Planned: - Manage the evaluation of the applications from the 2. round in a 2-3 months period. - Reinforce the administrative capacity of the PO, especially in the monitoring part of the programme.
	Specific programme risk (risk identified in PP relating to PRG)	There were 178 applications submitted within the first round of calls, while we expected to have twice as many (regarding the number of questions	Middle	Middle	Middle	Done: - The promotion of the calls was aimed at different Project Promoters (municipalities and companies, as well as NGOs) by

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⁴⁵ Impact is described as Low, Middle or High according to its scoring gained in the risk analysis. (Low: 1-2, Middle:3-4, High:5)

⁴⁶ Importance is counted as Likelihood multiplied by Impact and described as Low, Middle or High according to its scoring gained in the risk analysis (Low: 1-8, Middle: 9-15, High: 16-25).

Type of objective ⁴³	Risk	Description of risk in the reporting period	Likelihood ⁴⁴	Impact ⁴⁵	Importance ⁴⁶	Mitigation planned/done
	outcomes): concern decrease of the potential applicants (16)	tackled). There were only a few good quality applications for large grants in the PA 29. Thus we had to launch a special call to spend the planned allocation in full. The reason for the lower response rate might be the quite high range of the grant amount to be spent in a shorter period than planned.				several means, such as advertising in media, seminars for applicants, FAQ on the programme website etc. - We prepared a summary of the failures in submitted applications from the first calls to help the applicants to better prepare their applications. - We cooperate with the Project Promoters very intensively and in a user-friendly manner.
	Specific programme risk: reaching outcomes at project/ programme level (17)	The definition of the programme outcomes and its outputs more than 3 years before the project implementation is rather complicated, as well as setting the specific allocation for every particular outcome. While the outcomes are highly interconnected in their contents and the single outcome allocation is smaller than the maximum grant amount, the projects combine several outcomes. Therefore it is almost impossible to reach the planned outcomes allocation.	High	Middle	Middle	Done: - We requested for the transfer of the funds between some outcomes within the PA 28 to reflect and satisfy the applicants' demands (as well as the needs of the Czech society). - We adapt the project reports to monitor the implementation of the projects in accordance with the planned programme outcomes. - We advise the applicants of the current calls to apply just for one outcome in order to reach the planned allocation without the necessity to request another transfer of funds between the outcomes.
Bilateral outcome(s):	Bilateral relations (13)	The first projects started during the second half of the year 2014. So far, no Project Promoter applied for the grant from the Fund for Bilateral Relations. The capacity of Norwegian partners for the Czech PP might have run out (because of previous partnerships with other Beneficiary States).	Middle	Low	Middle	Done: - We organized a conference to share the experiences between the projects supported by EEA/Norway Grants in other countries (in November 2014). - We promote the Fund at the seminar for PPs, via email and the programme website. Planned: We plan to promote relevant events or surveys from Norway through the programme website, as well as finding some new contacts or Norwegian experts and organisations to strengthen bilateral relations.
Operational issues:	Management and control structures, programme management (5)	The Programme Operator's Manual for the implementation of Programme CZ 12 was approved by the Audit Authority in September 2014. The programme is implemented in accordance with the Manual and the Regulations.	Low	Middle	Low	Planned: The revision of the Manual and other related documents once a year.
	Programme implementation set up (6)	The PO's Manual and the other relevant manuals for PPs for the implementation of the programme and the projects were prepared in time.	Low	Low	Low	Planned: - The revision of the Manual and other related documents once a year or when needed. - To have the relevant information or the rules on how to implement the programme from the NFP/ FMO in time.
	Reports and irregularities within programme (10)	There were no irregularities in the programme or the projects yet. We as the PO submit all the reports in time and in due form.	Low	Low	Low	Done/planned: To submit the reports in time.
	Programme audits/controls (11)	The Audit Authority carried out the exceptional audit (in conjunction with the management and control system of the PO) and there were no negative findings.	Low	Middle	Low	Done/planned: To submit the reports in time and to cooperate with the controlling subject.

Type of objective ⁴³	Risk	Description of risk in the reporting period	Likelihood ⁴⁴	Impact ⁴⁵	Importance ⁴⁶	Mitigation planned/done
		There were some controls from the NFP or the CA during the selection process, preparation of the IFRs etc. The positive results confirm that the programme team is very experienced.				
	Information system (14)	The PO has its functional IT systems for the administration of the programme (accountancy Pohoda) and for the project applications, evaluation and monitoring (online database Grantys and Formsite). The system of NFP for Norway Grants (Viola) for financial management, as well as DoRIS had to be adapted to the donors' and the programme needs.	Low	Middle	Low	Done/planned: - To have the sufficient personel and technical capacity of the PO. - Clear instructions on how to work with the external IT systems (Viola, Doris) in time. - To attend relevant workshops (concerning Viola and Doris system etc.)
	Corruption risk (15)	The PO is a very experienced foundation with its own check and ethical system.	Low	Middle	Low	Done/planned: - To follow the check and control systems and the CZ 12 Manual. - To sign the ethical codex of the programme (obligatory for the programme team, evaluators and members of the selection committees).
	Programme financial demands (1)	Due to the experiences of the Open Society Fund Prague as the PO the risk is low.	Middle	Low	Low	Done/planned: - To follow the check and control systems and the CZ 12 Manual. - To have experienced employees at the programme position of Financial Manager, Accountant and the Programme Manager. - To audit the PO.
	Type of Programme Operator (2)	Open Society Fund Prague is an experienced organization, it administers different kind of grants for more than 20 years.	Middle	Low	Low	Done/planned: - To evaluate the programme team once a year.
	Programme complexity (3)	Programme has both open calls and small grant scheme, it doesn't have the pre-defined projects. However, the rules are described in detail in Regulations, so the risk should not be high.	Middle	Middle	Middle	Done/planned: - To set up the management and control system of PO functionally and effectively and in line with the Regulation.
	Programme Agreement conditions (4)	The risk is low, the agreement contains standardized conditions.	Middle	Middle	Middle	
	Number of programme partners (12)	Not relevant: There is no programme partner in CZ 12.	-	-	-	-

Programme CZ13

Type of objective ⁴⁷	Risk	Description of risk in the reporting period	Likelihood ⁴⁸	Impact ⁴⁹	Importance ⁵⁰	Mitigation planned/done
Cohesion (Programme) outcomes:	Programme absorption capacity	The absorption capacity is planned well. The Programme consists from one PDP only .	Low	High	Middle	Working sessions with experts, information seminars and events, publicity.
	Legislation changes	The Programme is not directly dependent on adoption of a new legislative, however, some impact on legislative measures in CR is to be expected in near future.	Low	Middle	Low	Not applicable (The potential impact on future legislative measures should reflect the principles promoted by the Programme in a positive manner.)
	Time risk - delay in commitment and disbursement of funds	The Programme was approved, the PA signed, the PDP approved in 2014. No delays expected. The realization of PDP activities is scheduled within the eligibility period of costs / expenditures.	Low	High	Middle	To speed up the administrative steps towards commencement of the Programme / PDP. To overcome difficulties due to shift of the PDP Promoter to the OfG.
	Specific programme risk (risk identified in PP relating to PRG outcomes)	No significant specific risks identified. - Administrative difficulties in clear arrangement of reporting can be expected, starting with 2015 (the Programme covers 2 programme areas by means of two main outcomes, both of them are measured via an identical indicator - a media campaign).	Low	High	Middle	Proper choice of reporting strategy in achievement of the indicator, distinguishing the topics reported within both outcomes, well informed stakeholders during the implementation.
Bilateral outcome(s):	Bilateral relations	The Bilateral fund at PRG level includes 17.500 EUR for the “measure b)” implementation. The funds will be spent solely for the purpose of the one PDP.	Low	Low	Middle	Reasonable support of bilateral cooperation established within the PDP. Flexible contacts with the Partner ATV.
Operational issues:	Management and control structures, programme management	The Management and Control System is a part of the Programme Operator’s Manual (-	Middle	High	Middle	The general principles incorporated into the Manual as well as into the Partnership agreement with the Programme Partner (MoLSA) and properly applied. Effective methods of communication and co-operation established and utilized.
	Programme implementation set up	The Programme consists of one pre-defined project only.	Low	Middle	Low	The Programme structure is simple - no difficulties expected. The programme and project levels are to be distinguished, if necessary (especially in case of bilateral activities / relations)
	Reports and irregularities within programme	No errors / irregularities identified so far.	Low	Middle	Low	Regular monitoring of the Programme.

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⁴⁸ Likelihood is described as Low, Middle or High according to its scoring gained in the risk analysis. (Low: 1-2, Middle:3-4, High:5)

⁴⁹ Impact is described as Low, Middle or High according to its scoring gained in the risk analysis. (Low: 1-2, Middle:3-4, High:5)

⁵⁰ Importance is counted as Likelihood multiplied by Impact and described as Low, Middle or High according to its scoring gained in the risk analysis (Low: 1-8, Middle: 9-15, High: 16-25).

Type of objective ⁴⁷	Risk	Description of risk in the reporting period	Likelihood ⁴⁸	Impact ⁴⁹	Importance ⁵⁰	Mitigation planned/done
	Programme audits/controls	AO audit in August 2014 – no irregularities /findings	High	Middle	Middle	Providing regular audits / controls according to the plan of controls. Ad hoc checks, if necessary.
	Information system	The Programme Operator established the CEDR IT system which provides necessary utilities for monitoring and reporting as well as flexible communication.	Middle	Middle	Middle	Settin the CEDR IT system into operation, training of operators / staff incl. the Programme Partner personnel in utilization of relevant modules
	Corruption risk	The system of implementation is transparent, the Programme /PDP is managed by credible institutions (MoF). With respect to the PDP, the corruption risk is low.	Low	Middle	Middle	Stress on avoiding the conflict of interests. Pursuant the PA condition, proper archiving the public procurement documentation.

Programme CZ14

Type of objective ⁵¹	Risk	Description of risk in the reporting period	Likelihood ⁵²	Impact ⁵³	Importance ⁵⁴	Mitigation planned/done
Cohesion (Programme) outcomes:	Programme absorption capacity	Irrelevant – the Programme is constituted by 6 PDPs only.	1	5	5	N/A
	Legislation changes	No relevant changes preventing the successful implementation of the Programme arised in 2014.	2	3	6	Upcoming legislation will be monitored in advance and potential impact on the Programme will be evaluated.
	Time risk - delay in commitment and disbursement of funds	Programme has been delayed due to the late signing of the Programme Agreement	4	5	20	Punctual and precise management of the tender procedures by the Promoter, potentially in cooperation with the Operator.
	Specific programme risk (risk identified in PP relating to PRG outcomes)	Tender procedures	4	4	16	Open tenders with precisely stated requirements. Tender procedures planned and realized with sufficient time for elaboration of a quality bid.
Bilateral outcome(s):	Bilateral relations	Only an informal cooperation with the OSCE is planned, without signing of a partnership agreement.	4	3	12	The mutual relations have been set up, the OSCE as well as the Promoter are ready for the cooperation.
Operational issues:	Management and control structures, programme management	The Manual of the Programme Operator was issued on 13 March 2014.	2	5	10	Conducting according to the Manual, regular checks and updates of the Manual, regular meetings with the Promoter and Programme Partner.
	Programme implementation set up	Implementation of 5 out of 6 PDPs started at the end of 2014 / beginning of 2014. Guidelines for the Project Promoter were issued in March 2014.	3	4	12	The Operator discussed the conditions and requirements of the PDP5 with the FMO and the Promoter so the legal act for the grant could be issued promptly.
	Reports and irregularities within programme	No irregularities were reported in the monitoring period.	1	4	4	Evaluation of monitoring reports and on-site controls.
	Programme audits/controls	An extra audit of PO's management structure was realized in August 2014. No findings were identified by the AO.	4	3	12	Setting up the plan of controls.
	Information system	The information and monitoring system CEDR is functional. Continuous adjustments are being carried out.	3	3	9	Intensive cooperation and communication with the contractor responsible for the flawless operation of the system.
	Corruption risk	The NFP control system and tender procedures are set up to prevent any corruption risk.	1	4	4	Evaluation and verification of public procurements, transparent control system and regular checks.

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⁵³ Impact is described as Low, Middle or High according to its scoring gained in the risk analysis. (Low: 1-2, Middle:3-4, High:5)

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Programme CZ15

Type of objective ⁵⁵	Risk	Description of risk in the reporting period	Likelihood ⁵⁶	Impact ⁵⁷	Importance ⁵⁸	Mitigation planned/done
Cohesion (Programme) outcomes:	Programme absorption capacity	The PRG contains 7 PDPs pre-financed from the state budget; therefore the risk of lack of the funds is low. On the other hand, taking into consideration the time constraints (the eligibility deadline), there is not much space for project amendments, especially use of savings.	Low	Middle	Middle	<ul style="list-style-type: none"> - oversight of actual state of project realisation (mainly regular monitoring) - timely information on any changes, problems and efficient use of potential savings
	Legislation changes	PRG is not directly related to implementation of any legislation change. No legislation change related to the PRG occurred during this reporting period.	Low	Medium	Low	<ul style="list-style-type: none"> - sufficient information about PRG and its goals in order to avoid collision with government intention - timely information on any potential legislation changes
	Time risk - delay in commitment and disbursement of funds	All PDPs were verified, Grant Decisions issued. Implementation of all PDPs started in the second half of 2014. Delays may appear mainly in relation to public procurement. Fulfilment of objectives within the set implementation period may be thus threatened.	Middle	High	High	<ul style="list-style-type: none"> - preparation of high quality tender documentation - monitoring of preparation as well as realisation of tenders - assistance to the project promoters throughout the whole procurement process
	Specific risk of the CZ 15 Programme – security risk	The risk concerns PDPs 4 – 7, which are implemented in prisons and may have impact on the set security rules, especially in cases of activities in which direct involvement of prisoners is expected.	Low	Middle	Low	<ul style="list-style-type: none"> - good quality selection of prisoners to be involved in the project - involvement of experienced lectors and trainers - strict compliance with safety rules
Bilateral outcome(s):	Bilateral relations	Partnership is promoted both on the programme and project level. Partnership with the Donor Programme Partner was set up. Partnership agreements with Norwegian partners were signed within PDP2 and PDP3. The cooperation shall be further enhanced within the bilateral fund on programme level (measure B). The risk concerns mainly clarity of roles of the partners, time capacity of involved experts and lack of interest in realization of bilateral activities beyond scope of approved projects.	Low	Low	Low	<ul style="list-style-type: none"> - support of bilateral relations through the websites of all relevant stakeholders - clear definition of the roles of the partners, clear specification of common activities (including financing) - good quality planning of activities - active cooperation and communication among partners

⁵⁵ The risks should be categorised in one of 3 ways, depending on whether it poses a risk to the cohesion objective, the bilateral objective, or is more of an operational issue.

⁵⁶ Likelihood is described as Low, Middle or High according to its scoring gained in the risk analysis. (Low: 1-2, Middle:3-4, High:5)

⁵⁷ Impact is described as Low, Middle or High according to its scoring gained in the risk analysis. (Low: 1-2, Middle:3-4, High:5)

⁵⁸ Importance is counted as Likelihood multiplied by Impact and described as Low, Middle or High according to its scoring gained in the risk analysis (Low: 1-8, Middle: 9-15, High: 16-25).

Type of objective ⁵⁵	Risk	Description of risk in the reporting period	Likelihood ⁵⁶	Impact ⁵⁷	Importance ⁵⁸	Mitigation planned/done
Operational issues:	Management and control structures, programme management	Management and control structure at the national level has been approved by the audit authority and the FMO. PO manuals and procedures were finalized and approved. At this stage, the risk concerns mainly knowledge and compliance with the set rules and personal capacities within the management structures.	Middle	Middle	Middle	<ul style="list-style-type: none"> - providing support to all stakeholders regarding rules of programme/project implementation (seminars, trainings, provision of information on web etc.) - regular update of manuals and procedures - ensuring stability of management structures
	Programme implementation set up	Manuals and procedures at national level and PO level (i.e. guidelines for applicants, open calls, small-scale tenders, eligibility of expenditures, etc.) were issued. Major changes in the set up are not foreseen.	Low	Middle	Middle	<ul style="list-style-type: none"> - continuous evaluation of the system's functionality and possible adjustments - regular update of manuals and procedures
	Reports and irregularities within programme	Programme and PDP implementation is in its initial stage; no irregularities were reported.	Low	Middle	Low	<ul style="list-style-type: none"> - regular programme monitoring in line with the plan - consistent verification of monitoring reports and on-the-spot controls.
	Programme audits/controls	All PDPs shall be checked on- the- spot by the PO. An extraordinary audit of the PO management structure was carried out by the Audit Authority in August 2014. The audit did not identify any findings. Other audits and controls may be carried out by audit authorities of the Czech Republic etc.	High	Middle	Middle	<ul style="list-style-type: none"> - set up of audit and control plans - regular monitoring, on-the-spot visits and audits.
	Information system	The information and monitoring system CEDR is in service. Adjustments are ongoing. At this stage the risk relates mainly to the knowledge of the system and abilities to work with it properly.	Middle	Middle	Middle	<ul style="list-style-type: none"> - adjustments of the system in order to fix all imperfections - intensive cooperation with the contractor to minimize breakdowns and failures - providing support to all stakeholders (manuals, training etc.)
	Corruption risk	Programme implementation set-up is transparent, rules and procedures are clearly stated in manuals and guidelines.	Low	Middle	Low	<ul style="list-style-type: none"> - transparent Programme implementation set-up - regular controls

Annex 5 - RISK ANALYSIS AT PROGRAMME LEVEL

PRG No.	PRG Title	total – programme
CZ01	Technical Assistance + Bi-fond	104
CZ02	Biodiversity & Environmental Monitoring & Climate Change	167
CZ03	NGO Programme	126
CZ04	Children and Youth at Risk	177
CZ05	Local and Regional Initiatives - Social Inclusion	115
CZ06	Cultural Heritage and Contemporary Arts	172
CZ07	Scholarship	176
CZ08	Pilot studies and surveys on CCS technology	179
CZ09	Research Support Fund	154
CZ10	Capacity-building and Institutional Cooperation	125
CZ11	Public Health Initiatives	167
CZ12	Mainstreaming Gender Equality	155
CZ13	Domestic and Gender-based Violence	109
CZ14	Schengen Cooperation and Organised Crime	148
CZ15	Judicial Capacity-building Cooperation; Correctional services, incl. Non-custodial sanctions	130

Total - programme	Points	Colour
Low	1-128	
Middle	129-240	
High	241-400	

PRG No.	PRG Title	Programme financial allocation	Type of Programme Operator	Programme complexity	Conditions stated in PA	Management and control structures, programme management	Programme implementation set up	Time risk - delay in commitment and disbursement of funds	Programme absorption capacity	Legislation changes	Reports and irregularities within programme	Programme audits/controls	Number of programme partners	Bilateral relations	Information system	Corruption risk	Specific programme risk	Specific programme risk - description	total - programme
CZ01	Technical Assistance + Bilateral fund	6	6	12	3	10	4	5	5	3	8	12	2	6	9	4	9	Reallocation of funds	104
CZ02	Biodiversity & Environmental Monitoring & Climate Change	15	6	15	12	10	12	20	10	3	4	12	6	9	9	4	20	Failure to fulfill indicators	167
CZ03	NGO Programme	12	6	12	3	10	8	15	5	6	4	12	4	6	3	8	12	Project irregularities	126
CZ04	Children and Youth at Risk	9	6	15	12	10	12	20	25	15	4	12	6	9	9	4	9	Unsatisfactory communication with regions and municipalities	177
CZ05	Local and Regional Initiatives - Social Inclusion	3	6	3	9	10	12	15	5	6	4	12	2	6	9	4	9	Non-functional cooperation with other departments	115
CZ06	Cultural Heritage and Contemporary Arts	15	6	15	12	10	12	25	5	3	4	12	6	9	9	4	25	Insufficient project's quality	172
CZ07	Scholarship	9	9	9	9	15	12	25	25	3	4	9	6	9	9	4	16	Communication risk	176
CZ08	Pilot studies and surveys on CCS technology	12	6	9	15	10	12	25	20	6	4	12	4	6	9	4	25	Failure to fulfill indicators	179
CZ09	Research Support Fund	15	6	9	9	15	12	10	5	6	4	12	4	6	12	4	25	Personal changes in key positions	154
CZ10	Capacity-building and Institutional Cooperation	3	6	3	15	10	12	20	5	3	4	12	2	6	9	4	6	Change of attitude towards anticorruption strategy	125

PRG No.	PRG Title	Programme financial allocation	Type of Programme Operator	Programme complexity	Conditions stated in PA	Management and control structures, programme management	Programme implementation set up	Time risk - delay in commitment and disbursement of funds	Programme absorption capacity	Legislation changes	Reports and irregularities within programme	Programme audits/controls	Number of programme partners	Bilateral relations	Information system	Corruption risk	Specific programme risk	Specific programme risk - description	total - programme
CZ11	Public Health Initiatives	15	6	15	9	10	12	20	15	3	4	12	6	6	9	4	12	Programme focus on two different health care areas	167
CZ12	Mainstreaming Gender Equality	12	12	15	9	5	4	15	15	9	4	12	2	9	3	4	25	Failure to fulfill outcome indicators	155
CZ13	Domestic and Gender-based Violence	3	6	3	9	10	12	10	5	6	4	12	2	6	9	4	8	Insufficient cooperation with public authorities	109
CZ14	Schengen Cooperation and Organised Crime	12	6	6	12	10	12	20	5	6	4	12	2	12	9	4	16	Tender procedures	148
CZ15	Judicial Capacity-building Cooperation; Correctional services, incl Non-custodial sanctions	9	6	6	12	10	12	20	5	3	4	12	6	6	9	4	6	Staff turnover of the PMS	130
Total - risk	x	150	99	147	150	155	160	265	155	87	64	180	60	114	126	66	226		x

Total - programme	Points	Colour
Low	1-128	
Middle	129-240	
High	241-400	

ANNEX 5 – RISK ASSESSMENT AT THE NATIONAL LEVEL

Type of objective ⁵⁹	Description of risk	Likelihood ⁶⁰	Impact ⁶¹	Importance ⁶²	Mitigation planned/done
Cohesion objective:	Time risk - delay in commitment and disbursement of funds	middle	high	high	-prolongation of individual projects -acceleration of stages required for the announcement of programme calls and verification of selection procedure -flexible approval of project modifications -intensive project monitoring including on-the-spot visits -regular meetings with POs
Bilateral objective:	Bilateral relations	low	middle	low	-support of Czech and Donor partnership institutions in open calls within the Bilateral Fund at National Level -events organized by the NFP (conferences, round tables, etc.) -research of development of bilateral relations planned in 2015/2016 -close cooperation with Norwegian Embassy in Prague
Operational issues:	Pre-financing from the state budget	low	middle	middle	-regular pre-financing in state budget -NFP's regular check of pre-financing of programmes realized by public institutions
	Co-financing from the state budget	low	middle	low	-regular budgeting of co-financing in state budget -NFP's regular check of co-financing in programmes CZ07 and CZ09
	Management and control system, in accordance with the Regulation	low	high	middle	-regular check and update of Management and Control System by the NFP -regular audits by the Audit Authority
	Establishing an implementation system for EEA/Norway Grants 2009-2014 at national level	low	high	low	-regular updates to all important manuals and guidelines at national level
	Communication between institutions at national level and Programme Operators	low	middle	low	-establishing a system of mutual information via e-mails, meetings, etc. -regular communication among the NFP, CA, AA and PO
	Risk of exchange rate differences	low	middle	middle	-creating reserves on the part of the CA to cover exchange rate risks during the period of EEA/Norway Grants 2009-2014 implementation
	Corruption risks	low	middle	low	-establishing a transparent system and regular monitoring
	Experience of the Programme Operators	low	middle	low	-advisory services for organizations that do not have experience with EEA/Norway Grants

⁵⁹ The risks should be categorised in one of 3 ways, depending on whether it poses a risk to the cohesion objective, the bilateral objective, or is more of an operational issue.

⁶⁰ Likelihood is described as Low, Middle or High according to its scoring gained in the risk analysis. (Low: 1-2, Middle:3-4, High:5)

⁶¹ Impact is described as Low, Middle or High according to its scoring gained in the risk analysis. (Low: 1-2, Middle:3-4, High:5)

⁶² Importance is counted as Likelihood multiplied by Impact and described as Low, Middle or High according to its scoring gained in the risk analysis (Low: 1-8, Middle: 9-15, High: 16-25)

Annex 5 - RISK ANALYSIS AT NATIONAL LEVEL

Risk		Importance
1	Prefinancing from the state budget	4
2	Cofinancing from the state budget	6
3	Management and Control system in line with Regulation	10
4	Implementation set up of EEA and Norway grants 2009-14 at national level	4
5	Communication among national structure and with POs	6
6	Time risk - delay in commitment and disbursement of funds	20
7	Exchange rate risk	3
8	Corruption risk	8
9	Experienced POs	6
10	Bilateral relations	6

Risk classification	Points	Colour
Low	1-8	
Middle	9-15	
High	16-25	

ANNEX 6 – TECHNICAL ASSISTANCE ANNUAL REPORT



ANNUAL REPORT

reporting period: 1.1.2014 – 31.12.2014

CZ01 – Technical Assistance

EEA and Norwegian Financial Mechanisms 2009-2014

1 OVERVIEW OF MAIN ACTIVITIES

During the year 2014 the following activities financed from the Technical Assistance were realized:

Personal and motivation expenditure related to employees of National Focal Point (NFP), Certifying Authority (CA) and Audit Authority (AA) were paid. It concerns 1 employee of AA, 1 employee of CA and in total 3 employees (financed part time – 10%, 30% and 100%, the last two since September and July 2014) and 1 half-time external expert of the NFP (since September 2014). There was an increase in number and workload of the NFP's staff paid from the Technical Assistance in July 2014 caused by the shift of some competences from the CA to the NFP. Also the motivational expenditure – additional benefits for all employees of the NFP, CA and AA were paid.

During the year 2014 several foreign trips of the NFP and CA staff were realized related to workshops and seminars concerning irregularities, communication, risk management and exchange of experience. The NFP organized the Annual Meeting and related site-visits in October 2014, training in DoRIS for Programme Operators (May 2014) as well as for NFP's, CA's and AA's employees (August and December 2014) and several technical meetings with the FMO and/or Programme Operators. Also the round table for minorities took place in March 2014. For the meetings organized by the NFP organizational and technical types of expenditures were paid.

Under the promotional and information activities the 2nd Open Call of the Fund for bilateral relations at national level dedicated to regions and municipalities was launched in October 2014.

The audit strategy was prepared and submitted to the FMO in August 2014.

On-the-spot verifications as well as reviews and evaluations not started yet as the programmes are in the initial stages of their implementation.

No irregularities related to the Technical Assistance were discovered in 2014.

2 BUDGET OVERVIEW

The Technical Assistance budget is used continuously according to the needs of the NFP, CA and/or AA for all types of Technical Assistance activities. The same applies for the budget of the Fund for bilateral relations at national level.

ACTUAL EXPENDITURE IN 2014

		6. IFR (Jan - Apr)		7. IFR (May - Aug)		8. IFR (Sept - Dec)	
TA	NFP	26 450 CZK	964 EUR	58 441 CZK	2 129 EUR	514 807 CZK	18 621 EUR
	CA	303 566 CZK	11 069 EUR	325 178 CZK	11 834 EUR	583 009 CZK	21 104 EUR
	AA	128 812 CZK	4 692 EUR	223 048 CZK	8 122 EUR	387 325 CZK	14 026 EUR
TOTAL TA		458 828 CZK	16 725 EUR	606 667 CZK	22 085 EUR	1 485 141 CZK	53 751 CZK
BF		248 504 CZK	9 043 EUR	485 568 CZK	17 695 EUR	331 255 CZK	11 993 EUR
TOTAL		707 332 CZK	25 768 EUR	1 092 235 CZK	39 780 EUR	1 816 396 CZK	65 744 EUR

TOTAL 2014	
3 615 963 CZK	131 291 EUR

CUMULATIVE EXPENDITURE Jun 2011 – Dec 2014

		BUDGET	TOTAL DISBURSED		REMAINS
TA	NFP	840 252 EUR	4 207 373 CZK	164 373 EUR	675 879 EUR
	CA	532 199 EUR	2 995 021 CZK	113 358 EUR	418 841 EUR
	AA	604 549 EUR	2 638 324 CZK	101 252 EUR	503 297 EUR
TOTAL TA		1 977 000 EUR	9 840 718 CZK	378 983 EUR	1 598 017 EUR
BF		889 000 EUR	4 517 633 CZK	173 286 EUR	715 714 EUR
TOTAL		2 866 000 EUR	14 358 351 CZK	552 269 EUR	2 313 731 EUR

PLANNED EXPENDITURE 2015

		2015	
TECHNICAL ASSISTANCE – TOTAL		9 148 145 CZK	345 213 EUR
I. Additional management systems		3 672 344 CZK	138 579 EUR
II. Monitoring Committee, annual and other meetings		539 991 CZK	20 377 EUR
III. Meetings and conferences to share experience		184 228 CZK	6 952 EUR
IV. Promotional and information activities		484 976 CZK	18 301 EUR
V. Audits		2 310 005 CZK	87 170 EUR
VI. On-the-spot verifications		1 791 612 CZK	67 608 EUR
VII. Reviews and evaluation		149 990 CZK	5 660 EUR
Other		14 999 CZK	566 EUR
FUND FOR BILATERAL RELATIONS – TOTAL		7 950 000 CZK	300 000 EUR
TOTAL		17 098 145 CZK	645 213 EUR

3 PROCUREMENTS

In December 2014 the NFP launched the small-scale tender (under the national thresholds for the procurement) for the Promotion and publicity of the EEA/Norwegian Financial Mechanisms 2009-2014. Based on the evaluation in January 2015 the framework contract will be signed for preparation of brochures and other promotional materials for all programmes and activities under Financial Mechanisms, incl. the Technical Assistance and Fund for bilateral relations at national level.

No other procurement has been carried out.

4 STAFFING

Name of staff	Official position	Main tasks	Level of effort (% of working time)	Funded through the Grants (Y/N)	Contact details
National Focal Point: Ministry of Finance – Centre for Foreign Assistance					
Ms. Martina Bečvářová	Head of Monitoring Unit	Coordination of monitoring and evaluation of implemented programmes	25%	N – (a remuneration)	martina.becvarova@mfcz.cz Tel. +420 257 044 572
Ms. Veronika Imrich Dudková	Deputy Head of Monitoring Unit	TA budget, reporting to the FMO (e.g. strategic report), overall monitoring, evaluation coordinator	20%	N – (a remuneration)	veronika.dudkova@mfcz.cz Tel. +420 257 044 563
Mr. Jiří Koudar	Programme manager	TA budget, partly monitoring of programmes CZ03, CZ12	10%	N – (a remuneration)	jiri.koudar@mfcz.cz Tel. +420 257 044 592
Ms. Eva Neumanová	Financial manager	Monitoring and financial control of the programmes CZ03 and CZ12, Fund for bilateral relations at national level - monitoring	100%	Y – 100%	eva.neumanova@mfcz.cz Tel. +420 257 044 335
Ms. Renata Mánková	Programme manager	Monitoring of programmes CZ07, CZ09, partly Fund for bilateral relations at national level - monitoring	10%	N – (a remuneration)	renata.mankova@mfcz.cz Tel. +420 257 044 579
Ms. Šárka Sovová	Head of Preparation and Coordination Unit	Preparation and coordination of implementation of Programmes	20%	N – (a remuneration)	sarka.sovova@mfcz.cz Tel. +420 287 044 565

Name of staff	Official position	Main tasks	Level of effort (% of working time)	Funded through the Grants (Y/N)	Contact details
Mr. Tomáš Tesař	Deputy Head of Preparation and Coordination Unit	Fund for bilateral relations at national level - preparation and Coordination of Open Calls	60%	N – (a remuneration)	tomas.tesar@mfcz.cz Tel. +420 257 044 564
Mr. Vlastimil Vaněk	Programme Coordinator	Preparation and Coordination – CZ01	30%	Y – 30%	vlastimil.vanek@mfcz.cz Tel. +420 257 044 593
Ms. Monika Toušová	Programme Manager	Preparation and coordination of budget for CZ01, reimbursements	70%	N – (a remuneration)	monika.tousova@mfcz.cz Tel. +420 257 044 562
Ms. Zuzana Vacková	Publicity Manager	Publicity of the programme, organisational and technical support	20%	Y – 10%	zuzana.vackova@mfcz.cz Tel. +420 257 044 372
Certifying Authority: Ministry of Finance – National Fund Department					
Mr. Petr Vránek	Head of EEA / Norwegian FM Certification Unit	Coordination of certification	100%	N – (a remuneration)	petr.vranek@mfcz.cz Tel. +420 257 042 819
Ms. Kristýna Lajnerová	Certificator	certification	100%	Y – 100%	kristyna.lajnerova@mfcz.cz Tel. +420 257 044 573
Ms. Barbora Králová	Certificator	certification	100%	N – (a remuneration)	barbora.kralova@mfcz.cz Tel. +420 257 044 079
Ms. Petra Marková	Certificator	certification	100%	N – (a remuneration)	petra.markova@mfcz.cz Tel. +420 257 044 580
Ms. Pavla Vostrovská	Certificator	certification	90%	N – (a remuneration)	pavla.vostrovaska@mfcz.cz Tel. +420 257 042 945
Audit Authority: Ministry of Finance – Audit Authority Department					
Ms. Martina Navrátilová	Head of Audit IV. Unit	Audit of the EEA and Norwegian grants	60%	N – (a remuneration)	martina.navratilova@mfcz.cz Tel. +420 257 043 583
Ms. Věra Kaderová	Officer	Audit of the EEA and Norwegian grants	100%	Y – 100%	vera.kaderova@mfcz.cz Tel. +420 257 044 702
Ms. Hana Laštovičková	Officer	Audit of the EEA and Norwegian grants	100%	N – (a remuneration)	hana.lastovickova@mfcz.cz Tel. +420 257 044 703

Name of staff	Official position	Main tasks	Level of effort (% of working time)	Funded through the Grants (Y/N)	Contact details
National entity for irregularities: Ministry of Finance – National Fund Department					
Ms. Pavla Vostrovská	Certifying Authority – Certificator	Evidence and reporting of irregularities	10%	N – (a remuneration)	pavla.vostrovaska@mfcz.cz Tel. +420 257 042 945

5 THE COMING YEAR

For the year 2015 the National Focal Point, Certifying Authority and Audit Authority will continue in the implementation, monitoring, certification and audit of the EEA/Norwegian Financial Mechanisms 2009-2014.

From the Technical Assistance the following activities and expenditures are expected:

Personal and motivation expenditures of NFP, CA and AA will be disbursed for 1 AA's employee, 1 CA's employee and in total 3 NFP's employees and half-time external expert. Also the motivational expenditure – additional benefits for all employees of the NFP, CA and AA will be paid.

Several meetings are planned during 2015: Monitoring Committee meeting in March 2015, Annual meeting in Autumn 2015, other ad-hoc bilateral and technical meetings or workshops and seminars to share experience (organization and technical expenditures to be paid) as well as foreign travel costs of NFP's, CA's and/or AA's employees to participate on meetings abroad.

As part of the promotional and information activities the NFP plans to organize the conference in the mid-term of the implementation of Financial Mechanisms in the second half of the year. For this occasion the brochure and other promotional materials are to be prepared.

Also the development and maintenance of the information systems of NFP, CA and AA is planned. On-the-spot verifications as well as audits of programmes will be carried out by the employees of the CA and AA respectively, the related costs will include domestic travel costs and per diems.