

Evaluation of bilateral cooperation in the European Economic Area (EEA) and Norway Grants

Final report

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List of acronyms

DPP	Donor Programme Partner
EEA	European Economic Area
EU	European Union
EQ	Evaluation question
FM	Financial Mechanism
FMO	Financial Mechanism Office
JCBF	Joint Committee for Bilateral Funds
MFA	Ministry of Foreign Affairs
NFP	National Focal Point
PO	Programme Operator
MoU	Memorandum of Understanding

Executive summary

This **final report** presents findings from the evaluation of bilateral cooperation in the EEA and Norway Grants. The EEA and Norway Grants are funded by Iceland, Liechtenstein and Norway. The Grants have two objectives, namely to reduce social and economic disparities and to strengthen bilateral relations between the three Donor States and the 15 Beneficiary States in Europe¹. For the 2014-2021 grant period, the EEA and Norway Grants amount to €2.8 billion. Funding is channelled through 97 programmes in the 15 Beneficiary States, as well as through regional programmes.

The main tool for bilateral cooperation at the programme level is the involvement of Donor Programme Partners, who are public entities from the Donor States with sectoral expertise in their field of work. All programmes contract projects. At the project level, entities from the Donor States can be project partners. These entities are referred to as donor project partners. In addition to the bilateral cooperation at the programme level and the project level, a minimum of 2% of the total funding is allocated to a Fund for Bilateral Relations at the national level in each of the 15 Beneficiary States. These funds are managed by the Joint Committee for Bilateral Funds in each country. The Joint Committee for Bilateral Funds consists of representatives from the Beneficiary State on the one hand and the Donors on the other. The Bilateral Funds support bilateral initiatives implemented in cooperation between Donor State and Beneficiary State entities.

The evaluation of bilateral cooperation in the EEA and Norway Grants was carried out between March 2023 and September 2023. Its objective is to assess the effectiveness and sustainability of the current setup and work related to bilateral cooperation in the 2014-2021 Financial Mechanism for the EEA and Norway Grants. It provides answers to 10 evaluation questions with sub-questions: nine questions related to effectiveness and one to sustainability. The evaluation questions are interrelated and aim to analyse in detail key elements of the bilateral cooperation, such as: stakeholder roles; accessibility and clarity of the rules and regulations; added value of having a Bilateral Fund managed at national level and Bilateral Funds at programme level; and sustainability of the established relations. The questions also aim to explore how the practices have evolved over the years and how the setup of the bilateral work at different levels could be improved to better reach the bilateral objective.

The cut-off date of the data used in the report is 31 July 2023. The evaluation is based on a sample of 11 programmes, 33 partnership projects and 33 bilateral initiatives. The projects cover all five priority sectors² in six Beneficiary States, namely Bulgaria, Czechia, Lithuania, Poland, Portugal, and Romania. The data was gathered through desk research, as well as interviews and focus groups with key stakeholders³. Surveys were also conducted among Programme Operators of all programmes implemented in partnership in the selected six countries, and among promoters and partners of all projects and bilateral initiatives with donor partners.

The key **findings** from the evaluation are as follows:

Overall, stakeholders assess that bilateral cooperation was further strengthened during the 2014-2021 Financing Mechanism: new experience was acquired, the share of the programmes with Donor Programme Partners increased, and more partnership projects are being implemented.

Understanding of the bilateral objective:

The consulted stakeholders see the bilateral objective through the perspective of their roles and responsibilities. The Ministries of Foreign Affairs of the Donor States and the National Focal Points are concerned more with the strategic element of the cooperation. The Programme Operators and Donor

¹ The 15 Beneficiary States are Bulgaria, Croatia, Czech Republic, Cyprus, Estonia, Greece, Hungary, Latvia, Lithuania, Malta, Poland, Portugal, Romania, Slovakia and Slovenia. On 21 December 2020, Iceland, Liechtenstein and Norway signed new cooperation agreements with Hungary on several new programmes under the EEA and Norway Grants 2014-2021. However, the Donor States, Iceland, Liechtenstein and Norway, did not reach an agreement with Hungary on the appointment of a Fund Operator to manage the funding for civil society. As a consequence, and as foreseen in the cooperation agreements, no programmes will be implemented in Hungary under the EEA and Norway Grants during the 2014-2021 funding period.

² (1) Innovation, Research, Education and Competitiveness; (2) Social Inclusion, Youth Employment and Poverty Reduction; (3) Environment, Energy, Climate Change and Low Carbon Economy; (4) Culture, Civil Society, Good Governance and Fundamental Rights and Freedoms; (5) Justice and Home Affairs; see 2014-2021 [Blue book](#)

³ The stakeholders included the FMO, National Focal Points (NFPs), Programme Operators (POs), Ministries of Foreign Affairs of Beneficiary and Donor States, Donor State Embassies, Donor Programme Partners (DPPs), as well as promoters and partners under projects and bilateral initiatives.

Programme Partners concentrate on their sectoral objectives. Project promoters and partners have a narrower view related to the projects and initiatives they implement. All stakeholders at the national, programme and project level agree that the rules, regulations, and guidelines are accessible, clear, and possible to implement. Nevertheless, on several occasions, Donor Programme Partners and Programme Operators were not sure how to use the national level Bilateral Funds. The National Focal Points provided guidance on this matter.

Added value of the Bilateral Fund:

The Bilateral Fund's *national component* brings added value by enabling support for actions that are outside of the programmes' scope, including addressing some common political priorities. However, some countries used the funds more strategically than others. Therefore, overall, this opportunity was not fully utilised. The Joint Committee for Bilateral Funds is considered useful as it allows for the sharing of decision-making responsibilities. However, the priorities of the Donor and Beneficiary States, as well as their understanding of how the funds can be used, do not always overlap.

Overall, *Bilateral Fund allocations in programmes* are seen as an important tool for strengthening bilateral relations. They help not only to implement bilateral initiatives which are important for the respective areas but also to support activities that enhance the development of project-level partnerships.

Cross-programme activities, while not envisaged directly within the Grants' framework, are assessed very positively by POs, DPPs, NFPs, MFAs and promoters and partners involved in them.

Donor Programme Partners' role and contribution:

Donor Programme Partners play a crucial role in strengthening bilateral relations. Their contribution is valuable both during programme development and implementation, particularly for improving the programmes' quality and facilitating the identification or guidance of Donor State partners. However, Donor Programme Partners' involvement varies significantly, and the majority of the consulted stakeholders agree that their role could be better defined.

The capacity of Iceland and Liechtenstein to get involved in bilateral cooperation and support project level partnerships is limited. While Norway operates with 18 DPPs, Liechtenstein and Iceland operate with one and two, respectively.

Donor project partners' contribution to and benefits from the bilateral cooperation:

Finding a suitable partner is a key challenge for bilateral cooperation at the project level. Existing partnership databases are scattered, often sector-specific and with varying functionalities. In the majority of projects implemented in partnership, promoters found their partners by independent search or through their networks or previous partnership, despite the support of the Programme Operators and Donor Programme Partners.

The involvement of donor partners varies from project to project. The selection criteria under the calls do not always provide a basis for assessing the partnership quality. Donor Programme Partners are usually not involved in project assessment. They participate in Selection Committees, which provide the final recommendation on the projects to be supported, but have a limited mandate to change the ranked list of applications. Supporting the establishment of partnerships early in project development leads to a stronger involvement of donor partners. However, due to delays in approving Programme Agreements, such support was not available on time for some calls, or later on, some promoters and partners were not aware of this possibility. Administrative burden for smaller projects could be excessive and discourage partnerships. It should also be mentioned that restrictions on travel and meetings during the Covid-19 pandemic was a challenge for bilateral cooperation.

While donor partners mostly play supportive roles, they get many benefits from the projects and initiatives. These benefits depend on the sector, but generally include exchanges of experiences, cultural exchanges, establishment of relations with institutions in the Beneficiary State, access to EU organisations and networks, access to new markets and new business opportunities.

Sustainability of partnerships:

Successful previous cooperation, common interests and trust are among the key sustainability factors. There are examples of partnerships that continue from the previous financing period at both programme and project level.

Based on the findings the report provides the following **key recommendations**:

1. Donor States should agree on how best to set-up their involvement and distribute their roles to support bilateral cooperation under the Grants, based on their strengths (key areas of excellence and competence), interest, capacity and financial allocations.

2. Donor and Beneficiary States, when developing the programmes under the next Financial Mechanism, should agree on strategic bilateral cooperation actions/priorities to enable translating these objectives into appropriate bilateral activities.
3. Cross-programme activities should be encouraged and enhanced through: (1) including management of such activities in Donor Programme Partners' mandate; and (2) ensuring funding from the Bilateral Fund.
4. Donor Programme Partners' responsibilities should be set at two levels: (1) mandatory responsibilities each Donor Programme Partner must fulfil under a programme; complemented with (2) a list of possible further responsibilities Donor Programme Partners could choose to take up.
5. Programme Operators and Donor Programme Partners should discuss and agree on their roles and responsibilities at the programme outset, including Donor Programme Partners' role and involvement beyond the mandatory requirements.
6. Programme Operators should encourage development of joint applications by ensuring funding for that purpose from the Bilateral Fund, promote this opportunity among potential promoters and partners and provide support on time.
7. Bilateral cooperation funding opportunities should be better promoted in Donor States. Donor Programme Partners (or other Donor State entities) should be more involved in supporting project promoters to identify suitable partners.
8. FMO should create and maintain one centralised partnership database for all countries, programmes and sectors.
9. Programme Operators should ensure that the assessment criteria under the calls provide for a more thorough assessment of project partnerships.
10. The Grants regulations should introduce Selection Committee with a mandate to evaluate the bilateral cooperation part of project applications based on clear criteria established in call documents.
11. Programme Operators should ensure, as far as possible and based on national rules, that requirements are proportionate to the funding provided and to associated risks. Where possible, simplified costs should be applied.

1. Conclusions and recommendations

Conclusions and recommendations are grouped and presented according to key opportunities for improvement. The organisations responsible to implement recommendations are also indicated.

Enhance Donor States' capacity to engage and support bilateral cooperation

Conclusion	Recommendation	Responsible body
<p>The three Donor States have limited capacity to respond to bilateral cooperation requests (particularly at project level) from numerous entities in the 15 Beneficiary States.</p> <p>Currently Iceland and Liechtenstein do not have the capacity to participate fully in the work of all the Joint Committee for Bilateral Funds, and must prioritise. They also have limited resources to support partnerships in the areas that are not covered by their Donor Programme Partners.</p> <p>Some Norwegian Donor Programme Partners are involved in 7-10 programmes and Beneficiary States. Therefore, they experience challenges to effectively support all programmes they are involved in.</p>	<p>R1. Donor States should agree on how best to set-up their involvement and distribute their roles to support bilateral cooperation under the Grants, based on their strengths (key areas of excellence and competence), interest, capacity and financial allocations.</p>	<p>Donor States Ministries of Foreign Affairs</p>

Further promote the strategic focus of bilateral cooperation

Conclusion	Recommendation	Responsible body
<p>The more strategic focus of bilateral cooperation⁴ introduced in 2014-2021 Financial Mechanism is largely welcomed by the Joint Committee for Bilateral Funds' members.</p> <p>The Bilateral Fund's national component enables support for actions that are outside of the programmes' scope and to address some common political priorities.</p> <p>However, the practices in the countries vary and this opportunity was not fully utilised.</p>	<p>R2. It is recommended that Donor States and Beneficiary States, during the programming of the next Financial Mechanism, discuss and agree on strategic bilateral cooperation actions/priorities to enable translating these objectives into appropriate bilateral activities.</p>	<p>Donor States and Beneficiary States Ministries of Foreign Affairs</p>
	<p>R3. To align practices in the Beneficiary States on the way Bilateral Fund is managed, the Financial Mechanism Office should elaborate guidelines for National Focal Points.</p>	<p>Financial Mechanism Office</p>

Promote and enhance cross-programme activities

Conclusion	Recommendation	Responsible body
<p>Cross-programme activities emerged naturally during Grants implementation from the need of the Donor Programme Partners to streamline their work in several Beneficiary States, or from the need to ensure cooperation between two or more programmes in one beneficiary state in a certain area. These activities have been assessed positively by stakeholders both in Beneficiary and Donor States. Through cross-programme activities Beneficiary State entities can expand their networks</p>	<p>R4. In the next Financial Mechanism, cross-programme activities should be promoted and enhanced. This could be done through: (1) providing Donor Programme Partners with a mandate and resources to implement such activities (FMO); (2) ensuring funds from the Bilateral Fund for such activities (POs and NFPs).</p>	<p>Donor States Financial Mechanism Office Programme Operators National Focal Points</p>

⁴ See section 4. Background and context of the evaluation

<p>and learn from other Beneficiary States, and Donor State entities can operate more efficiently.</p> <p>The implementation of these activities was funded by each participant through the allocated Bilateral Funds under the respective programme and there have not been significant difficulties, apart from the lack of awareness that such activities are possible. However, although desired, without allocated resources, making use of the possible synergies was difficult to prioritise.</p>		
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Clarify Donor Programme Partners' role and contribution

Conclusion	Recommendation	Responsible body
<p>Donor Programme Partners have a key role in bilateral cooperation at the programme level and in facilitating cooperation at the project level. However, their roles and engagement vary. The current set-up provides many possibilities for Donor Programme Partners to be engaged according to their interest and capacity.</p> <p>Clarifying the Donor Programme Partners' role could lead to their more homogeneous involvement in programmes and thus ensure a standard level of engagement.</p> <p>On the other hand, although in general Donor Programme Partners are satisfied with the level of cooperation with Programme Operators, some of them noted that Programme Operators do not engage them to their full potential.</p>	<p>R5. Consider setting-up Donor Programme Partners' responsibilities at two levels: (1) mandatory responsibilities each Donor Programme Partner has to fulfil in a programme supported under the Grants; complemented with (2) an extended list of other possible Donor Programme Partners activities/involvement.</p> <p>R6. Programme Operators and Donor Programme Partners could consider discussing and agreeing on their roles and responsibilities at the programme outset, including Donor Programme Partner's role and involvement beyond the mandatory requirements.</p>	<p>Donor States Financial Mechanism Office</p> <p>Programme Operators and Donor Programme Partners</p>

Enhance project level partnerships

Conclusion	Recommendation	Responsible body
<p>Finding a suitable partner is a key challenge faced by promoters.</p> <p>Existing partnership databases are not fully effective as these are sector specific, scattered and with varying functionalities.</p> <p>Excessive administrative requirements discourage promoters and donor partners, particularly in the case of smaller projects (grants), from applying and implementing projects.</p>	<p>R7. Bilateral cooperation funding opportunities should be better promoted in Donor States and more support should be provided by Donor Programme Partners (or other Donor State entities) to project promoters to identify suitable partners.</p> <p>R8. The Financial Mechanism Office should create one centralised user-friendly partnership database for all countries, programmes and sectors. The FMO should maintain and promote the database and encourage stakeholders to use and populate it.</p> <p>R9. The grants requirements should be made proportionate to the funding provided and to associated risks. For smaller grants with less risks, Programme Operators, considering the national rules, and advised by DPPs on Donor States rules and procedures for financial reporting, should apply limited requirements. Where possible, simplified cost options should be applied.</p>	<p>Donor Programme Partners or other Donor State bodies as appropriate</p> <p>Financial Mechanism Office</p> <p>Programme Operators and Donor Programme Partners</p>

Ensure quality cooperation at project level

Conclusion	Recommendation	Responsible body
<p>The engagement of donor partners in projects and bilateral initiatives varies.</p> <p>Supporting the establishment of partnerships early in project development leads to stronger involvement of donor partners. However, this possibility was not fully used, as funds were not available on time or promoters and partners were not aware of this possibility.</p> <p>The selection criteria under the calls do not always provide a basis for assessing the partnership quality.</p>	<p>R10. Financial Mechanism Office should prepare guidance to Programme Operators on how to encourage and support development of joint project proposals.</p> <p>The Programme Operators should allocate funding for that purpose under the programmes' Bilateral Funds, make the potential promoters and partners aware of this possibility and provide timely support to them.</p>	<p>Financial Mechanism Office Programme Operators</p>
<p>Donor Programme Partners are usually not involved in project assessment. They participate in Selection Committees which provide the final recommendation on the projects to be supported. However, the committees do not have a mandate to meaningfully influence the selection process. They intervene after the assessment has been completed and either do not propose any changes to the selection at all or propose changes which can be seen as disputable as these are not based on formally adopted criteria.</p>	<p>R11. Assessment criteria under the calls should provide for a more thorough assessment of the partners' capacities and distribution of their roles, and how these support project implementation and partnerships.</p> <p>Project selection should be organised in three phases: (1) administrative assessment; (2) technical assessment and (3) bilateral cooperation assessment. The first two phases will be implemented as usual. The third phase will entail assessment of the projects envisaged to be implemented in partnership. It will bring extra points to the partnership projects and will be based on the bilateral cooperation criteria, as defined in the calls. The third phase should be implemented by the Selection Committee. This project assessment set-up should be regulated in the Grants Regulations.</p>	<p>Financial Mechanism Office Programme Operators and Donor Programme Partners</p>

2. Answers to the evaluation questions

2.1. Understanding of the bilateral objective and its set-up

One of the two key objectives of the EEA and Norway Grants is strengthening bilateral relations between the Donor and Beneficiary States. Bilateral cooperation was introduced as a key objective in the 2004-2009 FM and has been continued in the subsequent periods.

The Bilateral Fund support bilateral initiatives that have a clear bilateral profile and are implemented in cooperation between Donor State and Beneficiary State entities. International organisations can also participate in bilateral initiatives, provided at least one Donor State entity is also involved.

Each Beneficiary State sets aside a minimum of 2% of its total allocation for a Fund for Bilateral Relations (Bilateral Fund)⁵. The Bilateral Funds are made operational in each Beneficiary States through Bilateral Fund Agreements, the work of the Joint Committee of Bilateral Funds (JCBF) and Work Plans. They cover both the EEA and Norway Grants.

About 75% of the Bilateral Fund are allocated to **the national level** managed by the NFPs through the JCBFs in each country. Part of the Bilateral Fund is channelled through programmes.

Financial allocations for bilateral ambitions **at programme level** at the programme design stage amount to about 25% of the Bilateral Fund on average. The main tool for bilateral cooperation at the programme level is the involvement of Donor Programme Partners, who are mainly public entities from the Donor States with sectoral expertise in their field of work.

All programmes contract projects. At the **project level**, entities from the Donor States can be project partners. These entities are referred to as donor project partners. For more information on the bilateral cooperation set-up in the EEA and Norway Grants, please, see Section 4. Background and context of the evaluation.

EQ1. How do the stakeholders involved in bilateral cooperation at national, programme, and project levels understand the bilateral objective, the set-up, their own role, and the roles of other stakeholders?

Overall, **stakeholders at all levels understand their roles related to bilateral cooperation** in line with the Bilateral Guideline. Interviews suggest that Beneficiary State entities are seen as the primary actor at the national, programme and project levels, while Donor State entities engage in a supporting role. Respondents were generally content with this setup. The only exception is the Donor Programme Partners' (DPP) role. Both the DPPs and other stakeholders indicated that **the DPPs' role should be strengthened and clarified in order to improve bilateral cooperation.**

At the national level, progress towards reaching the bilateral objective is overseen by the Joint Committee for Bilateral Funds (JCBF), which brings together the National Focal Point (NFP) and the Ministry of Foreign Affairs (MFA) of the Beneficiary and respective Donor States (the latter may be represented through their embassies or any other representative appointed by the MFA). The JCBF is responsible for allocating funds for bilateral relations to programmes and identifying initiatives beyond the programmes. It is a platform for the Beneficiary and Donor States to jointly establish bilateral

⁵ Article 4.6.1 of the Regulations.

ambitions, identify priorities and discuss how these can be addressed through specific measures and activities.⁶

Interviewees **highlighted that the MFAs and NFPs have a strategic view on the objectives of the Grants, and the JCBF has a political and coordination role.** The responsibility for ‘day-to-day’ management of the Bilateral Fund lies with the NFPs, through the planning of allocations for all bilateral initiatives at the national level, preparing the application guidelines for bilateral initiatives and communicating with beneficiaries. With the assistance of the respective Donor State embassy, the NFP also supports the identification of a donor partner for an initiative where the partner has not been pre-identified. The NFP is further responsible for the preparation of the Work Plan of the Bilateral Fund. The role of Donor State stakeholders is seen as largely supportive, realised through participating in the selection of applications for Bilateral Fund and promoting cooperation between the countries.

However, **not all stakeholders have a clear understanding of the mandate, role and functioning of the JCBF**, with further complications caused by different procedures in Beneficiary States. In particular, some DPPs noted that more transparency is needed and they have difficulties in accessing information about Bilateral Fund at the national level, and little insight into how they are distributed.

The framework for bilateral cooperation is provided in the Regulations⁷ and the Bilateral Guideline.⁸ The latter outlines stakeholder roles regarding the bilateral objective at the programme level, in particular the role of the DPP vis-a-vis the Programme Operator (PO) and **the Cooperation Committee that serves as the main forum for collaboration** between the two (or more) institutions.⁹ The PO and the DPP are expected to take up contact without delay after the Memorandum of Understanding (MoU) is signed, and cooperate in developing the programme strategy and design. While the responsibility for preparing the programme lies with the PO, the DPP is expected to proactively seek engagement, contributing to stakeholder consultations and development of the concept note, in particular the section on bilateral ambitions.¹⁰

The role of the DPP in the programme implementation phase is that of an advisor and reviewer. As a minimum, DPPs advise on call texts, selection criteria and observe project selection. DPPs should review progress towards reaching programme outputs, outcomes and objectives, examine implementation results and advise on any programme revisions. The Bilateral Guideline highlights the specific role of the DPP with regard to the bilateral objective – through facilitating partnerships at project level, advising on the use of the funds for bilateral relations, informing relevant Donor State entities about partnership opportunities, matchmaking and contributing to exchange of experience and mutual capacity building.¹¹

DPPs understand the role outlined above. Some are, in fact, eager to develop and strengthen their involvement in programme-level bilateral cooperation. Participants’ suggestions included:

- Involving DPPs from the earliest stages of programme design, i.e. the negotiation of programmes, so that they have a stronger role in working towards bilateral and programme objectives. Developing programme documents in cooperation with DPPs, not only in consultation;

⁶ [Bilateral Guideline, EEA and Norwegian Financial Mechanisms 2014-2021](#), point 3.2.1.

⁷ [Regulation on the implementation of the European Economic Area \(EEA\) Financial Mechanism 2014-2021](#), chapter 4; [Regulation on the implementation of the Norwegian Financial Mechanism 2014-2021](#), chapter 4.

⁸ [Bilateral Guideline, EEA and Norwegian Financial Mechanisms 2014-2021](#)

⁹ [Bilateral Guideline, EEA and Norwegian Financial Mechanisms 2014-2021](#), section 4.7

¹⁰ [Bilateral Guideline, EEA and Norwegian Financial Mechanisms 2014-2021](#), section 4.2

¹¹ [Bilateral Guideline, EEA and Norwegian Financial Mechanisms 2014-2021](#), section 4.3

- A stronger involvement in partnership assessment. In most programmes, DPPs do not have the mandate to provide feedback on Donor State entities listed as partners in applications, which inhibits potentially valuable input about the quality of partnerships;
- Clarifying the mandate and influence of DPPs over the use of Bilateral Funds, which would allow them to function as a strategic partner for POs, especially in cases where bilateral cooperation is not given as much priority as programme implementation;
- Strengthening DPPs' role in initiating and planning bilateral activities, which would contribute to strengthening the links to POs and building quality cooperation.

At the same time, national level stakeholders (NFPs and POs) observe **considerable variation in DPPs' roles depending on their capacity and interests in the respective programmes** (see section 2.3 below).

At project level, project promoters have a major role in project development and implementation, including managing and reporting, while donor project partners have a complementary role. Such a set-up is largely accepted and understood, however, some of the interviewed donor project partners argued for a stronger involvement in project development and implementation (see also section 2.4 below).

For the bilateral objective, **an important role is played by project-level activities of the DPPs.** They facilitate initiating cooperation between project promoters and donor project partners by publishing calls on their websites, organising matchmaking events and directly distributing information to relevant stakeholders. Some DPPs also support donor project partners during project implementation, in particular by advising on reporting and documentation. Interviews suggest that donor project partners address questions and concerns to DPPs rather than POs; therefore, DPPs act as first points of contact, relaying queries to POs when necessary.

EQ2. To what extent are the rules, regulations, and guidelines that apply to the bilateral cooperation accessible, clear, and possible to implement for the stakeholders involved at national, programme, and project levels?

The rules, regulations and guidelines that apply to bilateral cooperation are provided in the Regulations and the Bilateral Guideline, and are generally viewed by stakeholders as **clear, accessible and possible to implement**. Information is available primarily online, and relevant actors are available to consult on emerging questions (the FMO and NFPs for POs and DPPs, POs for project promoters, and DPPs for donor project partners). The framework set by the Grants regulations and Bilateral Guideline was characterised as flexible by many actors, in particular members of the JCBF, and Beneficiary State entities largely assessed it positively. Nevertheless, DPPs and donor project partners reported that some aspects of bilateral cooperation are not clear, suggesting that additional guidance could be helpful.

The rules, regulations, and guidelines that apply to bilateral cooperation, provided in the Regulations¹² and the Bilateral Guideline¹³, are generally viewed by stakeholders as clear, accessible, and possible to implement. Information was assessed as readily available at the Grants' and national programmes' websites. In case of questions, stakeholders reached out to relevant institutions: DPPs and POs reached out to the FMO and NFPs, project promoters reached out to POs, and donor project partners reached out to DPPs.

¹² [Regulation on the implementation of the European Economic Area \(EEA\) Financial Mechanism 2014-2021](#), chapter 4; [Regulation on the implementation of the Norwegian Financial Mechanism 2014-2021](#), chapter 4

¹³ [Bilateral Guideline, EEA and Norwegian Financial Mechanisms 2014-2021](#)

Survey data indicates that **project promoters largely perceived the clarity of the bilateral cooperation framework as positively affecting project or initiative cooperation**. Asked about the most important positive factors, 48% respondents indicated that the 'donor partners' role is clearly defined', 38% indicated 'rules and guidelines clarity' and 31.6% that 'project promoters' responsibilities towards partners are clearly defined'. These were the three most frequently indicated positive factors. On the other hand, when asked about factors that negatively affect bilateral cooperation, only 13.1% respondents indicated 'rules and guidelines unclarity', 9.5% indicated that 'donor partners' role is not clearly defined', and 7.8% that 'project partners responsibilities towards partners are not clearly defined'. 9.8% respondents stated that in order to strengthen bilateral cooperation in the future, rules and regulations should be streamlined, and 8.3% indicated that POs and DPPs should provide more guidance and advice. **Donor project partners viewed the framework more ambivalently than project promoters**. Among factors that positively affect bilateral cooperation in projects or initiatives, 36.3% indicated that 'donor project partners' role is clearly defined', 34% - that project promoters' responsibilities are clearly defined, and 25.1% pointed to 'rules and regulations clarity'. Asked to identify negatively affecting factors, 21.5% indicated that 'project promoters' responsibilities towards partners are not clearly defined', 21.5% indicated 'rules and guidelines unclarity' and 21.1% - that the 'role of donor partners is not clearly defined'. In terms of strengthening bilateral cooperation in the future, 18.6% suggested a need for 'streamlined rules and regulations' and 18.3% that 'the Grants should provide more guidance and advice'.

Nevertheless, some challenges related to information clarity and accessibility have been mentioned. Interviewees indicated that **the awareness of the possibility of using Bilateral Funds is not widespread among POs** and project promoters, and noted that additional guidance was needed to promote the funds. One NFP noted that, in order to promote awareness, they issued information to POs about the purpose and possibilities of financing bilateral cooperation, including what type of initiatives could be supported. Interviews with project promoters and donor project partners also indicate that some lacked such information.

Overall, the **Grant regulations and Bilateral Guideline are seen as broad frameworks** that do not give detailed instructions on processes and procedures. This was viewed as ambivalent, namely as an advantage because of the flexibility of the framework, or a disadvantage in cases where stakeholders experienced difficulties in cooperation. One example of such a problem relates to the process of project and bilateral initiative selection, where **the role of DPPs is not clearly defined**. Other issues included:

- Challenges in accounting (calculation of per diems, proof of expenditure);
- Involvement in implementation (expected engagement of partners, timeline of cooperation);
- Different procedures for bilateral fund-related operations stemming from country-level regulations;
- Administrative burden (documentation too extensive in view of stakeholders, in particular required from donor project partners).

The reported difficulties highlight that while the **general simplicity and flexibility of the Grants framework are assessed positively, additional guidance could be helpful** (e.g. from the FMO to NFPs, from POs to project promoters and donor project partners, from the JCBF to POs, etc.). Interviews suggest that such guidance should be presented in the form of examples, templates or answers to frequently asked questions rather than strict regulations.

2.2. Added value of the Bilateral Funds

EQ3. In view of the overall bilateral objective of the Grants, what, if any, is the added value of having a Bilateral Fund managed at the national level in addition to having programme-specific bilateral allocations (in the MoU in each Beneficiary State)?

Overall, the added value of a Bilateral Fund managed at the national level rests in its flexibility, in the **potential to fund initiatives bigger in size and different or broader thematically than the programme-focused initiatives, and in the political dimension of cooperation**. There are some issues regarding awareness of Bilateral Fund among stakeholders, the availability of information, the availability of funds, and the administrative burden stemming from national level procedures.

Added value of national level bilateral funds

Bilateral funding at the national level is intended to strengthen the relations between Donor and Beneficiary States “through the implementation of activities aiming at increased strategic cooperation, networking and exchange of knowledge between entities in the Donor States and in the Beneficiary States, and through other joint initiatives beyond the programmes”¹⁴.

A large part of the **interviewed stakeholders recognise the added value and somewhat different focus of national-level Bilateral Funds**. However, the stakeholders’ understanding of the latter’s role varies. The use of Bilateral Fund and the rules governing them differ between countries as well. The initiatives funded from the national Bilateral Funds are more **horizontal and often cut across or fall outside of the programmes’ thematic scope**. Due to the participation of Beneficiary State MFAs and Donor State embassies, there is a **political cooperation** aspect involved. Beneficiary and Donor States identify common areas of interest and devise a shared strategy. For the stakeholders, this is a **key factor for strengthening bilateral relations**. Some JCBF representatives, both from the Donor and Beneficiary State sides, underlined that participating in the JCBF allows them to get to know the respective countries and understand their specific context (for example, regarding national legislation in Beneficiary States) and challenges. They also underlined that the JCBF is a platform to discuss needs and ideas for the next Financial Mechanism (FM). Nationally managed Bilateral Funds are generally much bigger than bilateral programme allocations. It allows for implementing large bilateral initiatives, sometimes comparable with programme budgets. **The flexibility of national-level Bilateral Funds is widely appreciated**, as it allows the funds to accommodate various topics and activity formats, and respond to the changing circumstances.

However, other stakeholders do not necessarily share this view. **Many interviewed stakeholders, in particular at the programme level, indicated that they are simply not aware of the activities funded by the national portion of the funds, nor of the available funding opportunities** (see below and EQ2).

Other programme-level stakeholders see the national-level funds primarily as a **supplementary source of funding for the programme-related bilateral initiatives**. They apply via the Expressions of Interest for an additional Bilateral Fund allocation to the programme when the initial allocation is exhausted. However, in such a case, the associated administrative burden often poses additional challenges or discourages stakeholders from applying. The respondents also reported the lack of transparency around the national-level funds and their organisation, quoting examples of misinformation received at the programme level regarding the availability of national funds.¹⁵

¹⁴ Article 4.1.3 of the EEA Regulation.

¹⁵ In this particular example, a DPP was informed that after the programme-level Bilateral Fund allocation is exhausted, a new allocation will be automatically assigned to them from the national fund. They were later informed that no additional money is available for bilateral initiatives.

Many stakeholders appreciated the longer eligibility period for Bilateral Fund. Multiple different stakeholders (including from JCBF members, POs and DPPs) mentioned that this also provides an opportunity for continued bilateral cooperation – in words of one interviewee *“Having the Bilateral Fund allows bridging the gap [between the subsequent Funding Mechanisms]”*. Some have also expressed an opinion that **the eligibility period for programmes should be extended to correspond with the one for Bilateral Fund**, citing the delays and other challenges in projects caused by Covid-19 or related to the Russian war in Ukraine or inflation as a justification.

Views of JCBF members on the set up

In general, the JCBF members¹⁶ express a favourable view of the Bilateral Funds at the national level, but indicate some areas where the current setup could be improved.

The interviewed members of JCBFs had different level of knowledge and understanding of the set-up of the bilateral fund, including some reporting limited understanding of the differences between national and programme allocations.

Many JCBF members underline **the strategic orientation of the JCBF** as regards bilateral cooperation, and the involvement of Donor and Beneficiary State representatives in the decision-making. For some interviewees, the introduction of JCBFs helped to strengthen the role of Donor State embassies within the Grants, as this is a unique body in which they play a role. The JCBF offers a platform for exchanges and increased bilateral cooperation. However, participation in the JCBF is relatively more burdensome for partners from Iceland and Liechtenstein that have less capacity due to smaller-size representations and limited resources when compared to Norway.

Some misunderstandings between Donor and Beneficiary States were reported, as the political/funding priorities of Beneficiary and Donor States do not always align. However, the interviewed JCBF members from both sides expressed overall satisfaction with the Committee work as a forum to find compromise and areas of common interest. Some Donor State representatives in JCBFs have also underlined their active role in proposing the initiatives for consideration, as well as in ensuring that the rationale for and the involvement of their country is clearly specified.

Some NFP interviewees indicated that their **overall management responsibility over the entire Bilateral Fund** – including over the programme’s bilateral allocations – is **somewhat problematic**. Two issues were raised. Firstly, the NFP’s formal responsibility for the bilateral allocation spending within programmes leads, according to some stakeholders, to a lack of ownership and lower engagement of the POs in bilateral initiatives at the programme level. Secondly, it generates double reporting requirements for the POs that report on bilateral initiatives in the programme reports and directly to the NFPs for the purposes of NFP reporting. Some NFPs indicated that a Bilateral Fund entirely embedded at the programme level (as in the previous 2009-2014 FM) and a separate national-level fund would be a preferable solution. While some stakeholders expressed generally favourable views of the current set-up, many of them (both at the national and programme level) shared the view that **a clearer institutional delineation between national and programme level Bilateral Fund is desired**^{EQ4}. To what extent are the programme allocations of the Bilateral Funds contributing to the programme’s bilateral work?.

The second issue concerns the allocation rule whereby a minimum of 2% of the Grants are devoted to the Bilateral Fund¹⁷. Due to big differences in the amount of funding available for the individual Beneficiary States (see Table 2.1), the disproportion between nominal Bilateral Fund allocations is significant.

¹⁶ A JCBF is composed of representatives from the Donor and Beneficiary States, including MFAs and NFPs.

¹⁷ Article 4.6.1 of the Regulations.

Table 2.1. The Fund for Bilateral Relations in the sample countries in EUR

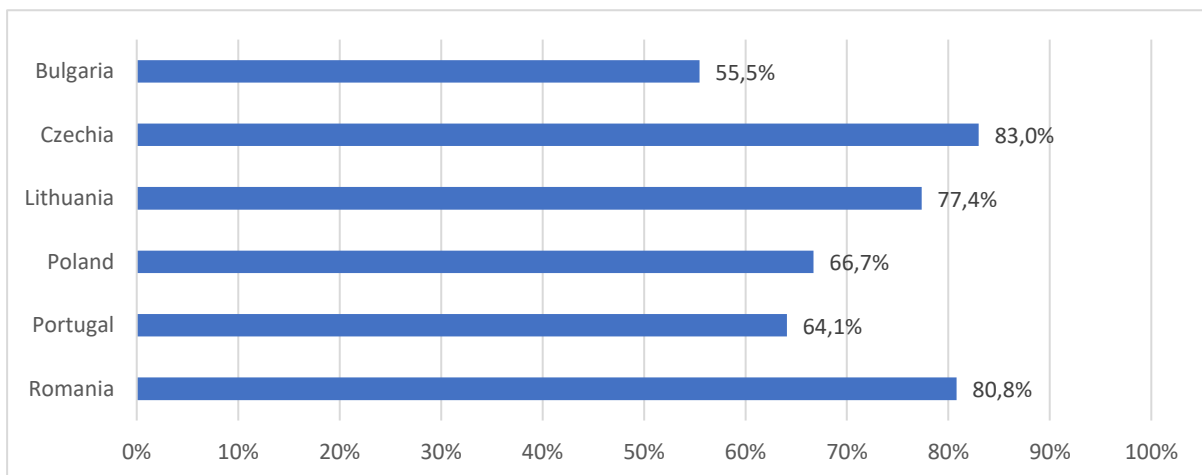
Beneficiary State	EEA Grants	Norway Grants	Total
Bulgaria	2,300,000	1,902,000	4,202,000
Czechia	1,910,000	1,780,000	3,690,000
Lithuania	1,124,000	1,230,000	2,354,000

Beneficiary State	EEA Grants	Norway Grants	Total
Poland	9,184,840	10,501,160	19,686,000
Portugal	2,957,000	0	2,957,000
Romania	5,504,00	4,546,000	10,050,000

Source: GrACE (data as of 8 August).¹⁸

This causes different challenges. For countries with smaller allocations (e.g., Lithuania), this results in a small budget for bilateral activities, effectively limiting their potential scope and frequency. For countries with big allocations (e.g. Poland, Romania) these funds are nominally very big. With such a large Bilateral Fund allocation, it may be difficult to implement activities in the prescribed period of time, and the JCBF setup becomes inefficient for managing (assessing, selecting, monitoring, etc.) small initiatives. Some stakeholders from the Donor States' side suggested changing the allocation rule, to reduce the disproportion between the Beneficiary States, arguing this would lead to increased Bilateral Fund effectiveness across the Grants. However, with the flexibility of reallocating funds and the longer eligibility period for Bilateral Fund, the funds are likely to be used in the coming years. The current disbursement rates are shown in Figure 1.

Figure 1. Bilateral Funds disbursement rates



Source: GrACE (data as of 8 August 2023).

Most stakeholders appreciated the relative flexibility and lower administrative burden in the national Bilateral Fund allocations vis-à-vis programme Bilateral Fund allocations (as well as project calls within programmes). This applies primarily to the requirements at the application and selection stage. The reporting requirements for bilateral initiatives are assessed as extensive for both programme- and national-level Bilateral Fund, in particular by the donor partners of bilateral initiatives.

An often-cited example of **flexibility** in the management of the national-level Bilateral Fund was redirecting a substantive portion of the Bilateral Funds to provide humanitarian aid for persons affected by the Russian war in Ukraine. It was highly appreciated by both Beneficiary and Donor States' respondents. At the same time, the stakeholders underlined the exceptional character of this intervention, beyond what the regular set-up of the JCBF or the broader Grants allows.

¹⁸ GrACE is short for Grants Administration and Collaboration Environment. The system is used for the management of the EEA and Norwegian Financial Mechanisms 2014-2021 and is intended to be accessed by Donor and Beneficiary State entities and the FMO.

Strategic approaches at the national level

Regarding strategies, among the sample countries, there are Beneficiary States that: (i) use national Bilateral Funds towards more concrete and focused bilateral activities; (ii) use national Bilateral Funds mostly to finance initiatives related to programmes, additionally to the programme bilateral allocations; and (iii) combine both approaches.

Among more focused approaches, one NFP compared the management of the Bilateral Fund at the national level to managing a programme dedicated specifically to bilateral relations. They underlined that there is a different perspective than in the programmes, as the reference point is the need for strengthening bilateral relations between countries. The areas of need and priorities are decided together by the JCBF members, and those most important are addressed by pre-defined initiatives. On the other end, the national level Bilateral Fund is used as an additional fund to tap into by the programme-level stakeholders.

Challenges at the national level

One aspect that causes some challenges is the **difference in the eligibility period between programme and Bilateral Funds**, with the latter being a year longer. This invites applications and the shift of funds to ensure the latest possible eligibility. This may be done by shifting the remaining programme funds to the bilateral fund, and then requesting an increase of the Bilateral Fund allocation to the programme via an Expression of Interest. Some of the NFPs anticipate this scenario as very likely, and leading to additional administrative burden for all parties involved. In general, stakeholders assess the opportunity to shift funds positively, as allowing for greater flexibility in the management of funds at the programme level. However, some of the interviewed Donor State JCBF members mentioned that the burden for them is quite high, as a lot of documentation requires their approval or opinion, which is challenging due to limited personnel.

A complex relation between national and programme allocations in the current set-up

Several POs pointed out excessive reporting obligations, citing double reporting requirement regarding bilateral activities, which are included both in the overall programme reports and in the Bilateral Fund allocation reports to NFPs. Overall, **administrative burden emerges as one of the factors hampering the effective use of Bilateral Funds**. The eligibility period for a given initiative at national level starts when the JCBF issues a positive decision. Therefore, much depends on how the work of a given JCBF is organised. This differs between Beneficiary States.

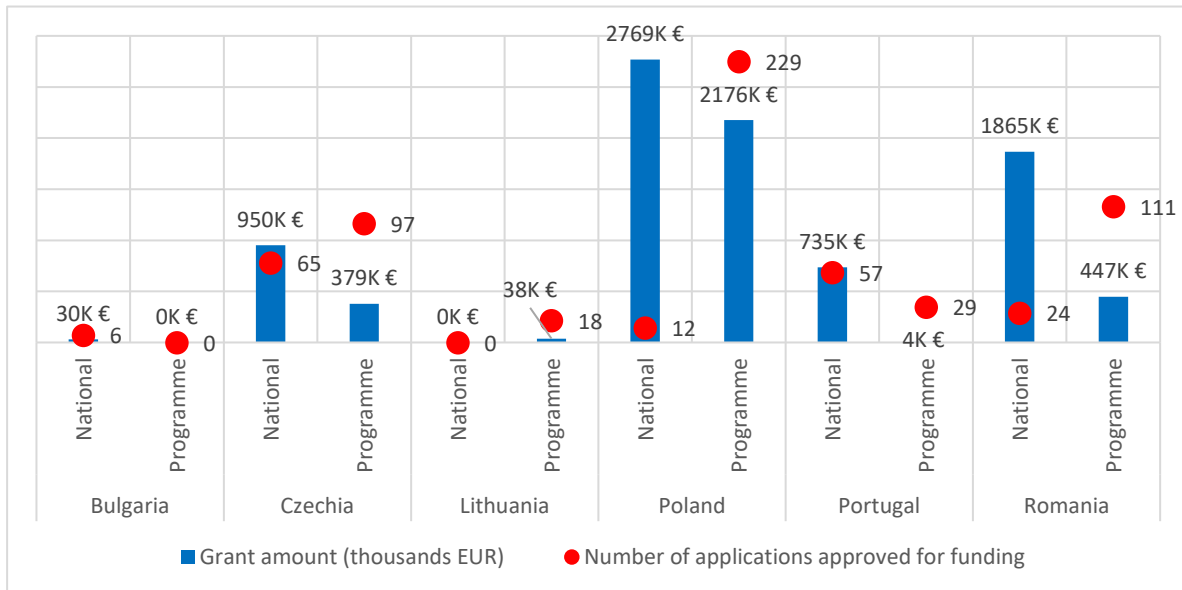
The Regulation does not provide detailed procedures for the bilateral fund-related operations and the related work of the NFP and the JCBF. This flexibility can be a double-edged sword, as some Beneficiary States devise their own additional rules to govern Bilateral Funds (on top of their country regulations). This results in **differences between countries and increased burden for donor partners stemming from such country-level regulations**, especially if they participate in initiatives in more than one country. While the differences resulting from the national legislations cannot be avoided, it would be useful to unify the JCBF governance and Bilateral Fund management rules across the countries to a possible extent. For instance, clearer rules for the JCBF work or additional guidelines could be provided by the FMO to ensure consistency across the Beneficiary States.

Moreover, a wide range of initiatives that may be proposed at times is challenging to assess. Stakeholders suggested that this burden is proportionately bigger for larger BFs. **Large allocations lead to more applications, and thus increased burden related to the assessment and selection of initiatives**, also on the Donor State JCBF members' side. Regarding Expression of Interest, this is often combined with the first-come-first-served procedure for reviewing applications. Therefore, the proposed initiatives cannot be assessed comparatively, but obtain funding on a rolling basis subject to the availability of funds. Several JCBF stakeholders mentioned that this could compromise the quality

of the initiatives (especially if all the Bilateral Fund is disbursed ahead of time), or cause such concerns among potential or unsuccessful applicants. Our research did not identify such cases, however. Nevertheless, this finding supports the more general conclusion that while **flexibility and relatively lower administrative burden in Bilateral Fund process is a significant advantage, a more structured and uniform approach across the Beneficiary States would be desirable.**

The above concerns are particularly relevant in countries with high Bilateral Fund allocation. Different countries adopted different strategies for national- and programme-level Bilateral Fund distribution (through open or predefined calls), as visible in Figure 2.

Figure 2. National and programme-level bilateral initiatives awarded in open calls.



Source: GrACE (data as of 8 August 2023).

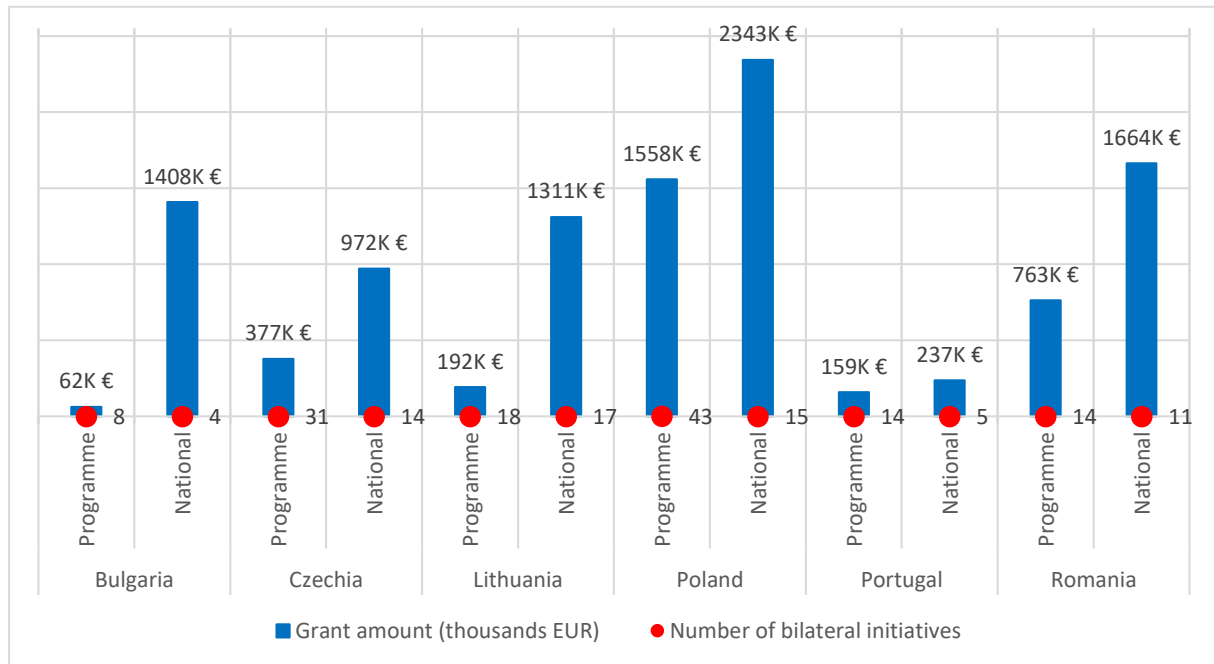
Some of these administrative challenges are exacerbated in case of larger Bilateral Fund allocations, and may require a strategic approach to Bilateral Fund management, including how much funding can be applied for. This is visible in Figure 2 above in national-level Bilateral Fund in Poland and Romania, where relatively large amounts were distributed to a small number of applications, illustrating a strategy aimed at disbursing large sums in a short amount of time.

While most of the Beneficiary States foresee open-call selection procedures for the national level Bilateral Fund, usually only a smaller Bilateral Fund portion is dedicated towards these. As mentioned above, this may raise concerns regarding transparency. Moreover, the allocations may be “too big to spend” via pre-defined initiatives only. Some countries are introducing open call procedures. For example, the JCBF in Poland indicated its intention to increase the use of open-call procedures for bilateral initiatives selection in the agreed bilateral cooperation priority areas to 50% in the 2nd Bilateral Fund implementation period 2022-2025. The aim of this change is to promote a grassroots approach, as well as to increase outreach and transparency of the Bilateral Fund allocation.¹⁹

Another strategy for limiting administrative burden relates to planning how much funds are distributed to predefined initiatives. These are also important for the bilateral objective as they allow the JCBF to decide on implementing a developed strategy. GrACE data suggests that this strategy was selected for national-level funds in Bulgaria, Czechia and Lithuania, where a relatively large amount (as compared to the planned Bilateral Fund allocation) was distributed through predefined initiatives (see Figure 3).

¹⁹Workplan for Bilateral Fund Poland, p.6; interviews.

Figure 3 National and programme-level predefined bilateral initiatives



Source: GrACE (data as of 8 August 2023).

Several interviewees, both from the Donor and Beneficiary States, raised an issue of the “**politicisation**” of the Grants, meaning a situation where the perceptions/positions of the Donor and Beneficiary States’ representatives diverge. There were instances where this has influenced the work of the JCBF negatively, as some committee members strongly opposed initiative proposals of other members (Beneficiary State actors proposing initiatives the Donor State did not agree on, and vice versa). The problematic areas were in particular: energy, civil society development, the rule of law, democracy and human rights. In contrast, common interest was more likely identified in areas such as cultural exchange, education and research. Other problematic “politicised” situations included ones in which, in the Donor States’ assessment, initiative proposals presented for funding under the Bilateral Fund by Beneficiary States did not contain a sufficiently strong bilateral element. There were instances where disagreements about these strategic areas needed to be solved at the political level between the two disagreeing countries – but in the end, a compromise was achieved.

Another challenge is the low awareness of the potential funding opportunities from the Bilateral Fund national allocation among stakeholders directly involved in the Grants (including POs, DPPs, as well as project-level stakeholders) and the wider public. **The approaches to information and promotion of Bilateral Fund funding opportunities differ between the Beneficiary States.** In the assessment of some stakeholders, this should be unified across the Beneficiary States and guided by similar principles to increase transparency and effectiveness of Bilateral Fund spending.

Overall, one of the directions for the future could be to **further balance and possibly narrow down the thematic focus of Bilateral Funds to prioritise the most relevant bilateral cooperation areas.** A clearer demarcation between thematically specific activities that better belong under the programmes and those more overarching would be of particular value. Another important consideration for the future FM regards striking a balance between the Bilateral Fund’s flexibility, which is its big added value, and a more transparent and merit-based approach, uniform across the Beneficiary States.

EQ4. To what extent are the programme allocations of the Bilateral Funds contributing to the programme’s bilateral work?

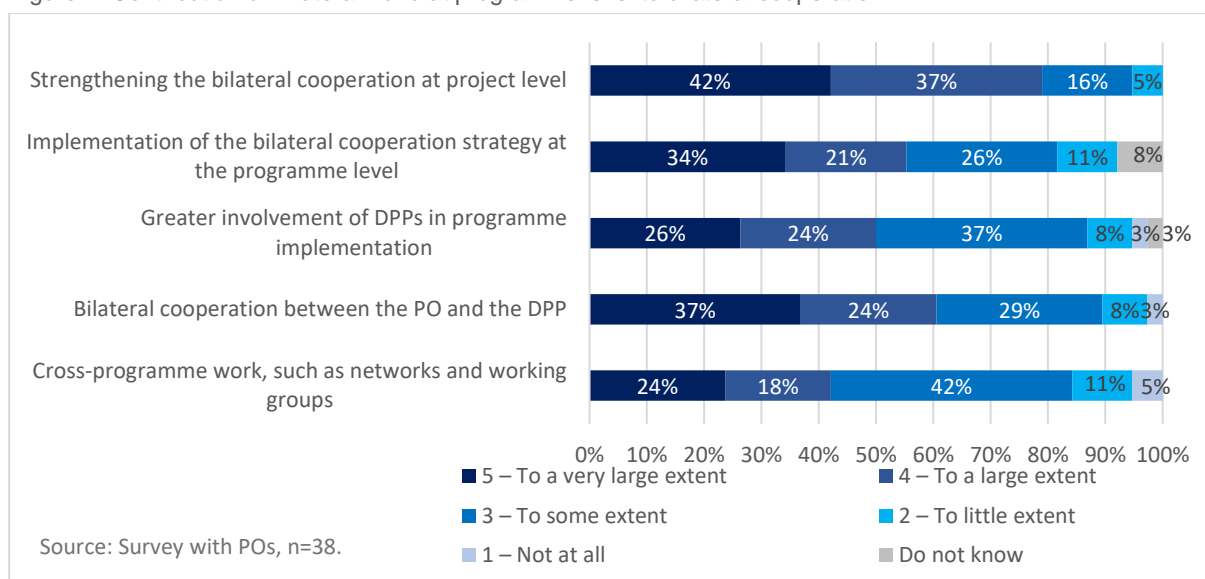
The programme allocations of Bilateral Funds **contribute both to bilateral relations within programmes, and – indirectly – to the quality of the programme and project content.** The scope and types of initiatives vary, providing bilateral partners with opportunities to work on programme and project content, as well as with programme-wide knowledge exchanges. Some challenges are linked to the organisation and management of these allocations within programmes. The proportion of Bilateral Fund allocations between programme and national levels, and the administrative set-up – in particular, combining the programme and national allocations within one centrally managed Bilateral Fund – are not seen as optimal.

Contribution of Bilateral Fund to bilateral cooperation in programmes

Overall, **bilateral programme allocations are seen by stakeholders as a very important tool for strengthening bilateral relations.** The types of initiatives funded by the programme include match-making events, seminars, conferences, study visits, pilot projects and others. They usually combine a bilateral element with the programmes’ thematic objectives. Bilateral programme allocations are important for strengthening relations between both programme and project-level stakeholders (see Figure 2 and Figure 3 above for information about the allocated Grant amounts and the number of bilateral initiatives). Indeed, they allow for exchanges and mutual learning, help establish and maintain relationships between Beneficiary and Donor State institutions involved, and match partners who, in some cases, collaborate on projects beyond the Grants. This is also reflected in the level of repeated partnerships – present partnerships are very likely to be implemented with a partner with whom there was a previous collaboration (see Section 2.4 EQ6).

Indeed, as presented in Figure 4 below, the results of the survey among POs indicate that Bilateral Fund programme allocations contribute the most to the bilateral cooperation at the project level (79% respondents indicated to a large or to a very large extent), followed by the bilateral cooperation between POs and DPPs (71% respondents indicating to a large or to a very large degree). It also contributes to the implementation of the bilateral cooperation strategy, greater involvement of DPPs in programme implementation, and cross-programme work, albeit to a lesser extent.

Figure 4. Contribution of Bilateral Fund at programme level to bilateral cooperation



As underlined by multiple stakeholders, bilateral cooperation works best when it is based on the quality and mutual interest of both parties. Well-designed and timed bilateral initiatives play a role here, as they contribute both to establishing an understanding of the respective expectations and needs, and to the quality of projects carried out under the programme. The table below shows the types of activities supported by the Bilateral Funds at the national and programme levels.

Table 2.2. Share per type of activities supported by the Bilateral Funds at the national and programme level

Type of activity	At programme level	At national level
Campaign, promotional materials	29%	71%
Capacity building	30%	70%
Conference, exhibition	100%	0%
Matchmaking event	76%	24%
Preparation of partnership project or application	83%	17%
Study tour	51%	49%
Workshops, seminars	22%	78%
Other, data collection, reports	89%	11%

Source: GrACE

Regarding activities at the programme level, DPPs frequently cited **matchmaking seminars** as one of the most important ones. They claimed that these are probably the most effective for linking partners to ensure that they are a good fit from the content perspective. Respondents also saw an added value of travel grants early in the implementation, which some of the project parties used to develop the project concept and application.

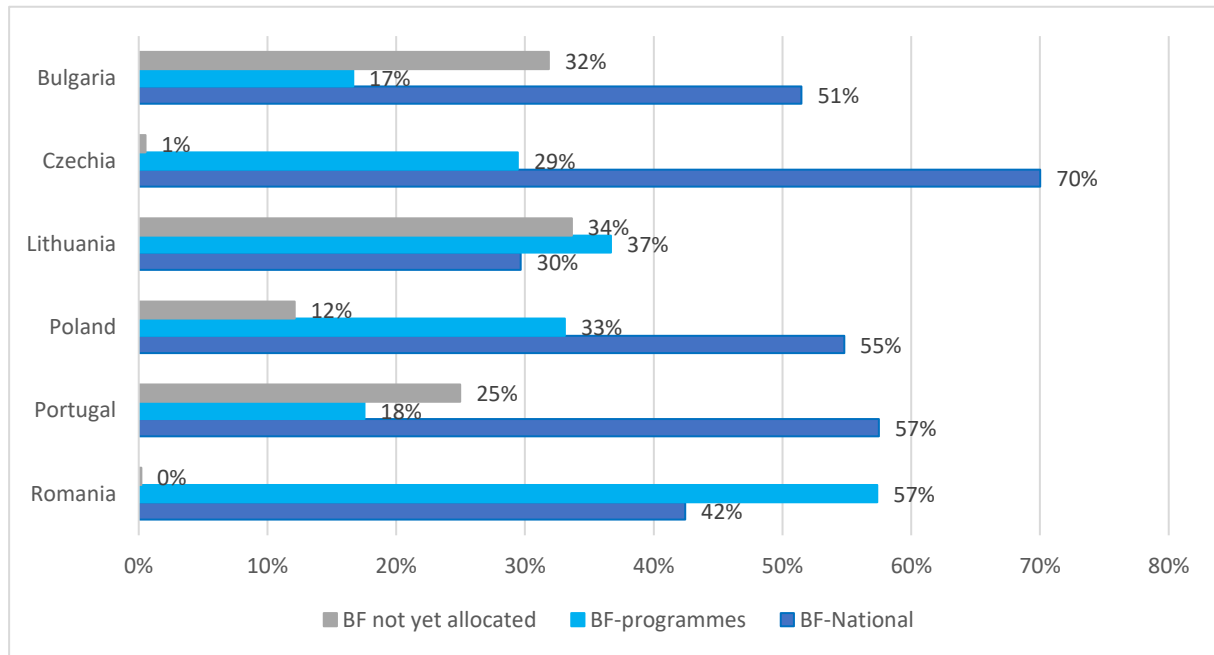
Several stakeholders underlined that **more emphasis should be put on early exchanges**. Further, thematic seminars and conferences enable stakeholders to meet, engage and exchange opinions and ideas as well as tackle common issues these stakeholders may encounter. **Study visits** are also regularly cited as the most relevant activities. These enable stakeholders from both sides to increase their thematic competencies, knowledge, and expertise. Study visits heavily contribute to strengthening bilateral relations since they allow for establishing long-term cooperation, which often results in the implementation of joint initiatives in the future. Often, the most successful and prosperous projects are implemented by partners who either collaborated together in the past or knew each other.

Programme Bilateral Fund allocations

While both national and programme allocations in the current FM belong administratively under the same Bilateral Fund, the difference between national and programme-level funding is both quantitative and qualitative. Regarding the share of programme allocations, these are typically smaller than national fund allocations (and further divided between multiple programmes). However, these proportions vary between the countries, with current programme allocations ranging from less than 20% in Bulgaria and Portugal to almost 60% in Romania (see Figure 5).

Some stakeholders from the Beneficiary States underlined that the allocation to programmes in the present FM, as compared to the previous one, is **set-up in a better way** (needs-based instead of fixed programme allocations). The increase of Bilateral Fund programme allocation can then be requested during the FM by submitting an Expression of Interest to the national JCBF. This view, however, is not uniform among stakeholders, and many have pointed out challenges stemming from the organisational and administrative set-up of Bilateral Fund programme allocations.

Figure 5 Bilateral Fund allocations



Source: GrACE (data as of 8 August).

Regarding the needs-based allocations, some Donor State stakeholders voiced concerns regarding the **lack of information on the needs at the negotiation stage when the Bilateral Fund programme allocations are determined**. They pointed out the lack of systematic needs assessment procedures and asymmetry of information between Beneficiary and Donor States, the amounts and justification for a given programme allocation being mostly based on POs' requests, with DPPs not having enough influence at that stage.

Decisions on the use of the bilateral programme allocations are taken in the Cooperation Committee, consisting of POs and DPPs²⁰. While both types of stakeholders understand their respective roles and are overall satisfied with the general co-decision setting, some issues have been raised as to the management of funds within programmes. The wide scope of some programmes and the related size of Cooperation Committees is one issue. Some of the programme areas encompass several different thematic sectors, with many institutions involved at the programme level and participating in Cooperation Committee meetings. Some stakeholders pointed out that this renders **Cooperation Committees inefficient**, suggesting a narrower definition of programme areas as a remedy. While an assessment of such a scenario is beyond the scope of the present evaluation, this and other findings suggest that a more uniform and systematic approach across programmes and Beneficiary States would be beneficial to reduce administrative burdens and increase transparency.

As with nationally managed Bilateral Funds, the approach differs from country to country, as well as from programme to programme. Under many programmes, bilateral allocations are assigned on the 'first come, first served' basis. This has led, in at least several instances, to the disbursement of all the allocated funds early on in the period, without further Bilateral Funds left as the programme implementation progressed. Several DPPs highlighted this as a problem, since many bilateral partnerships develop as programmes progress. Others indicated that, in programmes with several

²⁰ There is an inconsistency between the Regulation and the bilateral guideline on this issue. While Article 4.4.3 of the Regulation writes that "The tasks of the Cooperation Committee include: (...) (j) advising on the use of the funds for bilateral relations, where relevant", the Bilateral Guideline in section 2.2 says that "The decisions... are taken by a consensus between the PO and the DPP under the Cooperation Committee or the Programme Committee" (point 2). However, there seems to be a common understanding among the stakeholders that the latter applies.

DPPs, the 'first come, first served' approach generates difficulties especially where there are no rules to guarantee that all DPPs access the funds. **In some Beneficiary States, there are additional national rules prohibiting the use of national-level funds before the entire bilateral programme allocation has been exhausted.** This poses challenges, as under broadly defined programme areas, DPPs may work on different topics and engage in different bilateral activities. These often encompass only one thematic area of the sector and are not necessarily aligned in terms of timing. Indeed, this has left some of the DPPs who exhausted their share of the allocation and wanted to pursue additional bilateral initiatives in limbo.

Therefore, similarly to national Bilateral Fund allocations, there is space for improvement in the Bilateral Fund set-up at the programme level, and it requires balancing flexibility and programme-level ownership of the bilateral cooperation activities with a more uniform and transparent approach across the programmes and Beneficiary States.

Cross-programme work and multilateral initiatives

Although not regulated and required, cross-programme activities have been implemented to varying degrees in different countries and sectors. Examples include cooperation across research and education and environment programmes; an initiative on the effects of climate change on cultural heritage, funded by one of the culture programmes; or seminars in gender equality and domestic violence, which were supported by a work-life balance programme.

Some stakeholders indicated that developing cross-programme work could add value, and indicated that there are issues that span several topics, such as Roma inclusion. More obvious synergies are found within programmes and there are examples of initiatives that are of multilateral character, such as the networks in the health, justice, and correctional services areas. These networks connect stakeholders working on similar issues and bring about big learning opportunities. For example, in the correctional service network, there are several Beneficiary States implementing analogous projects (construction of penitentiary service training centres), and the network allowed them to connect and exchange experiences and know-how. Such formats, while not envisaged directly within the Grants' framework for bilateral cooperation, are assessed very positively by many stakeholders, and could be further encouraged in the future. In terms of funding, multilateral activities were funded from the Bilateral Fund allocations to programmes and supported from a national bilateral fund. An example of such a multilateral network is presented in the box below.

Best practice: Multilateral EEA Network on Children and Adolescent Health

Within one programme under PA06 European Public Health Challenges, a DPP in collaboration with POs have established the multilateral EEA Network on children and adolescent health²¹ that involves institutions working in this area from Beneficiary and Donor States. The network meets regularly (aiming to meet twice a year) to discuss challenges and exchange knowledge. The meeting costs are covered jointly from the Bilateral Fund programme allocations of the participating Beneficiary States.

Another example is the flagship EEA and Norway Grants cross-programme SYNERGY network.

Best practice: Cross-programme SYNERGY network against Gender-based and Domestic Violence

The Network against Gender-based and Domestic Violence²² unites both governmental and non-governmental stakeholders involved in relevant programs under the EEA and Norway Grants, and international partner organisations including the Council of Europe. Its primary objective is to significantly enhance efforts to combat violence against women and domestic violence in Europe, with the goal of achieving a more substantial and lasting impact. It aims among others at strengthening bilateral and multilateral collaboration, and encourage national policymaking in line with the standards set by the Council of Europe Convention on Preventing and Combating Violence against Women and Domestic Violence – the Istanbul Convention.

²¹ [The EEA network on children and adolescent health - NIPH \(fhi.no\)](https://www.fhi.no), accessed 7 August 2023.

²² [What is the SYNERGY Network? \(eeagender.org\)](https://www.eeagender.org), accessed 7 August 2023.

Other challenges with programme level bilateral cooperation

Stakeholders believe that **a more strategic and uniform approach to the distribution of bilateral programme allocations could be beneficial**, as described below.

As all bilateral funding is under one fund now, the POs do not necessarily have the same degree of ownership over the Bilateral Funds allocated at the programme level, which sometimes leads to lower engagement or issues regarding the distribution of these funds. Even though it is the Cooperation Committee that decides on the allocation of funds, the POs report to the NFPs, and it is the NFPs, not programme level stakeholders, that are ultimately responsible. Some interviewees thought that **the Bilateral Fund allocation at the programme level should be fully integrated within the programme** (as in the preceding FM) to prioritise the bilateral objective at the programme level. Such views were expressed by multiple stakeholders, both at the programme and the JCBF level. However, this should be considered together with the eligibility period – as the current longer Bilateral Fund eligibility period has been assessed very positively by stakeholders (see EQ3).

Beyond the challenges indicated above, in the survey, 15.8% of the POs indicate ‘insufficient resources for bilateral cooperation’ among challenges to bilateral cooperation, and 13.2% note the ‘lack of bilateral networking opportunities’. Moreover, 21.1% of the POs indicate ‘the available resources are not sufficient to cover the costs of bilateral cooperation’ as one of the most important factors hampering bilateral cooperation. This links back to the highlighted issues of largely one-sided needs assessment on bilateral cooperation within programmes, as well as transparency issues and the lack of uniform rules regarding the distribution of Bilateral Fund programme allocations. Moreover, several interview respondents from different categories questioned the distribution of Bilateral Funds between the national and programme levels. They indicated that bilateral initiatives at the programme level are crucial for the successful development of bilateral cooperation within projects, so more funds should be available for this purpose. Other interviewees underlined the challenges related to the financing period, indicating that the allocation becomes available relatively late in the period. Earlier availability of funds would allow for more initiatives directed at project development by bilateral partners, likely supporting the quality of both projects and the bilateral relation development.

2.3. DPPs role and contribution

EQ5. To what extent do DPPs contribute to the content and results of the programmes?

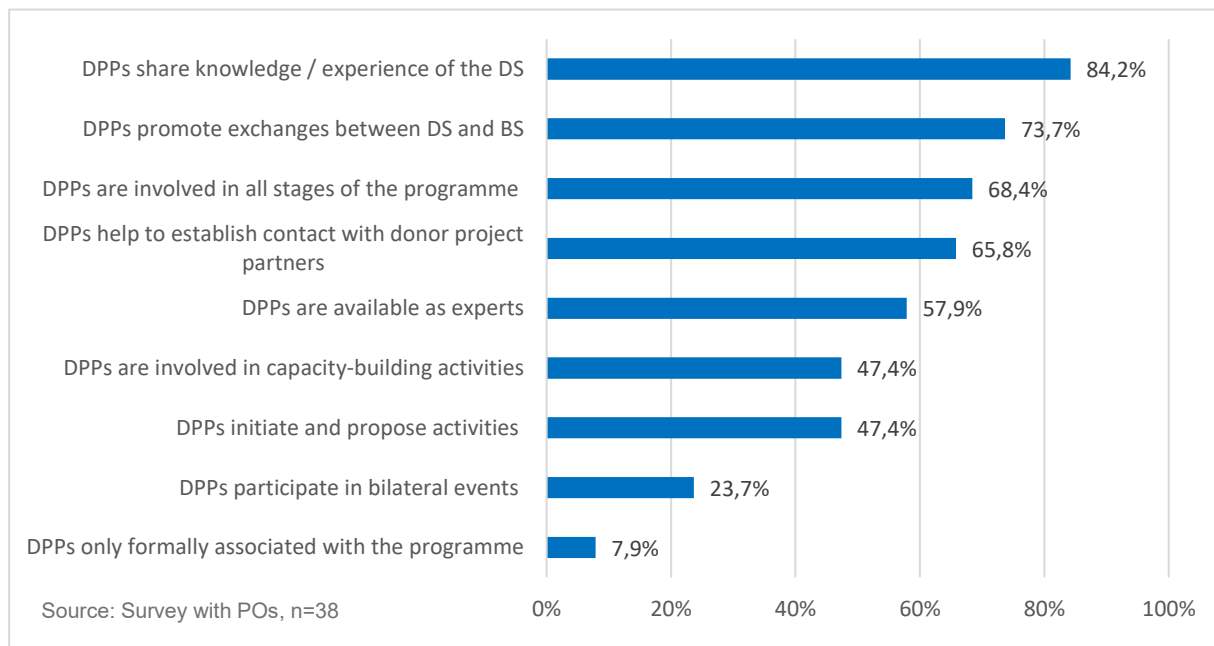
The vast majority of DPPs have been highly involved in programme preparation, early implementation, and awareness-raising about the EEA and Norway Grants. However, **the level of engagement and contribution of DPPs to the content and results of the programmes vary depending on their resources, capacity, and relations with the POs**. Moreover, the level of DPPs’ engagement differs depending on programmes, leading to confusion about the DPPs’ exact role. Certain DPPs reported having limited information on the needs of the Beneficiary States and limited influence on shaping programmes at the initial stages. A clearer definition of DPPs’ roles and responsibilities would be welcome.

DPPs’ contribution to the bilateral objective, programme content and results outside the bilateral objective

Overall, **DPPs reported being involved in all stages of the programme design, development, and implementation**. This includes participation in negotiations before the MoU signature, assistance in concept note development, partnership facilitation, and development of call texts. As many as 68% of the surveyed POs declared that DPPs are involved in all stages of the programme. In interviews, some DPPs mentioned assisting donor project partners with technical issues, such as reporting, procurement,

and documentation. DPPs also play a big part in mobilising potential donor partners by disseminating information on calls via dedicated websites and social media, as well as by organising and attending awareness-raising events in the Donor States. The most notable event of this kind is the *Arendalsuka*, the largest political gathering in Norway held annually. One of the Norwegian DPPs noted that the overall level of awareness about the Grants in Norway has increased compared to the 2009-2014 FM. As illustrated in Figure 6, DPPs have a significant role in strengthening links between the Beneficiary and Donor States through sharing the knowledge and expertise of the Donor State and by promoting exchanges between both parties. 84% of POs declared that DPPs share the Donor State knowledge and expertise in a specific area. Additionally, 74% of the POs answered that DPPs are actively promoting exchanges between Beneficiary and Donor States. These exchanges materialise in the form of online meetings, conferences, seminars and match-making events, among others.

Figure 6. DPPs role in programmes



Regarding their formal and structured roles, DPPs are members of Cooperation Committees and some are also members of Selection Committees (SC), and attend on average two Cooperation Committee meetings a year. Moreover, DPPs strongly cooperate with POs. Based on previous reports, around 90% of DPPs are satisfied with their cooperation with POs and consider that the latter take their ideas/recommendations on board. A number of DPPs explained, however, that as they have no decision authority, POs do not engage them to their full potential.

DPP involvement in programme content and results is not uniform and varies between institutions depending on financial and human resources. The more funds available, the stronger the DPP's involvement. Other DPPs reported lacking human resources to deal with multiple countries. One DPP explained that they are currently involved in eight countries, and the MFA asked them to take on an additional one. This would severely stretch their capacity. Plus, the more countries DPPs are committed to, the fewer resources they can devote to each, which in turn could affect the bilateral objective, as bilateral relations are unlikely to be strong in such circumstances. Even though DPPs are offered additional resources if taking on extra countries, these funds often remain insufficient to cover the extra work required. One of the big challenges relates to the lack of funding to hire and retain personnel, since in many institutions few people are designated to work with the Grants. Similarly, the extensive administrative burden in some Beneficiary States slows down processes and increases DPPs' workload.

DPPs contribution to capacity building activities

Concerning DPPs' contribution to capacity-building activities, it depends on the DPPs' capabilities and resources. On the one hand, many bilateral activities, including within projects, initiatives and programme level cooperation, have capacity-building elements or focus. One of the Norwegian DPPs participated in capacity-building activities as part of a Romanian project (*Urban Search and Rescue*) by developing a training curriculum and organising training that benefited the Beneficiary State. Another good practice can be found within RO-JUSTICE and PL-JUSTICE programmes with the Ambassador Programme initiative (see best practice in the text box below).

Conversely, some stakeholders in the Beneficiary States noted that DPPs do not participate in capacity-building activities, citing insufficient human resources and limited time as the most common reason.

There is no consensus among stakeholders on whether DPPs should be involved in capacity-building activities. The lack of unanimity is also confirmed by data from the POs' survey. In fact less than a half (47%) of the POs confirmed that DPPs participated in capacity-building activities.

In general, the perception is that this will put additional strain on the DPPs and the resources they can provide for their involvement in the EEA and Norway Grants.

Best practice: Capacity-building activities

As part of RO-JUSTICE, an Ambassador Programme consisting in finding and linking the best practitioners of probation and prison services in Norway and Romania was developed. The ambassadors jointly attend a 45-day long training structured around the exchange of knowledge and expertise in the correctional field. After the end of the training, Romanian ambassadors will share the acquired knowledge with 300 to 500 other practitioners in their country before April 2024.

Critical stages for DPPs' involvement

Various DPPs mentioned that they would like to be more involved in advising in a more constructive way when it comes to matchmaking and selection of donor project partners at early stages of the programme and/or project development. Several interviewees emphasised the importance of quality over the quantity of partnerships. In some programmes, DPPs have voting rights in the SC and are satisfied with this decisional authority. Some DPPs stated that they would like to see this decisional role extended to all of them. However, this is not a commonly shared opinion as certain DPPs explained being satisfied with their advisory role. Several DPPs wished to be more involved in the earliest stages of programming, such as the negotiation phase. This would help set more strategic targets, objectives and indicators that align well with Beneficiary and Donor State needs.

Very often, DPPs act as intermediaries between Beneficiary and Donor State entities by identifying potential project partners from Donor States. In this sense, DPPs establish a connection between Beneficiary and Donor States that facilitates bilateral cooperation and improves relationships within these countries. This opens the door for potential future collaborations.

DPPs' cooperation with POs

As stated above, **the majority of POs and DPPs are satisfied with the cooperation of their institutions**. Survey data confirm this overall positive relationship. In fact, 73.7% of POs (n=38) claimed that having a DPP in the programme is very useful. This collaboration entails concrete contributions from DPPs. POs almost unanimously (97%) agreed that DPPs provide meaningful expertise and knowledge that informs programme design and/or implementation. 79% of the POs answered that it is 'definitely true' that DPPs are actively involved in programme preparation and implementation. POs mentioned that DPPs participated in the organisation of bilateral thematic events (conferences, seminars, regular online meetings etc.), and were involved in designing project calls.

DPPs' thematic expertise and know-how were another element praised by the POs. Since each DPP is specialised in a specific field/area, the shared expertise and knowledge are very valuable and accurate.

What is more, the collaboration is beneficial for both parties and results in reciprocal knowledge-sharing. 86.8% of the POs stated that it is 'definitely true' that in their collaboration with DPPs, they can learn from each other. For instance, a Norwegian DPP learned how senior care is managed by Polish institutions. The DPP felt inspired by these solutions and presented them to their Norwegian counterparts. Conversely, various institutions from Beneficiary States with significant administrative burdens reported organisational change within their institution after seeing working methods in Donor States institutions. The changes concerned the pace of work, work-life balance and the reduction of paperwork and procedures to the extent possible. One Polish PO explained that witnessing more flexible work procedures based on trust came out as "a big lesson" for their organisation. As a result, the PO reported entrusting employees with more responsibility and placed greater trust in their work.

Even though the collaboration between POs and DPPs functions well, **several stakeholders highlighted the importance of personal factors**, i.e., who is responsible for programme implementation on both sides. If both parties are equally invested, collaboration runs smoothly.

Opportunities for improving DPPs' role

Repeatedly mentioned in the current fieldwork and previous assessments, DPPs would like to see their role as observers and/or advisors extended to involve **decision-making responsibilities**. Whilst the majority of DPPs identified their cooperation with POs as satisfactory, several DPPs stated the importance of programming documents and wished to be more involved in this process. Greater involvement at the programming stage would increase the relevance of the Grants for DPPs and, subsequently, for the Donor States and will lead to better alignment between Beneficiary and Donor State needs.

Several interviewees mentioned the need for **long-term training** for DPPs on programme management and results-based management. Such training could be organised by the FMO and could consolidate DPPs' expertise but also ensure continuous learning and simultaneously prevent loss of learning due to personnel rotation.²³ Moreover, various stakeholders, including DPPs themselves, explained that their roles within programmes vary a lot which leads to confusion. In some programmes, DPPs are included in every project phase, whereas in others, their involvement is much more limited. The degree of involvement depends, to a great extent, on the relationship between the DPP and POs. Certain POs see DPPs solely as advisors, while others take DPPs' ideas and opinions on board, thus making them more engaged in the process.

DPPs also feel they should be more involved in discussions concerning the selection and prioritisation of countries they want to work with. Given the lack of financial and human resources, DPPs' selection and prioritisation of countries would be beneficial from a strategic and efficiency perspective. Indeed, DPPs indicated that within programme areas, there are different levels of interest in cooperation with different Beneficiary States. They indicated that with such interest-driven selection, strengthening bilateral relations and reaching the bilateral objective could be easier.

Overall, POs and DPPs agreed that DPPs' roles and responsibilities within programmes should be better defined. POs declared 'the role of DPP is clearly defined' as a factor which most positively affects bilateral cooperation with DPPs. Indeed, some DPPs explained they would like to receive a formal document stating their role and responsibilities to avoid confusion and misunderstandings between POs and DPPs regarding the DPPs' exact involvement, e.g., regarding their access to

²³ Group interview with Norwegian DPPs.

information about the remaining Bilateral Funds available. However, this is not a commonly shared opinion as 44% of the POs communicated that DPP responsibilities are already clearly defined and comprehensible. On another note, more than a half of the POs (55%) responded that DPPs should be more involved in the promotion of partnerships at the project / initiative level whilst 21% declared that DPPs should support exchange between Beneficiary and Donor States to a greater extent. Only 7% of the POs answered that DPPs should be more involved in programme planning.

Another factor positively affecting bilateral cooperation is 'sufficient resources to carry out bilateral activities'. Certain DPPs mentioned insufficient Bilateral Fund allocations (in BG and RO particularly), limiting opportunities to participate in bilateral activities – on project level – involving travel to Donor States. One DPP explained that Romanian and Bulgarian representatives had a budget of 50 EUR to cover all travel costs, which is insufficient.

Among the factors that negatively affect bilateral cooperation were COVID-19 and travel restrictions, which created serious delays in programmes.

2.4. Donor project partners' contribution to and benefits from the bilateral cooperation

Project level partnership has a significant contribution to bilateral cooperation. About 38% of the projects under the programmes are implemented in partnership between Beneficiary and Donor State entities. For projects that fall in the scope of the evaluation,²⁴ this percentage increases to 55%.

The number of projects implemented in partnership varies between countries. Slovenia, Poland, Portugal and Latvia have the highest share of partnership projects, while in Malta, Cyprus and Greece partnership projects are relatively fewer (see Table 0.1 in Annex 6).

Most partnership projects are in the area of Culture (PA14 - 86% of the projects are implemented in partnership), Justice and Home Affairs (PA19 - 78%); and Education and Research (PA03 - 77% and PA02 - 74%). The areas where partnership is less frequent are Asylum and Migration (PA18 - 19% of the projects are implemented in partnership); Roma Inclusion and Empowerment (PA07- 24%) and Local Development and Poverty Reduction (PA10-31%) (see Table 0.2 in Annex 6.).

In addition to projects implemented in partnership, about 800 bilateral initiatives registered in GrACE were funded under the Bilateral Fund with almost equal distribution at national and programme level. There are even more initiatives as the smaller initiatives (below €3,000) are not registered.

How the partnership is established

Several options are available to project promoters to find a partner:

- Independent search for a partner;
- Previous cooperation;
- Match-making events;
- Assistance by DPPs and POs; or
- Search in the established partnership databases.²⁵

The table below presents the share of partnership projects in which one of the above approaches was applied.

²⁴ The Active Citizen Fund projects and Regional Funds projects, as well as the projects in support of Ukrainian refugees are outside the scope of the evaluation.

²⁵ Databases have been developed by POs, DPPs or by other entities

Table 2.3. Approaches to find a partner as a % of the projects implemented in partnership

How the partnership was established	BG	CZ	LT	PL	PT	RO
Independent search for partner	61%	45%	35%	42%	38%	39%
Previous cooperation	15%	41%	49%	38%	23%	47%
Match-making event	15%	8%	4%	9%	15%	4%
Assistance by Programme Operator	3%	2%	5%	4%	5%	5%
Assistance by DPP	3%	2%	8%	2%	8%	2%
Search in partnership databases	2%	2%	0%	4%	8%	2%

Source: GrACE data on projects implemented in the selected countries

Although shares presented in the table above are based on the programmes in the selected six countries and therefore not representative for the Grants as a whole, it is obvious that in the majority of cases, partnerships have been established through an independent search for partners or previous cooperation. Promoters in Bulgaria rely mostly on independent search for partners, while in other countries, and particularly in Lithuania and Romania, previous cooperation was also an important partnership enabler. Match-making events were somewhat useful in establishing a partnership in the case of Bulgaria and Portugal, although not to the extent expected and perceived by DPPs and POs (see EQ5. To what extent do DPPs contribute to the content and results of the programmes?). The assistance of POs and DPPs was important mainly for projects in the areas of Justice and Home Affairs (PA19, PA21, PA22 and PA23).

The surveys among promoters and partners carried out as part of this evaluation confirm that 'independent search for partner' and 'previous cooperation' are the two approaches most often applied to ensure partnership. In addition, the survey data reveal that Beneficiary State entities, as could be expected due to the nature of the funding, are actively searching for partners while Donor State entities usually engage in partnership if approached by a Beneficiary State project promoter. Only 3% of the projects/initiatives were initiated by Donor State entities. Donor State entities are also more likely to approach DPPs and POs for assistance when they need a partner.

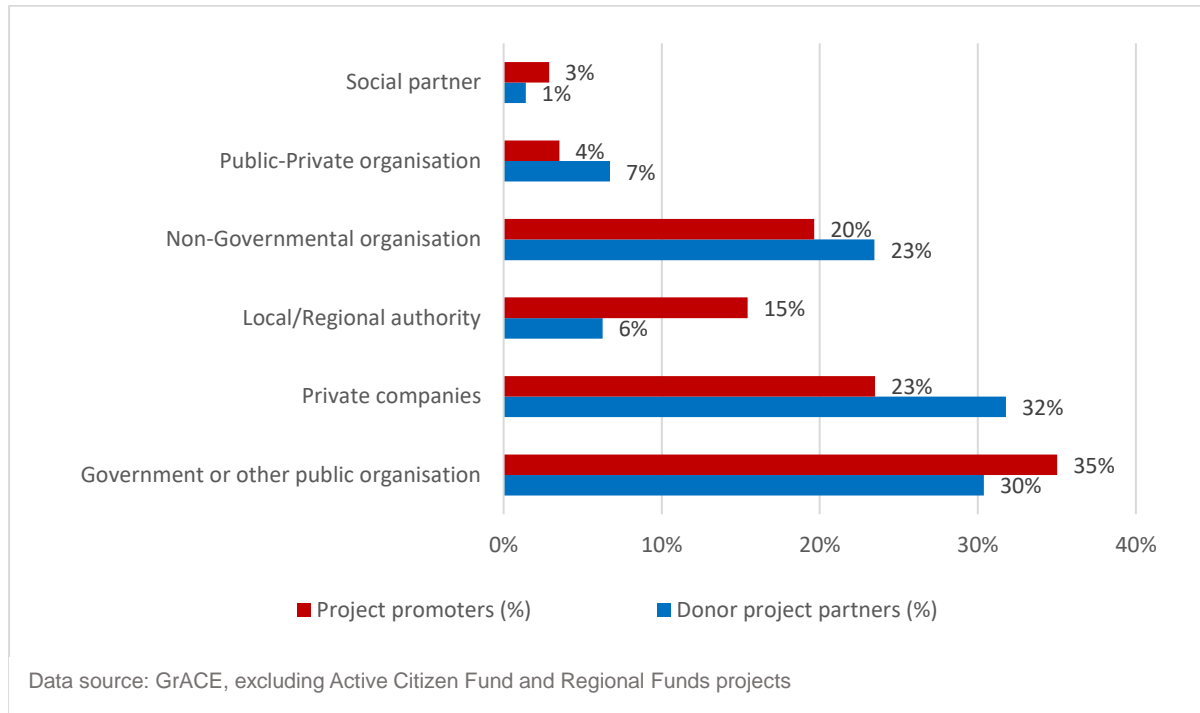
To support finding partners, POs, DPPs and other entities developed partner search databases in various formats (web-based; Excel; Word). These are usually sector specific, such as the Bulgarian Ministry of Energy [Database](#); the Research Council of Norway [Database](#) and Innovation Norway [Business Cooperation Database](#). Some databases cover several sectors, such as the Czech NFP [Partner Database](#) or the Government of Iceland [Database](#).

The existing databases were useful to find partners only for a relatively small number of projects, particularly in Portugal. The stakeholders share the opinion that databases could be very useful, particularly to collect data for Donor State entities that are interested in partnering under the Grants. However, the majority of the stakeholders think that the databases are scattered, with varying functionalities and need to be made more informative and user-friendly. They also need to be populated with more entries. Various interviewees believe that a common database for partner search, consisting of Beneficiary and Donor state entities, would be useful. An example of such a database is the "[Bilateral cooperation platform](#)" where Beneficiary and Donor State institutions in the area of education can register and get in touch with each other.

Who enters into partnership

Beneficiary State governmental institutions and other public organisations form the majority of the project promoters that enter into partnership (35%), while in the case of Donor State it is the private companies that most often engage in partnership (32%) (see Figure 7).

Figure 7. Type of project promoters and donor project partners



Universities from Beneficiary States engaged in partnerships amount to 9% vs 4% of the universities from Donor States. This lower percentage for the Donor States is compensated by the involvement of some Donor State universities in multiple projects. For example, the Norwegian University for Science and Technology is involved in 88 projects; the University of Oslo – in 61 projects; the University of Bergen – in 56 projects; the University of Iceland – in 41 projects. Schools represent 3% of the Beneficiary State stakeholders engaged in partnerships and 4% in Donor States. Museums (3%) and hospitals (1%) are also partnering.

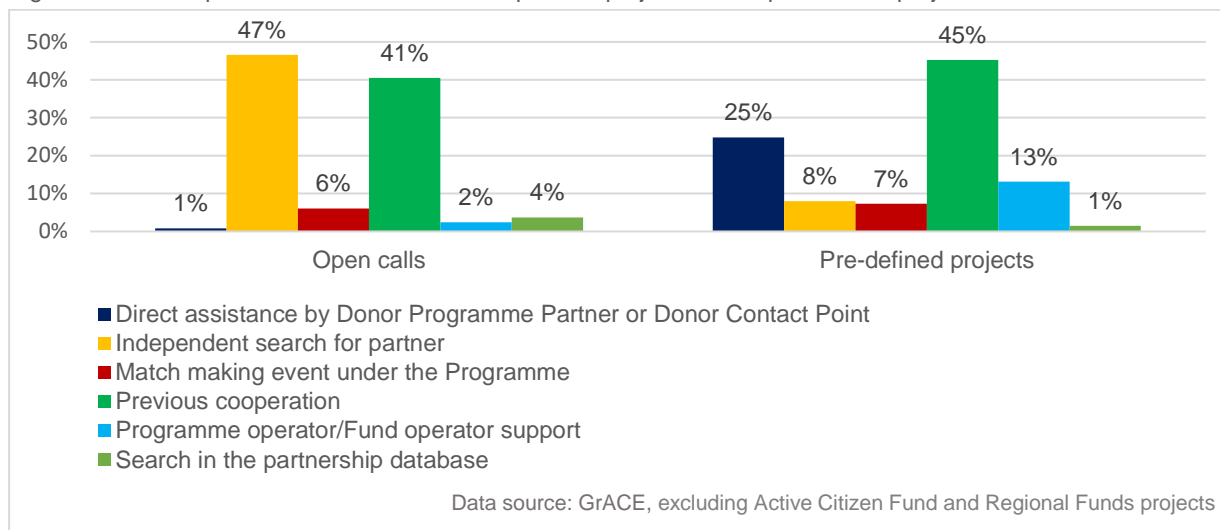
Local and regional authorities in Beneficiary States more often implement projects in partnership (17%), while the involvement of local/regional authorities in Donor States is more than two times lower (6%).

Non-governmental organisations are almost equally represented in partnership projects (about 20%-23%). Social partners from Beneficiary States, such as trade unions, chambers of commerce and industrial associations, are more active compared to their counterparts in Donor States.

Open call projects and pre-defined projects

The share of pre-defined projects implemented in partnership to the total number of pre-defined projects is slightly higher (59%) than the share of open call projects (55%) implemented in partnership to the total number of open call projects. In open calls, partners were identified through independent search for partners (47% of the cases) or previous partnerships (41%), while in the case of pre-defined projects, apart from contacts being available from previous cooperation, DPPs and POs provided significant support (see the figure below).

Figure 8. How the partners were introduced in open call projects and in pre-defined projects



Project promoters of pre-defined projects are usually government and other public organisations (in 91% of the cases), while in open call projects apart from organisations from the public sector (30%) promoters are also private companies (26%); non-governmental organisations (22%) and local and regional authorities (16%), as presented in the table below.

Table 2.4. Share of stakeholder type to the overall number of projects from the respective category

Stakeholder type	Pre-defined projects	Open call projects
Government or other public organisation	91%	30%
Private companies	0%	26%
Local/Regional authority	6%	16%
Non-Governmental organisation	0%	22%
Public-Private organisation	1%	4%
Social partner	1%	3%
Total	100%	100%

Source: GrACE data on all projects excluding the Active Citizen Fund, Regional Funds projects, and projects in support of Ukrainian refugees

Bilateral initiatives could also be selected through open calls or directly proposed in the Work Plan of the Funds for Bilateral relations. Of the supported bilateral initiatives about 55% were selected through open calls but with a smaller budget share (33% of the budget).

Below we provide answers to the evaluation questions related to project level partnership.

EQ6. To what extent do incentives in open calls contribute to the strong involvement of donor project partners in projects?

The incentives in open calls can stimulate partnership but do not necessarily provide for stronger involvement of donor project partners. Apart from mandatory partnerships, another common incentive applied is more points given during the selection process. However, a downside effect is that some partnerships are only established to get a higher ranking with limited involvement of the donor project partner. Budget allocations specifically earmarked for bilateral activities coupled with DPPs support to find a suitable partner was also applied to stimulate partnerships.

The involvement of donor partners during the elaboration of project ideas helps to develop projects which are interesting for both partners. Therefore, the support provided to enhance the establishment of partnerships at the early stages of project development leads to stronger involvement of donor

partners. However, this possibility was not fully used, as funds were not available on time or in other cases, promoters and partners were not aware of this possibility.

More targeted measures towards potential donor partners, such as information campaigns and direct contacts by the DPPs through their networks, stimulate partnerships and strengthen donor partners' involvement.

Current practices applied to stimulate partnership

Specific requirements or incentives are applied in the calls for proposals to stimulate partnerships. These could be requirements for mandatory partnership or incentives (extra points during project selection) for projects that are planned to be implemented in partnership with a donor project partner.

The **partnership was, in general, mandatory under education, research and culture**. In other areas partnership was not mandatory, however, incentives have been provided to stimulate it. The extra points given to partnership projects vary from programme to programme. In some calls the extra points given are only 3%-5%²⁶ of the overall weight and in others the incentive can reach 25%²⁷ or even 50%²⁸ of the overall assessment criteria.

The analysis of open call data under the selected programmes (see Table 0.3 in Annex 6) shows that **the extra points given are likely to stimulate project promoters to look for Donor State partners**. About one third (28%) of project promoters that participated in the survey point out that they sought donor project partnership because it was rewarded in the project selection process. However, this depends on the weight of the points in the overall score and the sector. Partnerships are more popular in research, education, business development and renewable energy.

An **innovative approach was applied under PL-LOCAL DEVELOPMENT programme** (see the text box below). To stimulate partnerships, a part of the project budget was reserved for partnership activities. Thus, the projects implemented in partnership received higher budget allocations. A DPP (Norwegian Association of Local and Regional Authorities) was actively supporting identification of partnering Donor State municipalities. However, despite the efforts, it was only possible to ensure donor project partners for 17 of the 29 projects. Nevertheless, this approach has provided good results in terms of ensuring quality partnerships and can be applied under other programmes as an alternative to the existing practices to stimulate partnership and facilitate finding suitable partners.

Best practice: Partnership incentives under PL-LOCAL DEVELOPMENT

An innovative incentive was devised to encourage partnership between Polish municipalities and Donor States local authorities. In the project budget a reserve was set aside for potential partnership activities with municipalities from Donor States. Partnership is not compulsory, but if no partner is found, then the budget earmarked for partnership activities is returned to the Programme. When beneficiaries applied for funds, they had to fill out a separate annex regarding expectations from the Norwegian partner. This arrangement is coupled with support provided by the DPP (Norwegian Association of Local and Regional Authorities) in finding suitable donor partner.

Where no partnership incentives were applied applications for partnership projects were also submitted which indicates that **the added value of partnerships is recognised**. For example, although under the CZ-HEALTH programme no incentives for partnership were provided, 22% of the applications included a donor project partner.

²⁶ Such as the calls under BG-HOMEAFFAIRS; PL-CLIMATE.

²⁷ PT-INNOVATION calls such as: Resource Efficiency of Enterprises in Marine Sector Supported; 2nd SGS #1 - Initiatives for business growth in Startups Supported; Business, development, innovation and SMEs, etc.

²⁸ PT-INNOVATION Call nr #5 - Education

To support finding partners, POs and DPPs organise **match-making events, create and maintain databases** with potential partners and support interested entities in identifying suitable partners. Donor State embassies (particularly Norwegian embassies) or other Donor States agencies also provided support. About 16% of all bilateral initiatives funded were for the preparation of partnership projects or applications. In addition, 8% were match-making events. Most of these were organised under the programmes. In addition, under some programmes (such as BG-HOMEAFFAIRS), the funds allocated for programme management were also used for that purpose.

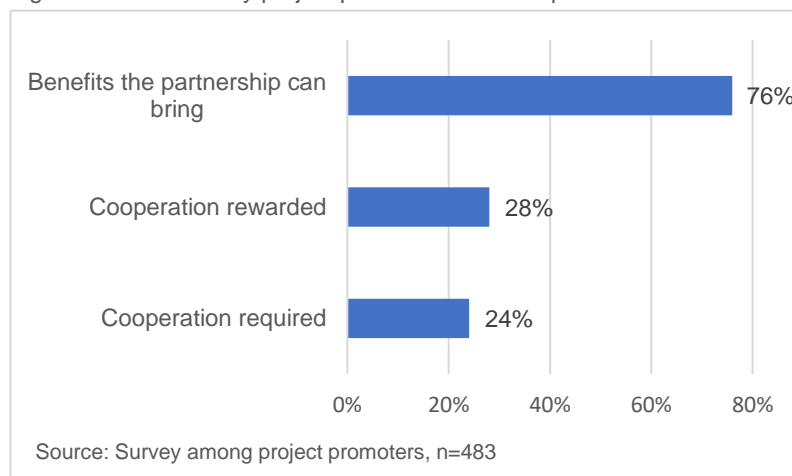
Visiting the partners and face-to-face contact is important for increasing trust between the partners and the understanding of their respective activities. This allows the project ideas to be discussed and project proposals to be developed together, which is a prerequisite for a strong project involvement of donor partners.

The availability of funding for partners' meetings is considered as a key partnership facilitator by both project promoters and donor project partners. Although the Bilateral Fund offers a possibility to reimburse the cost of the partner search for donor partnership projects prior to or during the preparation of a project application (art. 8.8(b) of the Regulations), this possibility **was not fully utilised** as it was either not available on time or the partners were not aware of it.

Motivations of project promoters and donor partners to implement projects/initiatives in partnership

There are various reasons why project promoters seek to implement projects with Donor State partners. The survey among project promoters, the interviews and focus groups indicate that **the majority of project promoters entered into partnership because of the benefits partnership can bring**, such as access to know-how, information and exchanging experience (see the figure below).

Figure 9. Reasons why project promoters seek cooperation with Donor State entities



Higher points given to project proposals with a Donor State partner, or additional budget also incentivised some promoters to seek partnership. However, a downside effect of this incentive is that some promoters seek partnership just to increase their chances for a higher ranking without a real need to involve donor partners in project activities.

Apart from sharing expertise and experience, the possibility to learn from other countries, expand and refine activities were key motivations for Donor State entities to partner under the Grants (see Figure 10.) Prospects for the establishment of professional contacts, and joining new partnership networks that lead to better access to EU networks/markets were also among the key drivers for donor partners to enter into partnerships with Beneficiary State entities.

Figure 10. Reasons why Donor State entities enter into partnership

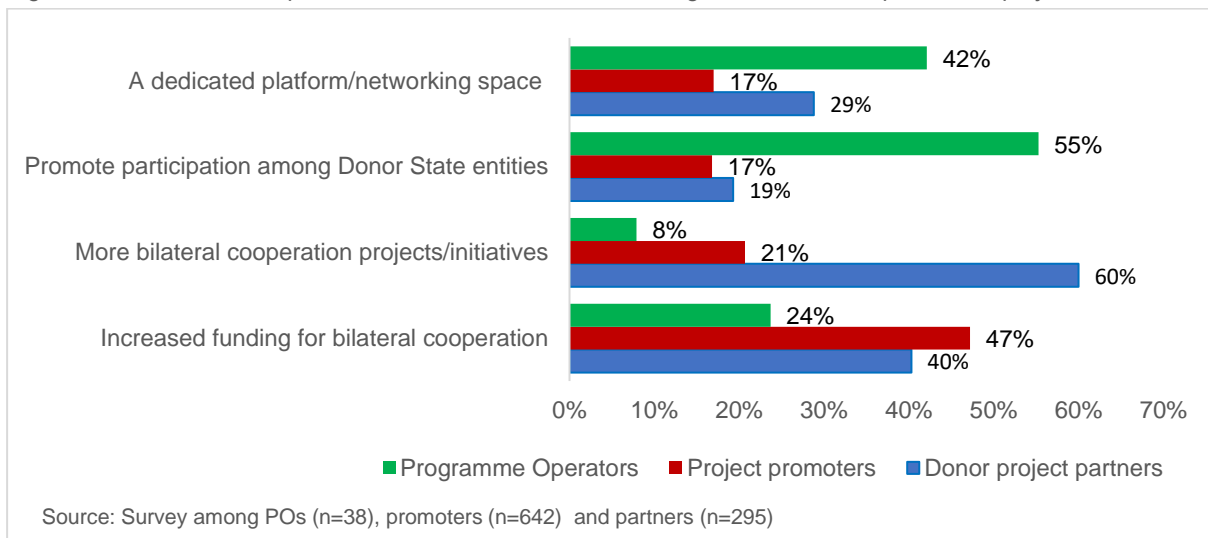


In some cases, partnerships continued previous successful cooperations. Sometimes, partnerships were driven by political agreements/priorities or were sought because they were in line with organisations' strategic objectives.

Possible alternatives to current practices

The figure below reflects the views of the POs, project promoters and donor partners that took part in the surveys, on how bilateral cooperation at project level could be strengthened. For promoters and partners, availability of funding is a natural prerequisite for more bilateral cooperation projects. Donor partners see more opportunities for bilateral cooperation if it is required that more projects to be implemented with a donor partner.

Figure 11. Stakeholders' opinion on what could be done to strengthen bilateral cooperation at project level



Finding a suitable partner remains a key challenge for many promoters. Therefore, the **support provided to identify suitable partners is a key enabling factor for partnerships**. POs rely on DPPs to facilitate partnerships through spreading information on the Grants among stakeholders in Donor States and facilitating the establishment of contacts between interested parties. Almost a half of the POs consider that partnership databases and platforms could be improved and used to promote and facilitate partnership.

Mandatory partnerships and incentives applied under calls for proposals stimulate partnerships but could also lead to formal partnerships, established just to fulfil the requirements, with little involvement

of the donor partner. Only 3 of the 38 of the POs that took part in the survey are in favour of obligatory partnerships. About 32% of the promoters would like to have more time to develop the project idea and the partnership.

EQ7. To what extent are the quality and relevance of the donor project partners assessed in the project selection process for open calls?

The **quality and relevance of the donor project partners in open calls are assessed to varying extents**. Under some calls, they are screened to check compliance with pre-defined administrative/technical criteria, while in others, more stringent requirements and assessment criteria have been applied. In some calls, the quality of the partnership was among the core requirements to get funding. The DPPs can contribute to the assessment of partnerships through participation in Selection Committees. However, it seems these committees are not fully effective as they intervene after the assessment has been done. They either do not propose any changes to the selection at all or propose changes which can be seen as disputable as these are not based on formally adopted criteria.

The selection of projects is the responsibility of POs. They elaborate guidelines for applicants in consultations with DPPs, where such exist. The assessment of project proposals is usually done in two stages: (1) administrative assessment, which looks at formal compliance with the requirements, including the capacity of promoters and partners and (2) technical assessment, where the merits of the project are assessed, including bilateral cooperation.

DPPs are usually not involved in these two evaluation stages or, at best, could be observers. They are involved in an additional third stage of assessment through the Selection Committee, if such a committee is envisaged under the programme/national rules.²⁹ The Selection Committee reviews the shortlisted projects and can recommend introducing changes to the shortlist. It enables the DPPs to assess projects from their perspective, including assessing the experience and expertise of the donor project partners, their contribution and relevance to the project and the associated risks. However, changes to the shortlist were rarely proposed. In one case, the PO was reluctant to change the shortlist, as it felt the change would be vulnerable to court appeals without being based on clear rules and criteria. Some NFPs and POs consider that either the role of the Selection Committee should be clarified or DPPs should be involved in the evaluation. This somewhat resonates with the DPPs' view that they can be more involved in decision-making (see 2.3. DPPs role and contribution). So far, Donor State experts were involved in administrative and technical assessment of project proposals only under the PL-CULTURE programme. According to the DPP Arts and Culture Norway, the involvement of Donor State experts in the assessment process led to the selection of projects where donor state partners better match the project's scope and content. The PO also agreed that, although time-consuming and more costly, this approach is largely effective. However, involving DPPs in the evaluation is constrained by capacity issues and might not be appropriate in all cases.

The requirements related to the type of entities, field of operation or capacity of both promoters and partners are listed in the calls' documents and selection criteria. A partnership agreement or letter of intent is also requested to be submitted.

The **reviews of capacity, quality and relevance of donor project partners contribution, however, vary significantly**. Under some calls, these are screened for compliance with administrative/technical criteria, while in others more stringent requirements and assessment criteria have been introduced. Fourteen of the 38 POs that took part in the survey (37%) assess the relevance and quality of the

²⁹ In the previous FM 2009-2014 the role of Selection Committee was regulated in the EEA and Norway Grants Regulations but is not part of the 2014-2021 Regulations. There are no Selection Committees under the programmes managed by Innovation Norway.

proposed donor project partner in the project selection process and 7 (18%) require evaluators to adjust the number of points to the degree of involvement of the donor partner. There are also calls where the quality of the partnership is among the core requirements to get funding. Examples of the various approaches include situations in which:

- The quality of the partnership is not assessed. The only requirement is to present a partnership agreement or a letter of intent (PL- CLIMATE).
- The project promoters and partners' capacity is assessed equally, without assessing the way they distribute the roles and work under the project, i.e. without assessing the partnership aspects. The following criteria are usually assessed: management and financial capacity, expertise and experts' qualifications (BG-HOMEAFFAIRS).
- In addition to the quality of the project team, cooperation arrangements based on information provided in the application form and the cooperation agreement could be assessed and thus the proposal can get a higher or lower score (CZ-EDUCATION).
- More stringent requirements for the partnership are included under some programmes such as: the partner should be actively involved in, and effectively contributing to, the implementation of the project, and it should share with the project promoter a common economic or social goal which is to be achieved through the implementation of the project³⁰ (PT-INNOVATION; RO-ENERGY). The partnership must be of such a character that without the activities carried out in cooperation, it would not be possible to ensure the proper functioning and fulfilment of the project objective (CZ-HEALTH). Projects should involve partners from Donor States in all stages: planning, implementation and completion, as well as ensure their substantive, organisational and financial role (PL-CULTURE).
- The extent to which the applicant and partner(s) have the necessary resources to implement the project is reviewed, as well as the extent to which the partnership agreement includes a clear division of roles, responsibilities and budget allocations agreed upon; assessment of partner's involvement in the preparation, implementation and sharing the project results; each partner has a significant contribution to project activities (BG-INNOVATION; RO-RESEARCH).

Based on the experience gathered so far, the following criteria could be considered to assess cooperation quality:

- Both partners are engaged in project implementation (have allocated tasks and responsibilities).
- There is budget allocated to both partners which is proportionate to their responsibilities.
- The partnership will add value to the project and will increase its effectiveness.
- The partnership will be beneficial for both parties.

A good practice concerning the assessment of partnership's relevance and quality is the approach of Innovation Norway **to interview project promoters together with project partners and conduct site visits** to the place where project activities will be implemented (see the text box below). However, conducting interviews and site visits is time and resource-consuming and cannot be undertaken in all cases.

³⁰ This is in line with Article 1.6.w of the Regulations: *“Project partner”: a natural or legal person actively involved in, and effectively contributing to, the implementation of a project. It shares with the Project Promoter a common economic or social goal which is to be realised through the implementation of that project.*”

Best practice: Assessment of partnership’s quality and relevance (BG-INNOVATION)

After the administrative and technical assessment is finalised and the shortlist of selected projects is prepared, Innovation Norway invites project promoters and partners to an interview to discuss the projects, activities and the partners involvement. This is done to all shortlisted projects and projects from the reserve list. Site visits, if relevant, are also conducted at the implementation site. This gives Innovation Norway an opportunity to gather additional first-hand information and better assess the quality and feasibility of the proposal, capacity of promoters and partners and the distribution of roles and responsibilities between them.

EQ8. To what extent do donor project partners for projects and donor partners for bilateral initiatives contribute to, and benefit from, the projects’ and the initiatives’ results respectively?

The involvement of donor partners varies from project to project. Donor partners could actively participate or could have limited involvement and contribution. In general, research and education projects tend to be implemented with partners involved in mirroring activities. In some bilateral initiatives donor partners can play a coordinating and leading role.

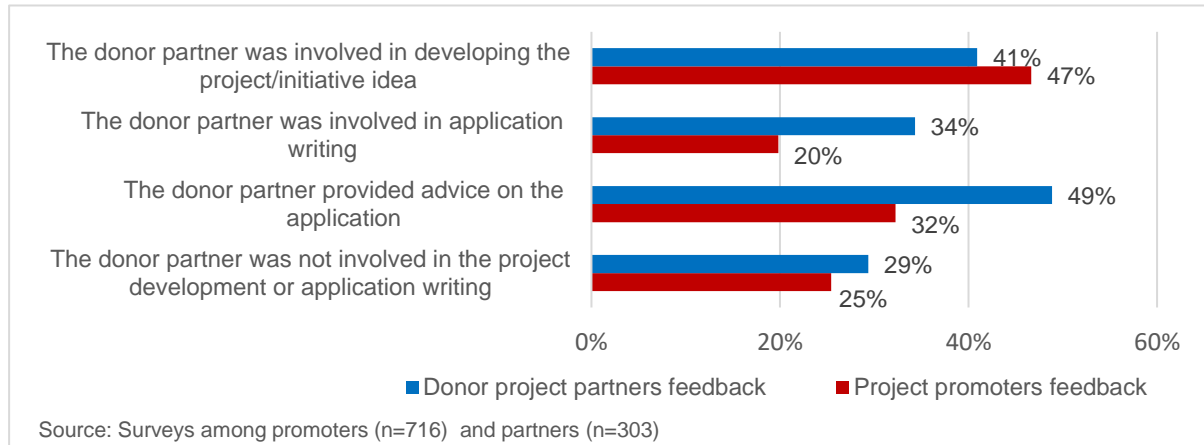
Donor partners get many benefits from the projects. These depend on the sector but in most cases consist of: exchanges of experience, cultural exchanges, establishing relations with institutions in Beneficiary States, access to EU organisations and networks, access to new markets and new business opportunities.

Degree of involvement of donor partners and their roles and contribution

Donor project partners can be involved in both design and project implementation. An ideal situation would be that a project partner(s) and project promoter elaborate the project idea together.

Survey data shows that, in the majority of the cases, donor partners were involved in one or another way in proposal preparation. However, in about 27% of the cases the partners were involved only in the project implementation (see the figure below).

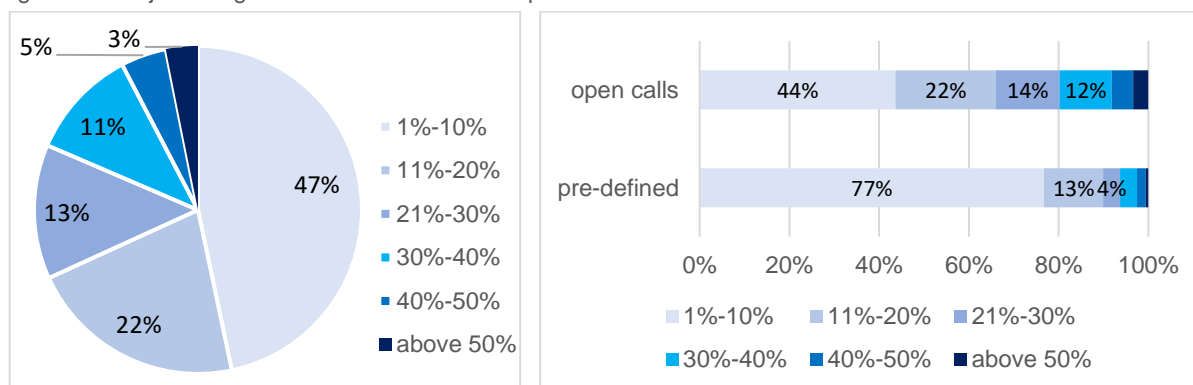
Figure 12. Involvement of donor partners in project/initiative development



Under open calls, the promoter often already has an idea of what should be done and then seeks potential suitable partners. This, to a certain extent, predetermines a more passive role of the partners, although this could vary from project to project. Not always are such proposals accepted by donor partners. The interviews and focus groups reveal that donor partners more experienced with the Grants usually decline partnership if not satisfied with their role and if not able to have a say about the proposal. One donor partner said that they are not entering in partnership if the proposal is not developed together. Although few, there are cases where a donor partner approached the Beneficiary State entity with a project idea and methodology for implementation – 3% of the project promoters that took part in the survey indicate that the partnership was initiated by a Donor State entity.

The more limited role of donor project partners is also visible from the share of their budget allocations. **In the majority of the projects (69%), donor partners get from 1% to 20% of the project budget, and only in 3% of the projects, their share was 50% or more** (see Figure 13)³¹. Given the differences in cost (of living) between Donor and Beneficiary States, the allocation to Donor State entities indicates even lower involvement. The budgets under open calls are more equally distributed between promoters and partners. This is because the pre-defined projects usually have larger budgets, a significant part of which is dedicated to capacity building for the Beneficiary State, including equipment supply and infrastructure investments.

Figure 13. Project budget allocations to the donor partners



Source; GrACE data: all projects excluding the Active Citizen Fund, Regional Funds and projects in support of Ukrainian refugees

The degree of partners' involvement is correlated with sectors and types of project activities. In Research (PA2) and Education (PA3), donor partners are more likely to be equally involved in project activities together with respective promoters. This is reflected in their budget shares: in 64% of the projects under PA2 and PA3 the budget allocation to donor project partners is above 20%.

Judging by the budget share in the overall project budget, **governmental and public organisations have higher involvement in projects**. In the majority of the projects, the budget allocation for the partner is above 10% (see Table 2.5). For other stakeholders, in the majority of the projects, donor project partner allocations are up to 10%. However, in 14% of the projects, private companies seem to have significant contributions to project results, with above 30% of the project budget allocation.

Table 2.5. Budget allocations in projects per type of donor project partner

Donor project partner type	Budget allocation to donor project partner			
	1%-10%	11%-30%	30%-50%	above 50%
Public organisations	38%	37%	22%	3%
Local authority/Regional authority	55%	36%	6%	3%
Private companies	56%	30%	10%	4%
NGOs	52%	38%	9%	2%

Source; GrACE data: all projects excluding the Active Citizen Fund, Regional Funds and projects in support of Ukrainian refugees

While promoters are overall responsible for the implementation of projects/initiatives and undertake management and reporting obligations, **donor partners are involved in activities related to knowledge transfer, exchange or sharing of experiences and study visits**. The roles they can take vary from a more supportive to active contribution and even coordination and leading, as outlined below:

- (1) Experts: provide expert opinion, review strategies, manuals or reports; provide trainers.

³¹ Projects where there is no allocated budget to donor partners have been excluded from the calculation.

- (2) Facilitators: organise events and training, support networking and access to information and good practices; data and information providers.
- (3) Service providers: develop products or provide services.
- (4) Coordinators and leaders: Some donor partners, mostly under bilateral initiatives, can have a leading role for some activities as presented in the text box below.

Survey results among promoters and partners show that most often donor partners are in the role of experts to share knowledge and expertise, could also be involved in capacity-building activities and facilitate and promote exchanges between Beneficiary and Donor States. In about 19% of projects/initiatives partners involvement was limited, and in few, it was only formal (see the table below).

Table 2.6. Donor partners role in projects/initiatives

Donor partners role in projects/initiatives	Promoters' views (%) [*]	Partners' views (%)
Actively involved in all stages	37%	44%
Available as experts	48%	61%
Propose and initiate activities	18%	43%
Share knowledge and experience	50%	55%
Promote exchanges between DS and BS	14%	29%
Involved in capacity-building activities	19%	42%
Participate in some bilateral activities but not in the general work	14%	23%
Only formally associated with the project/initiative	4%	4%

Source: Surveys among promoters (n=642) and partners (n=295); * % of all respondents (multiple choice option was available therefore the percentages do not sum-up to 100%)

Both promoters and partners find the contribution of the donor partners to projects important or very important. About 90% of promoters and partners share this opinion.

Although in bilateral initiatives donor entities can also be in the role of promoters, compared to Beneficiary State promoters, Donor State promoters are relatively less common. Even when the cooperation idea comes from a Donor State entity, the latter is not necessarily a promoter. For example, in the case of the Synergy Network PA 21 meetings and Conferences, the initiative is led and coordinated by the Norwegian Ministry of Justice and Public Security, although the project promoter is the Bulgarian Ministry of Justice.

There are many examples of an equal involvement of promoters and partners in activities. One of them, i.e. the cooperation between a geopark in Portugal and geoparks from Norway and Iceland, is presented in the text box below.

Best practice: Equal participation of the promoter and partner in activities (PT-Bilateral Fund)

EEA Grants were used as an opportunity to connect the Geopark Estrela to two geoparks in Norway (Gea Norvegica) and in Iceland (Katla Global Geopark). All geoparks are part of UNESCO geoparks. The promoter of the bilateral initiative is the Portuguese geopark. The proposal was developed by the promoter with partial contribution from the partners. However, the activities envisaged equal involvement of the three geoparks in study visits, exchange of information, seminars and exhibitions.

Benefits from the projects to the donor partners

Although donor partners mostly have a supportive role in projects and initiatives, **all stakeholders agree that donor partners get many benefits from the projects**. These depend on the sector but usually consist of: exchanges of experience, cultural exchanges, establishing relations with institutions in Beneficiary States, access to EU organisations and networks, access to new markets and business opportunities.

The survey results show that 86% of the donor partners and 88% of project promoters are of the opinion that the participation of donor partners in projects was useful or very useful for them.

Innovation Norway conducts [annual surveys](#)³² on the satisfaction of donor project partners in the EEA and Norway Grants. The results show that **the majority of the partners are satisfied with the cooperation and find their participation in projects beneficial**: innovations introduced (77% of respondents); increase in turnover (63%); increased competitiveness (50%); pollution reduction (50%); increased exports (48%) and improved use of resources (41%).

A recent [report on the effects of the EEA and Norway grants](#)³³ points out that the Grants create work for Donor State organisations and companies and may lead to subsequent projects and assignments. The report presents numerous examples to support this finding. We can add another example, based on an interview carried out as part of the current evaluation, as presented in the text box below.

Best practice: New business activities developed as a consequence of cooperation (BG-INNOVATION)

HERTI is a Bulgarian company that in cooperation with a Norwegian company ICB Digital AS (NO) installed online monitoring of a new production line for printing and varnishing of aluminium sheets allowing corrective measures to be taken during production. After the project completion, HERTI decided to expand the monitoring to other production lines and commissioned this to ICB Digital AS. Working within the Bulgarian company, the Norwegian partner not only gained new work but was able to customise the software to specific production lines and thus expand and improve their product.

Challenges encountered

The first challenge encountered by the promoters is to find a Donor State partner (see How the partnership is established). The **tools applied to support partner search are not fully effective**. The stakeholders agree that improvements are possible in that respect: awareness raising among potential partners in Donor States; improvement of the available databases and populating them with new entries and greater involvement and support by the DPPs through their networks.

There are also **challenges related to application for funding and implementation that are not associated with the partnership**. It is generally agreed that these stem from imposed regulations and requirements by the administrations of Beneficiary States and are not associated with provisions of the EEA and Norway Grants Regulations. For the inexperienced beneficiaries, compliance with administrative requirements is more challenging.

The practices perceived as burdensome include requirements for the provision of a significant number of documents, including various types of statements; requirements to provide this in paper signed and stamped and delivered by post; more frequent reporting than necessary; burdensome financing reporting, and insufficient flexibility to introduce changes. Delays in concluding contracts under some calls undermined the partners' enthusiasm, particularly of the private companies. In a few cases, donor partners complained about being paid in Beneficiary State national currency. The requirements vary across Beneficiary States and programmes.

Financial reporting was specifically mentioned as quite burdensome as in some cases invoices and receipts have been requested even for small expenses, such as taxis, tram tickets, lecturers' fees, etc., although this could vary depending on the type of activities. **Simplified costs** could alleviate reporting. However, simplified costs are only possible as lump sums for travel/subsistence in this financial mechanism and are applied only to a limited extent. Inadequate fee rates established by the POs/NFPs, that do not reflect the cost of living and market conditions also caused problems to both promoters and partners.

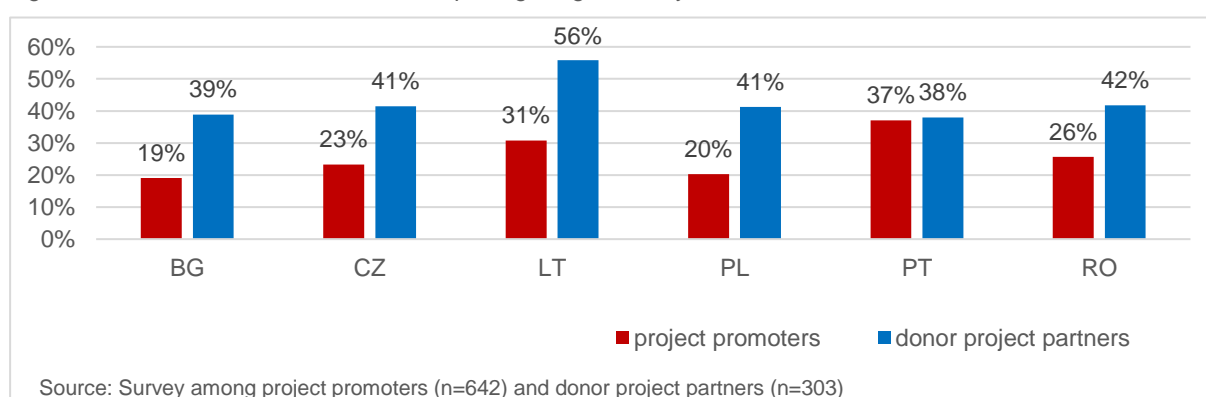
³² www.innovasjon Norge.no/en/start-page/eea-norway-grants/news/news-list/results-from-2022--norwegian-project-partners/, accessed 10 June 2023.

³³ Fafo, March 2023, [The Effects of the EEA and Norway Grants, 2004–2021](#)

Financial reporting is particularly challenging for donor partners, as they are not used to such detailed reporting. The results of a recent study on financial reporting requirements for donor project partners in the EEA and Norway Grants 2014-2021³⁴ show that **57% of the surveyed donor project partners categorise the financial reporting requirements and level of administration work as high to excessive**. In a relatively large number of cases (36%), the potential donor partners declined an invitation to join an EEA and Norway Grants project due to the excessive administration workload. The interviews and focus groups conducted with Donor State entities confirm these findings. A possible solution is to verify Donor State expenditures through an audit done according to the respective Donor State legislation. However, audit costs can be a significant part of the budget of smaller initiatives and have to be planned in advance.

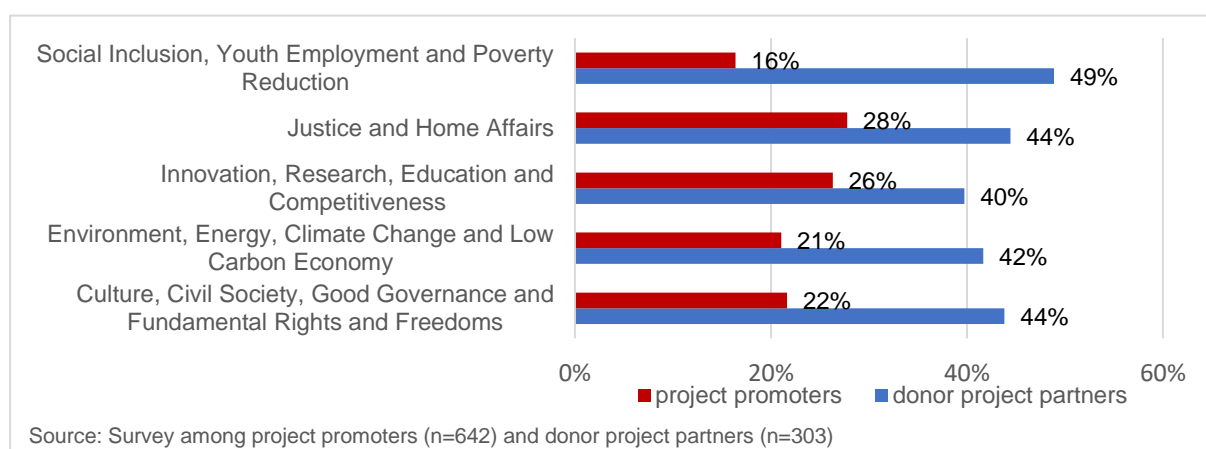
Based on the survey results it is clear that donor project partners experience more difficulties with reporting than project promoters (see the figure below).

Figure 14. Share of promoters and partners that are of the opinion that the bilateral cooperation generates a significant additional burden in terms of reporting obligations, by countries



However, this varies between countries and depends on the established rules, POs' experience and the nature of project and activities. Donor partners see reporting obligations as particularly burdensome in Lithuania, while promoters from Portugal are most critical to the established reporting rules and regulations in their country. Although perception on reporting requirements varies between sectors as well, the differences are not so discernible as in the case of countries (see the figure below).

Figure 15. Share of promoters and partners that are of the opinion that the bilateral cooperation generates a significant additional burden in terms of reporting obligations, by sectors



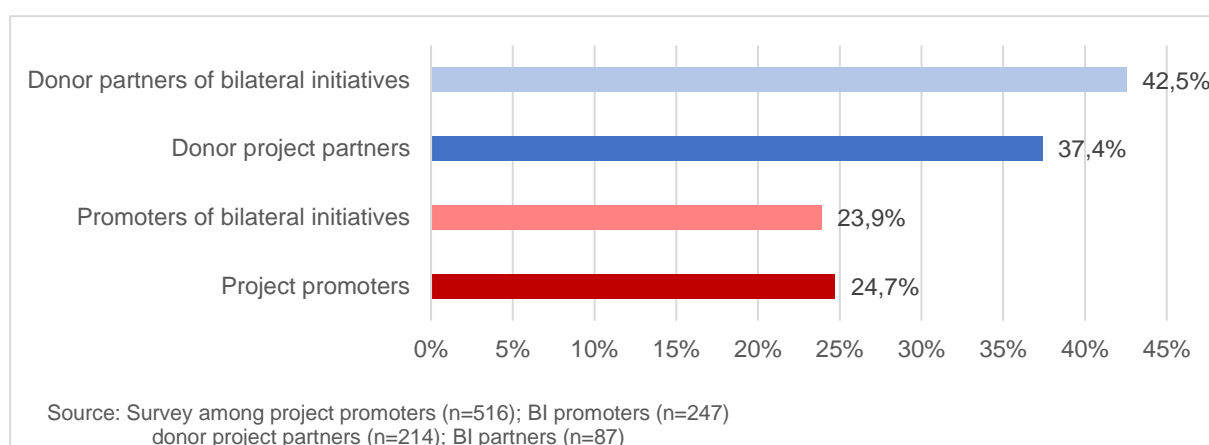
³⁴ KPMG, Financial reporting requirements-EEA & Norway Grants 14-21. The study covered six programmes in three countries (Bulgaria, Croatia and Romania)

A key challenge for the project promoters was **public procurement**, which in many cases led to delays in implementation. Some difficulties related to **increased prices** in the last years and insufficient per diem allocations for visits to Donor States were also reported during the interviews and the focus groups with bilateral initiatives promoters from the Beneficiary States.

COVID-19 restrictions have also been noted as an obstacle to cooperation leading to delays and cancellation of some visits and events. On the positive side, online calls became a somewhat natural way to communicate, improving the efficiency of cooperation.

However, in many cases the interviewed promoters and partners **did not refer to any particular challenges and stated that both application for funding and implementation were smooth and no particular challenges were encountered**. The survey results also show that about 76% of promoters and 60% of donor partners did not experience significant administrative burden (see the figure below).

Figure 16. Share of promoters and partners that are of the opinion that the bilateral cooperation generates a significant additional burden in terms of reporting obligations, by type of cooperation (project vs bilateral initiative)



There is no difference in the responses of project promoters and bilateral initiative promoters – about 24% are of the opinion that the bilateral cooperation generates significant additional burden in terms of reporting obligations. From donor entities perspective bilateral initiatives are more burdensome in terms of reporting than projects

Elaboration and concluding of partnership agreements was not considered problematic. Both existing templates (FMO Partnership Agreement template to the Bilateral Guideline, or call templates) were used while at the same time, the parties had the flexibility to amend and add items as necessary.

2.5. Opportunities for improvement

EQ9. How could the setup of the bilateral work at the different levels be improved to better reach the bilateral objective in an efficient manner – at national, programme, and project levels?

Based on stakeholders' feedback and data analysed the following option for improvement could be considered: Strategic partnerships between Donor and Beneficiary States could be further enhanced. Cross programme activities could be promoted and enhanced. The DPPs' role could be better stipulated and clarified to ensure all DPPs perform according to the agreements and expectations. At project level, actions could be undertaken to support finding suitable partners and joint development of proposals.

Changes in bilateral cooperation compared to the previous FM

There are few changes in the bilateral cooperation set-up in the current FM compared to the previous one (see section 4 Background). These are hardly noticed by some stakeholders, particularly those operating at project/initiative level. In general, NFPs and Donor State MFAs, as well as embassy representatives welcome the strategic focus of bilateral cooperation. However, they admit that this was only partially achieved. The POs can only partially encompass the meaning of “strategic” as far as it concerns their field of operation.

Nevertheless, Beneficiary and Donor State policy level stakeholders (NFPs and Donor State MFAs) consider that bilateral cooperation was further strengthened during the current FM. Although, there is no consensus whether this is due to the introduced changes in the bilateral cooperation set-up or rather attributed to other factors, such as acquired experience, increased share of the programmes with DPPs and more partnership projects, as presented in the table below.

Table 2.7. Programmes implemented with DPPs and partnership projects in 2009-2014 FM and 2014-2021 FM

Period	Programmes			Projects		
	With DPP	Total	%	Partnership projects	Total	%
2009-2014	87	150	58%	2,412	7,097	34%
2014-2021*	61	97	63%	2,482	6,506	38%

Source: GrACE; [End review of the EEA and Norway Grants 2009-2014](#),³⁵

*2014-2021 data is as of August 2023. Implementation is still ongoing

Bilateral Funds set-up options

Most of the stakeholders cannot express a clear preference between the previous or current set-up for bilateral cooperation. Both pros and cons were discussed. Donor State and Beneficiary State entities do not have conflicting opinions and are generally satisfied with the current set-up, although see some opportunities for improvement.

In the current evaluation we considered three options for Bilateral Fund set-up:

- Bilateral Fund at programme level separated from the national level bilateral funding (2009-2014 FM)
- Bilateral funding at programme and national level merged in one fund (2014-2021 FM)
- All Bilateral Funds managed at national level without programme level allocations

The options above reflect the most plausible set-ups discussed with the stakeholders, but are not exhaustive. Advantages and disadvantages of the three options are presented in Annex 7. Overview of possible Bilateral Fund set-up

Merging programme and national level bilateral funding in one fund is considered an advantage with regard to the flexibility to reallocate funds. At the same time, NFPs largely believe that POs’ ownership of the programme level Bilateral Funds and responsibilities to implement bilateral initiatives has weakened while their responsibilities increased.

A third option, where all bilateral funding is managed at national level, was also considered. In this case the strategic use of the funds could be further strengthened, however this set-up might further weaken the programme level bilateral funding and cooperation.

The stakeholder consultations carried out and the evidence collected so far suggest the following possible improvements:

³⁵ Ecorys, March 2019, End review of the EEA and Norway Grants 2009-2014

Possible improvements at the national level

Further strengthen the strategic element of bilateral cooperation. The strategic objectives of bilateral cooperation need to be set at the earliest programming stage to enable translating these objectives into appropriate bilateral activities and funding. This will require strategic planning and negotiations by both Donor and Beneficiary States, as well as some general agreements between Donor States on how best to distribute their roles, based on their strengths (key areas of excellence, competence or interest) and financial allocations, to achieve the bilateral objective.

Further enhance the contribution of smaller Donor States. The operational setup poses a strain on smaller Donor States, i.e. Liechtenstein and Iceland, which cannot effectively engage in the work of JCBFs and support partnerships in all areas. Liechtenstein operates with one and Iceland with two DPPs. Liechtenstein is planning to create a body at the national level to be responsible for the EEA Grants to facilitate coordination, including supporting partnership projects. Iceland is considering upgrading the status of one of its DPPs (RANNIS) to a national level agency, similar to Liechtenstein.

Promote cross-programme cooperation. Cross-programme cooperation has occurred naturally and its added value is admitted by both Donor State and Beneficiary State entities. Donor States can work more efficiently transferring practices in several countries while Beneficiary States can share experience, expand their networks and learn from each other.

Possible improvements at the programme level

Clarify the role of DPPs. DPPs have a key role in bilateral cooperation at the programme level and in facilitating cooperation at the project level. However, their roles and engagement vary. The current set-up provides many possibilities to be engaged leaving the actual engagement up to their interest and capacity. Some NFPs and POs think that the DPPs' role could be better defined. This opinion is also shared by Donor and Beneficiary State MFAs. DPPs welcome the flexibility they have to be involved according to the needs and possibilities but at the same time acknowledge they could be more involved in the planning and decision-making.

Possible improvements at project level

Provide more support for the identification of suitable project partners. The number and quality of partnership projects/initiatives is a key factor for the achievement of the bilateral objective at the project level. Finding a suitable partner is the first challenge faced by promoters. Therefore, support for finding suitable partners could be further enhanced. Partnership databases could be made more efficient by making them user-friendly, populating them with new entries as well as linking the various existing databases. Creating one centralised database managed by the FMO is also an option. Funding opportunities could be better promoted in Donor States and more support could be provided by DPPs (or other Donor State bodies) to project promoters to identify suitable partners.

Facilitate good quality partnerships. The engagement of donor partners in projects and bilateral initiatives varies. The practices for project preparation and selection could be improved to enable the establishment of good-quality partnerships. The joint preparation of project proposals should be encouraged. Assessment criteria could provide for a more thorough assessment of the partners' capacities and distribution of their roles, and how these support project implementation and partnership. The added value DPPs could bring through their participation in Selection Committees could be better utilised and legal constraints to consider Selection Committees opinion resolved.

Make the requirements proportional to the funding and risks. To decrease administrative burden, requirements should be made proportionate to the funding provided and to associated risks. For smaller grants with less risks, lighter administrative and reporting requirements should be established. The

usage of simplified costs, where appropriate, should be encouraged. NFPs, in cases of unnecessary requirements, could intervene and advise POs to simplify.

2.6. Sustainability of the partnership

EQ10. To what extent are the bilateral relations supported by the Grants sustainable – at national, programme, and project levels?

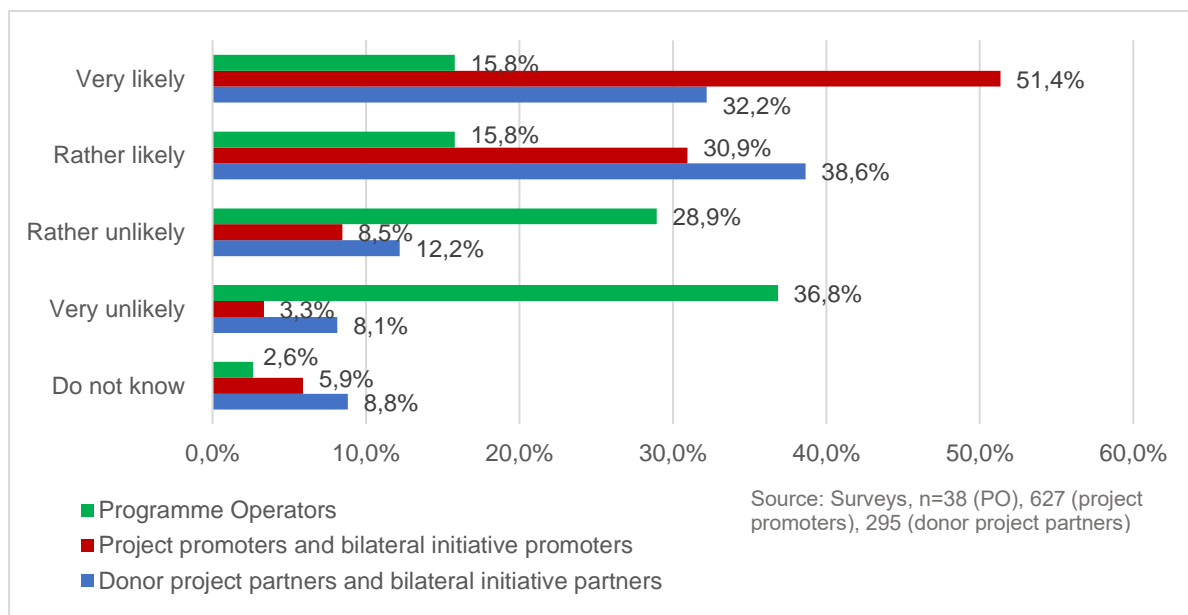
The sustainability of bilateral relations is sector dependent – some sectors are more internationally oriented, and this increases the chances for long-term cooperation, also beyond the Grants. However, many stakeholders point to the Grants funding as crucial for continued cooperation, or for maintaining the current level of cooperation. Important factors of sustainability are synergies and shared thematic interests. Variability in the availability of funding over the FM period is among the main obstacles to maintaining cooperation.

National level sustainability of cooperation depends on the active involvement of JCBF members, and it is more or less politically driven. In the case of Iceland and Liechtenstein, it is also constrained by the lack of capacity.

Close collaboration among POs and DPPs at the programme level is a prerequisite for the establishment of good contacts and working relations between the institutions in Beneficiary and Donor States. However, this depends on how active and devoted to the implementation of the respective programme the DPP is, and may vary significantly. When POs and DPPs continue their cooperation from the previous FM, the prospects for the establishment of sustainable relations are better. Nevertheless, some stakeholders pointed out that staff turnover is a key risk, as the relations are frequently based on personal qualities, enthusiasm and willingness to cooperate.

Many projects and initiatives are sustained or likely to be sustained, as evidenced by numerous projects stemming from previous cooperation (see point 2.4 on how the partnership is established). As shown in Figure 17, the continued cooperation is viewed by the majority of project and initiative level stakeholders as very likely or rather likely.

Figure 17. Likelihood of continued cooperation with partner institution without the Grants' support



The assessment of the POs is visibly different – the majority (65.7%) sees future cooperation without the Grant’s support as rather or very unlikely, and only 15.8% assesses it as very likely. The latter is related to the institutional character of PO and DPP entities, who in the vast majority are government/public administration institutions without sufficient bilateral/international cooperation funds. Moreover, the types and mandates of the DPP and PO institutions differ: the former are mostly directorates or agencies, while the latter are often ministries. This may impact continued cooperation without the grants’ Support.

Bilateral initiative promoters as well have quite positive views on the continuation of the cooperation established with their donor partners after the initiative’s end (see the table below).

Table 2.8 Share of the bilateral initiatives promoters that consider the cooperation with their partners will continue in future.

Self-assessment of bilateral initiatives promoters	Bilateral Fund-national level	Bilateral Fund-Programme level	Total
No, the activity/cooperation is not likely to continue	12%	6%	8%
Yes, the activity/cooperation is likely to continue beyond the scope of the EEA/Norway Grants	54%	24%	35%
Yes, the activity/cooperation is likely to continue within EEA/Norway Grants 2014-2021 (e.g. through funded projects)	35%	70%	57%

Source: GrACE - only completed to date bilateral initiatives

The findings indicate that sustainability largely depends on the sector. Some sectors, e.g. research and innovation, are more suited than others, as there is an already established international element. Within the Grants, there are examples where partners continued cooperation in further projects/initiatives (see Table 2.9 below), and previous cooperation is named by stakeholders among the factors predicating continued partnerships.

Table 2.9 Bilateral indicators on continued bilateral collaboration

Bilateral indicator	Achieved
Number of joint applications for further funding	71
Number of joint initiatives in a Beneficiary State or a Donor State, beyond the scope of the programme	16

Source: GrACE

There are examples of project partnerships that led partners to collaborate beyond the Grants scheme. For example, research institutes from Donor and Beneficiary States jointly apply for the Horizon 2020 funding.

Among determinants of long-lasting cooperation, shared interest is one of the most important. Multiple interviewees suggested that it should be given more prominence in deciding on the bilateral objective and elements of the Grants, as it can be more conducive to lasting bilateral cooperation.

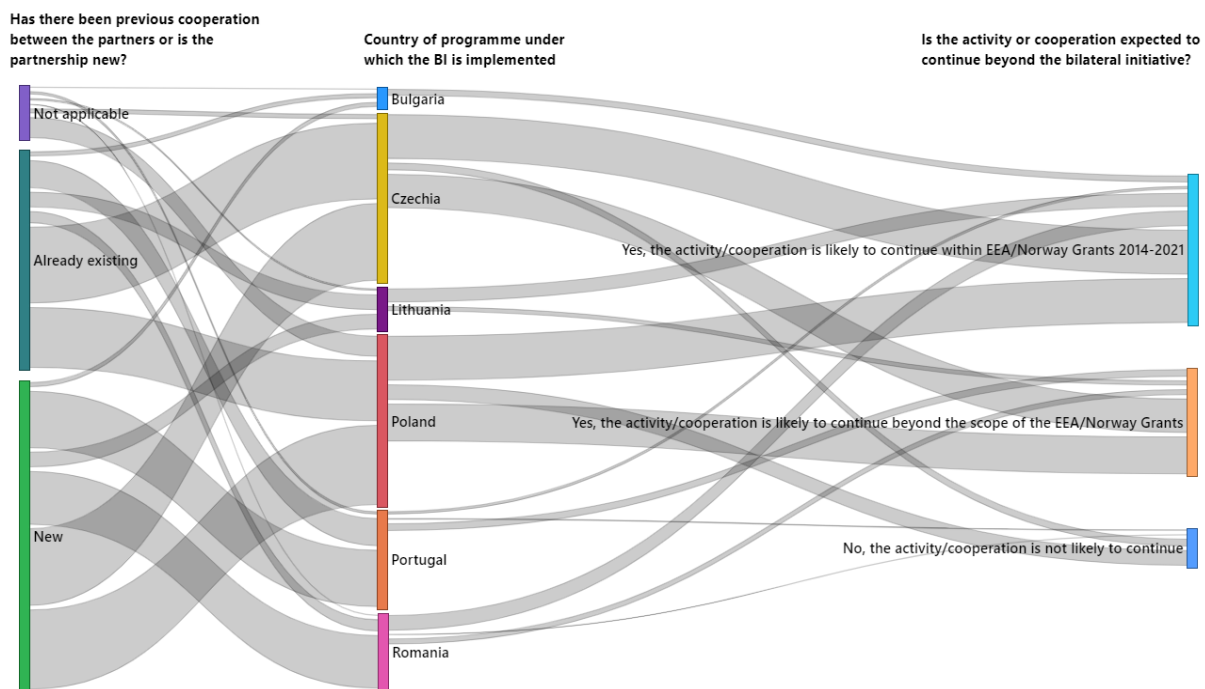
Another factor of sustainability is the continuity of exchanges predicated on funds availability. Since bilateral relations build on interpersonal trust, this plays a significant role. A gap in the availability of Grants financing is problematic. Extended periods without funding for bilateral activities lead to bilateral cooperation losing its effect and momentum. Many project/initiative-level interviewees underlined that, while the cooperation is likely to continue beyond the FM and possibly even without the Grants’ support, maintaining the current frequency and quality of exchanges will not be possible due to limited resources.

In some institutions, frequent personnel changes are a problem, as there is no institutional memory, and bilateral cooperation is not well-embedded within institutional structures. While not all initiatives could

be continued, some stakeholders think that, in the case of big strategic cooperation initiatives, provisions should be made to sustain cooperation over time.

To supplement survey data, we also used GrACE data which, for many bilateral initiatives, allow to link information on the pre-existence of partnership with expectations of it being continued, albeit the latter information is largely missing from the system (311, or 52% out of 593 initiatives for all sampled countries). Nevertheless, only 4% (9 initiatives) of the initiatives that already existed are not expected to continue, while 48% (109) will continue to cooperate either under the Grants or beyond their scope. For new partnerships, 4% (13) will not, and 37 (123) are likely to continue. For those marked as not applicable in terms of origin, 21% (8) are expected to cease, and 53% (20) should continue in the future.

Figure 18 Bilateral initiative potential for future cooperation



Source: GrACE (data as of 16 August 2023).

3. Methodology and limitations

This report presents findings from the evaluation of the bilateral cooperation in the EEA and Norway Grants.

The evaluation was implemented from **March 2023 to September 2023** with the objective to assess the **effectiveness and sustainability** of the current setup and work related to bilateral cooperation in the 2014-2021 EEA and Norway Grants. It provides conclusions and recommendations aimed to inform decision-making for the next Financial Mechanism.

The **cut-off date** of data used in the report is **31 July 2023**.

3.1. Objective, scope and evaluation questions

The evaluation looks at the bilateral cooperation in the EEA and Norway Grants, implemented under the 2014-2021 grant period. It provides answers to 10 evaluation questions with sub-questions: nine questions related to effectiveness and one to sustainability. The evaluation questions are interrelated and aim to analyse in detail key elements of the bilateral cooperation, such as: stakeholder roles; accessibility and clarity of the rules and regulations; added value of having a Bilateral Fund managed at national level and Bilateral Funds at programme level; and sustainability of the established relations. The questions also aim to explore how the practices have evolved over the years and how the setup of the bilateral work at different levels could be improved to better reach the bilateral objective.

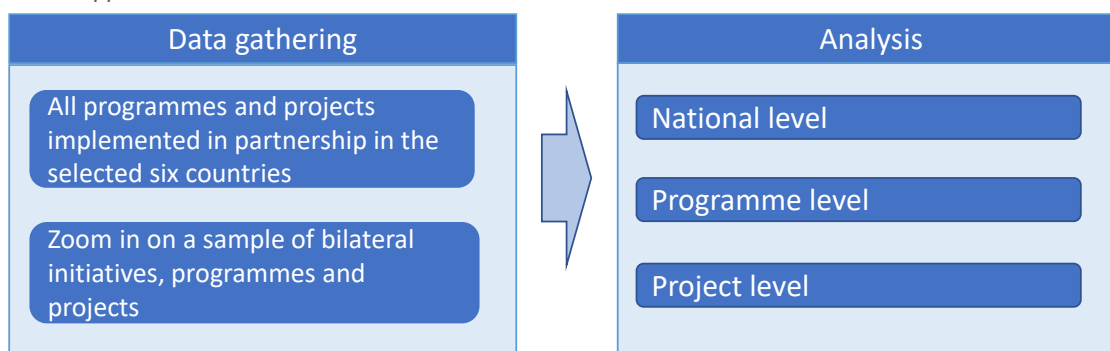
The evaluation covers a sample of 11 programmes and 33 related projects, implemented in partnership, covering all five priority sectors in six countries – **Bulgaria, Czechia, Lithuania, Poland, Portugal, and Romania**. 33 bilateral initiatives implemented at national and programme level in the selected countries have also been covered. These 11 programmes, 33 projects and 33 initiatives have been covered in-depth. In addition, the evaluation includes data from surveys designed to collect data for all bilateral projects and initiatives in the six countries.

The Active Citizen Funds and the Regional Funds are outside the evaluation's scope. So is the use of the Bilateral Funds to support activities related to Ukrainian refugees in Beneficiary States.

3.2. Approach

The evaluation includes **two levels of data gathering** and **three levels of analysis**, as shown in the figure below.

Figure 19. Approach



The in-depth research at country level covered 11 programmes, 33 projects under these programmes (21 open call projects and 12 pre-defined projects) implemented in partnership and 33 bilateral initiatives both at the programme and national levels. The sample overview is given in the table below. The selected programmes are listed in **Annex 1**. Selected programmes.

Table 3.1. Programmes, projects and bilateral initiatives in the sample per country

Country	Bulgaria	Czechia	Lithuania	Poland	Portugal	Romania	Total
Selected Programmes	2	2	1	3	1	2	11
Selected projects	6	6	3	9	3	6	33
Selected bilateral initiatives	3	7	3	8	6	6	33

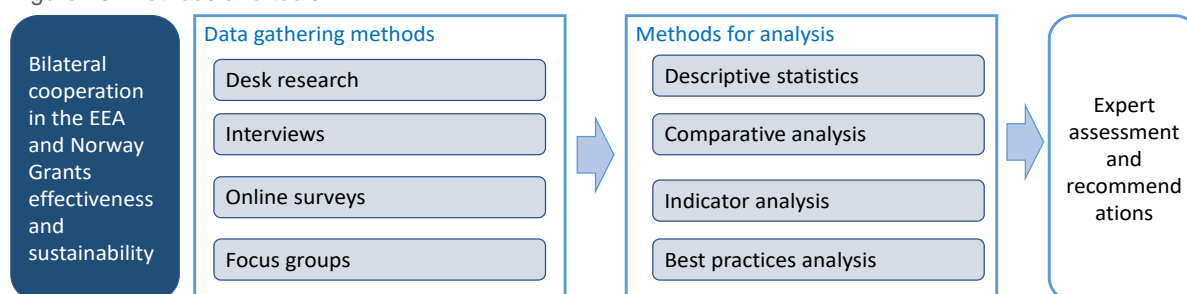
Of the 11 selected programmes, two (BG-INNOVATION and RO-ENERGY) are not managed by the Beneficiary States but by a Donor State entity – Innovation Norway. BG-INNOVATION has no DPPs. RO-ENERGY is coordinated with two DPPs (Norwegian Energy Authority and Icelandic Energy Authority) and with the Romanian Ministries of Energy and Environment. Programmes managed by a Donor State entity were included to get different perspectives on the bilateral cooperation implementation approaches and arrangements.

The analyses considered three levels of bilateral cooperation – national, programme and project level. Priority sectors (programme areas) and project types (pre-defined projects and open call projects) were accounted for in order to outline any peculiarities.

3.3. Methods and tools

Quantitative and qualitative methods for data collection and analysis were used, as shown in the figure below.

Figure 20. Methods and tools



3.3.1. Data gathering

Desk research was the first step of the study. The evaluation considered existing regulations and guidance documents, as well as other administrative documents (e.g. guidelines to applicants). The evaluation made extensive use of the available data from the EEA and Norway Grants management system GrACE, including quantitative and qualitative data on programmes and projects, bilateral initiatives and associated Programme Agreements; Bilateral Fund Agreements; Work Plans; Strategic Reports; Annual Programme Reports; DPP Framework Agreements; and bilateral indicators. Previous analyses and evaluations were consulted. The documents reviewed are listed in **Annex 2**. List of documents used.

Interviews were conducted with the FMO and key stakeholders from six Beneficiary States and the three Donor States, as presented in the table below.

Table 3.2. Interviews conducted

Stakeholders	No of interviewed organisations	% of the planned interviews
National Focal Point	6	100%
Ministry of Foreign Affairs, Beneficiary States	5	83%
Ministry of Foreign Affairs, Donor States	3	100%
Donor State Embassies	5	100%
Programme Operators	11	100%
DPPs	4	100%
Project Promoters	33	100%
Donor project partners	27	82%
Bilateral initiatives promoters	15	83%
Bilateral initiatives partners	15	83%
Total	124	91%

Not all of the planned interviews were conducted. The MFA of Romania was not available for an interview. We were also not able to reach the planned number of interviews with bilateral initiatives promoters and partners and Donor State project partners.

In three cases, the selected promoters or partners had to be replaced with other similar entities as the interview invitation was declined or there was no response.

The interviews were semi-structured. Most of the questions were pre-defined to collect comparable data. The interviews with the NFPs, POs and project promoters as well as Beneficiary State MFA were conducted in local languages, while the rest were conducted in English. A limited number of interviews were conducted face-to-face, with the majority held online.

Interviewed organisations are listed in **Annex 3**. Interviews.

Focus group discussions with DPPs and bilateral initiative promoters and partners were conducted to supplement the information gathered through the interviews. The focus groups were used to discuss common issues stimulating participants to build on each other's information and opinion. **Eight focus groups** were conducted as follows:

- Four focus groups with DPPs.
- Two focus groups with promoters or partners of bilateral initiatives from Donor States.
- Two focus groups with bilateral initiatives promoters or partners from Beneficiary States.

All focus groups were conducted online, in English, for about 2 hours. All focus group participants are listed in **Annex 4**. Focus groups

Three **online surveys were conducted with:** (1) POs of all programmes implemented in partnership in the six Beneficiary States in the sample³⁶; (2) Beneficiary State project promoters of the projects implemented in partnership and promoters of bilateral initiatives; and (3) Donor State project partners and promoters and partners of bilateral initiatives. The surveys were designed to collect data for all programmes, projects and initiatives implemented in partnership in the six countries and thus expand the information that was collected through the interviews and focus groups.

³⁶ Excluding Innovation Norway, as the questions were aimed to capture Beneficiary State POs' perspective on cooperation. Innovation Norway was interviewed in their role as DPP and also in their role as Fund Operator. They also took part in one of the focus groups with DPPs.

The surveys were conducted through the LimeSurvey platform in English in the period 8-30 June 2023. The results are presented in **Annex 5**. Almost all POs in the six beneficiary states responded to the survey (38 out of 39). The response rates from Beneficiary State promoters and partners and from Donor State promoters and partners are 44% and 32% respectively (see Table 3.3 below).

3.2.2. Analyses

Several methods were used to analyse data:

Descriptive statistics method was used to process and present quantitative data collected through desk research and online surveys.

Indicator analysis (bilateral outcome indicators 24, 25, 26, 27, 28 and 29) was used to inform the analyses under some of the evaluation questions.

Comparative analysis was applied to compare the findings with regard to the various categories, whenever appropriate such as countries; programmes; priority sectors and programme areas; stakeholders; pre-defined projects and open call projects.

Best practice analysis was used to provide examples of particularly successful modes of cooperation between Donor State or Beneficiary State entities at the national, programme or project level in any of the stages: design; preparation; implementation or after the end of a programme, project or initiative. They were selected on the basis of the following criteria: (1) significant contribution to the bilateral objective; (2) transferability; and (3) innovative approach.

Expert assessment was applied towards the concluding part of the study when providing answers to the evaluation questions. It entailed discussions within the team and with the FMO on the evidence collected, key findings and conclusions and possible improvement both to effectiveness of implementation and sustainability.

3.4. Limitations

When reading the report, the following limitations should be considered:

Limitations related to the scope of the study: The focus of the study is on six Beneficiary States (BG, CZ, LT, PL, PT and RO) based on a sample of 11 programmes, 33 projects within the programmes and 33 bilateral initiatives implemented in these countries both at national and programme level. Two of the eleven programmes are innovation programmes, meaning this Programme Area is overrepresented. Activities under the Active Citizen Funds and the Regional Funds were outside the scope of the evaluation. The use of the Bilateral Funds to support activities related to Ukrainian refugees in the Beneficiary States was also outside the scope of this evaluation. Findings must be seen in light of this focus.

Limitations related to data gathering and methodology: Data collection was focused only on programmes implemented with DPPs and projects implemented in partnership. The programmes without DPPs were not covered, with the exception of BG-INNOVATION, which was included in the sample to capture any differences in the management modes of bilateral cooperation under programmes implemented by a Donor State entity (Innovation Norway). Organisations that have not implemented projects in partnership have not been consulted.

The online surveys targeted all POs of the programmes implemented in partnership, project promoters and donor project partners from the selected six countries, as well as bilateral initiatives promoters and

partners registered in GrACE. The number of institutions invited to take part in the survey and response received are presented in the table below:

Table 3.3. Number of responses to the surveys

Respondent type	Invited	Responded	%
Programme Operators	39*	38	97%
Beneficiary State promoters/partners	1724	766	44%
Donor State partners/promoters	1067	346	32%

*Innovation Norway not included in the survey among POs

Where an entity is involved in more than one project/initiative, only one invitation was sent by removing duplicate contacts. However, in the case of universities, where more than one department and different teams are involved in projects/initiatives, separate invitations were sent. At the same time, to decrease the burden, an option was given to fill in the survey once based on their overall experience with the Grants.

About 200 of the registered e-mails for promoters and partners were invalid, and thus the survey invitations to these entities were not delivered. A limited number of invalid e-mails were replaced. The rest were excluded from the statistics.

Interviews were conducted with all the 11 sampled POs, but with a limited number of DPPs (4) and promoters (48) and partners (42).

To balance the limited number of interviews with DPPs, promoters and partners, invitations were sent out for focus groups with 16 DPPs and a sample of promoters and partners. Organising the focus groups was challenging because some of the organisations were not responsive, it was difficult to match the schedules of all interested parties, and because of last-minute dropouts. Although initially 16 DPPs were to be included in the focus groups, two did not participate³⁷. At the same time, three DPPs that were interviewed also participated in the focus groups³⁸. In total, 18 out of 21 DPPs participated in interviews and/or focus groups. The focus groups conducted with bilateral initiative promoters or partners included a limited number of participants, two to four participants in each group. In total, seven Beneficiary State entities and five Donor State entities participated in focus groups for promoters and partners.

All of the six NFPs in the sampled countries were consulted, and 5 of the 6 MFAs³⁹. The MFAs of the three Donor States and Donor State embassies operating in the six selected Beneficiary States were interviewed.

The following **data quality issues** had to be addressed when GrACE data was used:

- Missing or invalid e-mail addresses of some project/initiative promoters or partners. Where possible, the invalid e-mails were replaced.
- Missing data on donor partner budget allocations, or incorrect data. The entries with missing or incorrect data have been excluded from the analysis.
- Inconsistent data on organisation type: one organisation under different projects was classified differently. For example, a municipality could be classified as a local authority or a regional authority. In these cases, the data was reviewed to correct data flaws noticed. However, not every organisation was checked. Instead, broader classification types were used in the analysis to mitigate the effects of potential discrepancies. For example, government and other public

³⁷ The Norwegian Ministry of Justice and the Norwegian Directorate of Health

³⁸ Norwegian Courts Administration; the Norwegian Institute of Public Health and the Icelandic Centre for Research

³⁹ MFA of Romania was not available for an interview

organisations were combined under one category, all private companies, regional and local authorities were also aggregated into one category.

- Bilateral initiatives below €3,000 are not required to be registered in GrACE. Data on these initiatives was gathered from the NFPs and POs.

4. Background and context of the evaluation

The three Donor States of the Grants – Iceland, Liechtenstein and Norway – have a long-standing diplomatic, economic and trade relationship with the EU, particularly via their participation in the European Economic Area (EEA). The close cooperation is based not only on these countries' participation in the EU internal market but also on other horizontal policies and shared values⁴⁰. Bilateral relationships are also an important instrument for Donor State diplomacy in the EU⁴¹ and for increased economic cooperation with Beneficiary States.

The bilateral relationships between the Donor States and 15 Beneficiary States are diverse in terms of diplomatic ties, as well as economic and trade relations. As of 2023, Norway has embassies in 10 of the Beneficiary States, and maintains a diplomatic presence in the remaining 5 countries from the embassies abroad⁴². Iceland and Liechtenstein – also due to their relatively small size – have limited diplomatic presence in these countries, although Iceland recently opened an Embassy in Poland.⁴³

On the economic level, Norway is the 6th most important trade partner of the EU⁴⁴. Among Beneficiary States, only two are among the top 20 trade partners of Norway: Poland (7th biggest import partner and 10th export partner) and Lithuania (19th in both categories).⁴⁵ Poland and Lithuania are also important trade partners for Iceland (12th and 16th biggest importers from and 10th and 16th biggest exporters to Iceland), followed by Hungary (19th most important export partner⁴⁶). Closer bilateral relations between the institutions from Donor and Beneficiary States are important for establishing and strengthening their economic ties.

One of the two key objectives of the EEA and Norway Grants is strengthening bilateral relations between the Donor and Beneficiary States. Bilateral cooperation was introduced as a key objective in the 2004-2009 FM and has been continued in the subsequent periods.

The EEA and Norway Grants currently support 15 EU Member States⁴⁷ whose Gross National Income per capita is less than 90% of the EU average. The support is through a grant scheme formally named Financial Mechanism (FM). Five FMs have so far been in place. During the current FM (2014-2021), support is provided through 97 programmes in 15⁴⁸ Beneficiary States and through regional programmes. The programmes contribute to 23 programme areas, each placed under one of five priority sectors.⁴⁹

⁴⁰ [The European Union and Norway | EEAS \(europa.eu\)](#), [The European Union and Iceland | EEAS \(europa.eu\)](#), [The European Union and the Principality of Liechtenstein | EEAS \(europa.eu\)](#), accessed 8 July 2023.

⁴¹ See e.g., Kristin Haugevik (2017) Diplomacy through the back door: Norway and the bilateral route to EU decision-making, *Global Affairs*, 3:3, 277-291, DOI: [10.1080/23340460.2017.1378586](#)

⁴² [The Norway Portal - Norwegian Ministry of Foreign Affairs](#)

⁴³ [Government of Iceland | Embassy Information](#) (government.is), accessed 8 July 2023.

⁴⁴ [EU trade relations with Norway \(europa.eu\)](#), accessed 8 July 2023.

⁴⁵ [Norway trade balance, exports, imports by country 2020 | WITS Data \(worldbank.org\)](#), accessed 8 July 2023.

⁴⁶ [Iceland trade balance, exports, imports by country 2020 | WITS Data \(worldbank.org\)](#), accessed 8 July 2023.

⁴⁷ Bulgaria, Croatia, Cyprus, Czechia, Estonia, Greece, Hungary, Latvia, Lithuania, Malta, Poland, Portugal, Romania, Slovakia, Slovenia.

⁴⁸ On 21 December 2020, Iceland, Liechtenstein and Norway signed new cooperation agreements with Hungary on several new programmes under the EEA and Norway Grants 2014-2021. However, the Donor States, Iceland, Liechtenstein and Norway, did not reach an agreement with Hungary on the appointment of a Fund Operator to manage the funding for civil society. As a consequence, and as foreseen in the cooperation agreements, no programmes will be implemented in Hungary under the EEA and Norway Grants during the 2014-2021 funding period.

⁴⁹ [Priority Sectors and Programme Areas, EEA and Norwegian Financial Mechanisms 2014-2021 \(the Blue Book\)](#)

Bilateral relations between countries include all levels (political, economic, cultural) and sectors (public and private sector, academia and civil society). For the EEA and Norway Grants, bilateral cooperation is defined as: *Enhanced cooperation and improved mutual knowledge and understanding between Donor and Beneficiary States.*⁵⁰

The main tool for bilateral cooperation at the programme level is the involvement of Donor Programme Partners, who are mainly public entities from the Donor States with sectoral expertise in their field of work. All programmes contract projects. At the project level, entities from the Donor States can be project partners. These entities are referred to as donor project partners. Out of the 6,360 projects registered in GrACE as of June 2023, 2,455 (38.6%) have a donor project partner. About 1,328 Donor State entities act as donor project partners, 81% are from Norway; 18% are from Iceland and 1% from Liechtenstein. If the Active Citizen Fund projects and Regional Funds projects, as well as the projects and bilateral initiatives in support of Ukrainian refugees are excluded,⁵¹ the share of the partnership projects increases to 55%. About 29% of Donor State entities are partnering in more than one project—eight Donor State entities (six of which are universities) partner in more than 40 projects.

In addition to the bilateral cooperation at the programme level and the project level, each Beneficiary State sets aside a minimum of 2% of its total allocation for a Fund for Bilateral Relations (Bilateral Fund)⁵². The Bilateral Funds are made operational in each Beneficiary States through Bilateral Fund Agreements, the work of the Joint Committee of Bilateral Funds (JCBF) and Work Plans. They cover both the EEA and Norway Grants.

The Bilateral Fund support bilateral initiatives that have a clear bilateral profile and are implemented in cooperation between Donor State and Beneficiary State entities. International organisations can also participate in bilateral initiatives, provided at least one Donor State entity is also involved. The Bilateral Fund has a longer eligibility period than programmes and projects. The final date of eligibility for support is 30 April 2025.

Part of the Bilateral Fund is channelled through programmes. Financial allocations for bilateral ambitions at programme level at the programme design stage amount to about 25% of the Bilateral Fund on average. The remaining 75% of the Bilateral Fund are allocated to the national level managed by the NFPs through the JCBFs in each country. Programmes can ask for additional allocations through Expressions of Interest to the JCBF.

All programmes have a bilateral outcome with bilateral indicators at both outcome level and output level,⁵³ and POs report on progress towards the bilateral objective through their programme reports in GrACE with a combination of qualitative narrative and quantitative data. NFPs report on progress with mainly qualitative narrative in their strategic reports. Likewise, DPPs report on progress and cooperation with qualitative narrative in their annual reports. Reporting on bilateral initiatives is done separately, with a reporting template in GrACE for bilateral initiatives above €3,000.

Some key amendments with regard to bilateral cooperation were introduced in 2014-2021 FM compared to the previous one:

- More emphasis was given to the strategic cooperation between Donor and Beneficiary States. The Regulations stipulate that: *“The relations between the Donor States and the Beneficiary States shall also be strengthened through the implementation of activities aiming at increased*

⁵⁰ [Bilateral Guideline, EEA and Norwegian Financial Mechanisms 2014-2021](#)

⁵¹ These fall outside the scope of the evaluation.

⁵² Article 4.6.1 of the Regulations.

⁵³ [Core indicators 2014-2021, Guidance document](#)

strategic cooperation, networking and exchange of knowledge between entities in the Donor States and in the Beneficiary States, and through other joint initiatives beyond the programmes aiming at strengthening the relations between the Donor States and the Beneficiary States (art 4.1 (3)). With that regard the JCBF was introduced.

- In the 2009-2014 period, the Fund for Bilateral Relations was split between national (0.5% of the Beneficiary State's total allocation) and programme (1.5% of the Beneficiary State's total allocation) levels, while in the current period, all Bilateral Funds are in one pot (minimum 2% of the Beneficiary State's total allocation⁵⁴) from where some funds were also earmarked for bilateral cooperation support at the programme level for each programme, but with the flexibility to reallocate depending on interest.
- The Selection Committee role was spelled out in the regulations of the previous FM (Article 6.4). While the establishment of Selection Committees was not regulated in the 2014-2021 FM, such committees were established under many programmes to give possibilities to the DPPs to express opinion on the shortlisted projects.

The **period covered by the evaluation** was marked by the outbreak of the COVID-19 pandemic in 2020, and the Russian aggression on Ukraine in 2022. The COVID-19 pandemic required some shifts in internal policy priorities, and reallocation of resources to deal with the ongoing health crisis and related restrictions. Travel restrictions were introduced across the continent, effectively undermining the possibility of international exchanges. Disrupted supply chains and rising inflation caused delays in the implementation of many projects. All this affected the implementation of the Grants in general, as well as the realisation of its bilateral component – with in-person activities cancelled, delayed, or shifted to an online mode.

The outbreak of the war in Ukraine has led to closer diplomatic cooperation between the EU and, Iceland, Liechtenstein and Norway.⁵⁵ Within the Grants, a significant portion of the available Bilateral Funds was redirected towards the support of Ukrainians in response to the war.

⁵⁴ Article 4.6.1 of the Regulations.

⁵⁵ For example, Norway has increased the number of its diplomatic staff in Poland, Romania and Lithuania; see [Changes to Norway's diplomatic presence abroad - regjeringen.no](https://www.regjeringen.no). Accessed 8 June 2023.

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Annex 1. Selected programmes

Programme	Programme operator	DPPs
BG-INNOVATION	Innovation Norway (Fund Operator) (NO)	-
BG-HOMEAFFAIRS	Ministry of Interior (BG)	<ul style="list-style-type: none"> • Directorate of Immigration (NO) • National Police Directorate (NO) • Ministry of Justice and Public Security (NMOJ) (NO)
CZ-EDUCATION	National Agency for International Education and Research) (CZ)	<ul style="list-style-type: none"> • Norwegian Directorate of Higher Education and Skills (HK-dir) (NO) • National Agency for International Education Affairs (AIBA) (LI)
CZ-HEALTH	Ministry of Finance (CZ)	<ul style="list-style-type: none"> • Norwegian Institute of Public Health (NO)
LT-JUSTICE	Central Project Management Agency (LT)	<ul style="list-style-type: none"> • Norwegian Courts Administration (DA) (NO) • National Police Directorate (POD) (NO) • KDI (NO) • Ministry of Justice and Public Security (NMOJ) (NO)
PL-LOCALDEV	Ministry of Development Funds and Regional Policy (PL)	<ul style="list-style-type: none"> • Norwegian Association of Local and Regional Authorities (KS) (NO)
PL-CLIMATE	Ministry of Climate (PL)	<ul style="list-style-type: none"> • Norwegian Water Resources and Energy Directorate (NVE) (NO) • Norwegian Environment Agency (NEA) (NO) • National Energy Authority of Iceland (IS)
PL-CULTURE	Ministry of Culture and National Heritage (PL)	<ul style="list-style-type: none"> • Norwegian Directorate for Cultural Heritage (NO) • Arts and Culture Norway (NO)
PT-INNOVATION	General Directorate of Sea Policy (PT)	<ul style="list-style-type: none"> • Innovation Norway (NO) • Research Council of Norway (RCN) (NO) • Norwegian Agency for International Cooperation and Quality Enhancement in Higher Education (DIKU) (NO) • Icelandic Centre for Research (RANNIS) (IS)
RO-RESEARCH	Executive Agency for Higher Education, Research, Development and Innovation Funding (RO)	<ul style="list-style-type: none"> • Research Council of Norway (RCN) (NO) • Icelandic Centre for Research (RANNIS) (IS)
RO-ENERGY	Innovation Norway (NO)	<ul style="list-style-type: none"> • Norwegian Water Resources and Energy Directorate (NO) • National Energy Authority of Iceland (IS)

Annex 2. List of documents used

Regulations, guidelines and other normative and administrative documents	
1	Regulation on the implementation of the EEA grants 2014-2021
2	Regulation on the implementation of the Norway grants 2014-2021
3	Blue Book 2014-2021: Priority sectors and Programme Areas 2014-2021
4	Bilateral Guideline
5	Partnership Guide
6	EEA and Norway Grants 2014-2021: Results reporting guide
7	Core indicator guidance FM14-21
8	MoU for the selected programmes
9	Regulations and guidance documents covering the 2009-2014 period
10	DPPs ToR
11	Information on bilateral initiatives at national and programme level
12	Documents related to the selection process such as selection criteria, protocols selection committee assessment reports, etc.
13	Onboarding Presentation: Bilateral Cooperation Evaluation
14	Guideline for Educational Programmes
15	Guideline for Research Programmes
16	2014-2021: Financial Guidance
17	2014-2021: Results Guideline
Available data from the EEA grants and Norway grants monitoring system	
18	Bilateral Fund agreements
19	Programme Agreements
20	Programme concept notes
21	Work Plans to the JCBF
22	Bilateral Fund plans of the programmes
23	DPPs self-assessment report
24	DPP Framework Agreements
25	DPP Workplans
26	DPP Annual Reports
27	Summary of DPP Annual Reports
28	Strategic Reports
29	Annual Programme Reports
30	Data and information on the supported activities under the Fund for Bilateral Relations, including financial data
31	Data on bilateral indicators
32	GrACE self-service report on donor project partners list and other self-service reports derived from GrACE
33	Bilateral report generated based on GrACE data
34	Self-service report
35	Available data on FM09-14

Previous analyses and evaluations	
36	Ecorys, January 2022, Mid-term evaluation of educational programmes
37	Blomeyer & Sanz, January 2022, Mid-term evaluation of local development programme
38	Ecorys, December 2021, Rapid assessment of reporting systems and data quality
39	Ecorys, March 2023, Evaluation of the EEA and Norway Grants' gender equality programming
40	Creda consulting and Blomeyer&Sanz, December 2022, Mid-term evaluation of the EEA and Norway Grants green programmes
41	Fafo, March 2023, The Effects of the EEA and Norway Grants, 2004–2021
42	KPMG, April 2023, Financial reporting requirements-EEA & Norway Grants 14-21, including questionnaire to donor project partners
43	Ecorys, March 2019, End review of the EEA and Norway Grants 2009-2014
44	Scanteam, March 2008, Norwegian Bilateral Relations in the Implementation of the EEA Financial Mechanisms
45	NCG, February 2013, Baseline Study on bilateral relations EEA and Norway Grants
46	COWI, June 2016, Mid-term evaluation of the support to strengthened bilateral relations
47	Summary of findings and recommendations from evaluation reports
48	Summary of findings and recommendation from monitoring reports, including excel with data

Annex 3. Interviews conducted

N	Organisation	Date of the interview
National Focal Points		
1	Council of Ministers, Bulgaria (BG)	16/05/2023
2	Ministry of Finance, International Relations Department (CZ)	18/05/2023
3	Investment Department, Ministry of Finance (LT)	31/05/2023
4	Ministry for Economic Development, Department for Assistance Programmes (PL)	03/05/2023
5	Unidade Nacional de Gestão (PT)	06/05/2023
6	General Directorate for European Non-reimbursable Financial Mechanisms and Instruments (GDENFMI RO)	24/05/2023
Ministries of Foreign Affairs of the Beneficiary States		
1	Ministry of Foreign Affairs of Bulgaria	18/05/2023
2	Ministry of Foreign Affairs of the Czech Republic	22/05/2023
3	Ministry of Foreign Affairs of Lithuania	24/05/2023
4	Ministry of Foreign Affairs of Poland	15/06/2023
5	Ministry of Foreign Affairs of Portugal	19/07/2023*
Ministries of Foreign Affairs of Donor States/Donor State Embassies		
1	Ministry of Foreign Affairs of Norway	19/05/2023
2	Ministry of Foreign Affairs of Iceland	05/06/2023
3	Ministry of Foreign Affairs of Liechtenstein	30/05/2023
4	Norway Embassy in Portugal	30/05/2023
5	Norway Embassy in Romania (covering also Bulgaria)	30/05/2023
6	Norway Embassy in Poland (covering also Lithuania and Czechia)	13/07/2023
7	Iceland Embassy in Poland (covering also Romania)	15/06/2023
Programme Operators		
1	Ministry of Interior (BG-HOMEAFFAIRS)	31/05/2023
2	Innovation Norway (BG-INNOVATION)	31/05/2023
3	Dům zahraniční spolupráce (Czech National Agency for International Education and Research) (CZ-EDUCATION)	12/05/2023
4	Ministry of Finance of the Czech Republic (CZ-HEALTH)	11/05/2023
5	Central Project Management Agency (CPMA LT) (LT-JUSTICE)	01/06/2023
6	Ministry of Development Funds and Regional Policy (PL-LOCALDEVELOPMENT)	31/05/2023
7	Ministerstwo Klimatu (PL-CLIMATE)	02/06/2023
8	Ministry of Culture and National Heritage (PL-CULTURE)	07/06/2023
9	Direção Geral de Política do Mar (PT-INNOVATION)	29/05/2023
10	Executive Agency for Higher Education, Research, Development and Innovation Funding (UEFISCDI RO) (RO-RESEARCH)	30/05/2023
11	Innovation Norway (IN) (RO-ENERGY)	31/05/2023
Donor Programme Partners		
1	Norwegian Courts Administration	16/05/2023

2	Arts and Culture Norway	24/05/2023
3	Norwegian Institute of Public Health	18/05/2023
4	Icelandic Centre for Research	16/05/2023
Project promoters		
1	State Agency for Refugees at the Council of Ministers (BG)	17/05/2023
2	Research Institute of Forensic Science (BG)	05/06/2023
3	General Directorate "Combating Organised Crime" (BG), Ministry of Interior	17/05/2023
4	ICYGEN Ltd. (BG)	29/05/2023
5	HERTI AD (BG)	29/05/2023
6	Emi OOD (BG)	29/05/2023
7	Association for Social Responsibility and Development through Innovations (ASORI) (BG)	27/07/2023
8	Pilsen Region (CZ)	22/05/2023
9	Prague University of Economics and Business (CZ)	12/05/2023
10	Higher Vocational School and Secondary Industrial School of Volyně (CZ)	11/05/2023
11	Ministry of Health of the Czech Republic (CZ)	19/05/2023
12	Motyčkovice klika (CZ)	19/05/2023
13	Czech ILCO (CZ)	19/05/2023
14	Prison Department (LT), Ministry of Justice - Lithuania	27/06/2023
15	National Courts Administration (LT)	22/06/2023
16	Prosecutor General's Office of the Republic of Lithuania (LT)	30/06/2023
17	Association of Polish Cities (APC PL)	27/06/2023
18	The City of Jelenia Góra-LD (PL)	15/06/2023
19	City of Łomża (PL)	20/06/2023
20	Association of the Wisłoka River Basin Communes (PL)	21/06/2023
21	Mineral and Energy Economy Research Institute, Polish Academy of Sciences (PL)	21/06/2023
22	Museum of the History of Polish Jews (POLIN PL)	03/07/2023
23	The KTO Theatre (PL)	12/07/2023
24	North University Centre of Baia Mare, Technical University of Cluj-Napoca (RO)	19/07/2023
25	Escola Náutica Infante D. Henrique (ENIDH PT)	16/06/2023
26	Centre of Marine Science (CCMAR) (PT)	29/05/2003
27	Centro Ciência Viva do Algarve (PT)	29/05/2003
28	Compa SA (RO)	30/05/2003
29	SC Oradea Express Hotel Srl (RO)	31/05/2003
30	Oradea Municipality (RO)	31/05/2003
31	West University of Timisoara (RO)	26/05/2003
32	University of Bucharest (RO)	29/05/2003
33	Babes-Bolyai University of Cluj-Napoca (RO)	25/05/2003
Donor project partners		
1	Norwegian National Police Immigration Service (PU) (NO)	22/05/2003

2	National Criminal Investigation Service (NCIS) of Norway (NO)	22/05/2003
3	Oslo Police District (NO)	22/05/2003
4	Norsk Regnesentral (NRS NO)	27/06/2023
5	ICB Digital AS (NO)	19/06/2023
6	Norsk Energi AS (NO)	17/08/2023
7	Office of Education, Principality of Liechtenstein (LI)	19/05/2003
8	University of Liechtenstein (LI)	19/05/2023
9	Bodin upper secondary school (NO)	19/05/2023
10	The Norwegian Rheumatism Association (NO)	26/05/2023
11	Pedverket Competence (NO)	23/05/2023
12	NORILCO (NO)	23/05/2023
13	Norwegian Courts Administration (DA NO)	5/07/2023
14	Norwegian Association of Local and Regional Authorities (KS NO)	16/06/2023
15	Nordland County Council (NO)	13/07/2023
16	Norwegian Association for Green Infrastructure (NO)	21/06/2023
17	National Energy Authority (OS IS)	07/04/2023
18	New School (NO)	31/07/2023
19	INTBAU Norway (NO)	19/07/2023
20	Norwegian University for Science and Technology (NTNU NO)	26/06/2023
21	SINTEF OCEAN AS (NO)	20/07/2023
22	International Development Norway AS (NO)	29/05/2023
23	Vestforst (NO)	04/08/2023
24	Mannvit hf (IS)	09/06/2023
25	University of Bergen (NO)	01/06/2023
26	University of Oslo (NO)	31/05/2023
27	Norwegian University of Life Sciences (NMBU) (NO)	30/07/2023
Bilateral initiatives promoters		
1	Ministry of Justice Bulgaria	18/05/2023
2	General Labour Inspectorate Executive Agency (BG)	18/05/2023
3	Ministry of foreign affairs of Bulgaria (MFA BG)	18/05/2023
4	Office of the Government of the Czech Republic (Government Office of the CR CZ)	17/05/2023
5	BeePartner (CZ)	17/05/2023
6	Matyas Lerch Gymnasium, Brno (Gymnázium Matyáše Lercha CZ)	17/05/2023
7	Lithuanian Gay League (LT)	4/07/2023
8	Department of Cultural Heritage under the Ministry of Culture (LT)	28/06/2023
9	National Police Headquarters (PL)	23/06/2023
10	National Management Unit (PT)	29/05/2023
11	National Commission for the Promotion and the Protection of Children and Young People (NCPRPCYP) (PT)	23/06/2023
12	Commission for Citizenship and gender equality (CIG) (PT)	07/06/2023
13	Politehnica University (RO)	06/06/2023

14	ASE Bucharest (RO)	29/05/2023
15	National Probation Directorate (RO)	30/05/2023
Bilateral initiatives partners		
1	Norwegian Ministry of Justice	23/05/2023
2	Norwegian Labour Inspection Authority (NO)	23/05/2023
3	Ministry of Foreign Affairs of Norway (NO)	19/06/2023
4	Icelandic Forest Service (IS)	31/05/2023
5	Technology Centre Mongstad (NO)	01/06/2023
6	Gymnasium Liechtenstein, Vaduz (LI)	26/05/2023
7	The Norwegian Institute of Public Health (NO)	8/09/2023
8	Oslo Pride (NO)	18/07/2023
9	The Confederation of Norwegian Enterprise (NHO) (NO)	14/06/2023
10	European Wergeland Centre (NO)	26/07/2023
11	The Icelandic Centre for Research-RANNIS (IS)	29/06/2023
12	Equality and Anti-discrimination Ombud of Norway (NO)	29/06/2023
13	Sintef (NO)	01/06/2023
14	Norwegian University of Science and Technology (NTNU) (NO)	06/06/2023
15	Norwegian Correctional Service (KDI)	06/06/2023

* written input provided

Annex 4. Focus groups

Participants in the focus groups with DPPs*

Organisation
Directorate of Norwegian Correctional Service
Norwegian Directorate of Immigration
Norwegian Courts Administration
National Police Directorate (NO)
Norwegian Association of Local and Regional Authorities
The Directorate of Cultural Heritage (NO)
The Equality and Anti-discrimination Ombud (NO)
Norwegian Water Resources and Energy Directorate
Norwegian Directorate for Civil Protection
Norwegian Environment Agency
National Energy Authority (IS)
Norwegian Institute of Public Health
Directorate for Higher Education and Skills (NO)
Research Council of Norway
Icelandic Centre for Research
National Agency of International Education Affairs (LI)
Innovation Norway

*Three DPPs have not been consulted through interviews and Focus Groups. These are: The Norwegian Barents Secretariat (not in the sample); Norwegian Directorate of Health and Norwegian Ministry of Justice (invited to take part in the Focus groups but did not attend). The Norwegian Ministry of Justice was interviewed in its role of bilateral initiative partner.

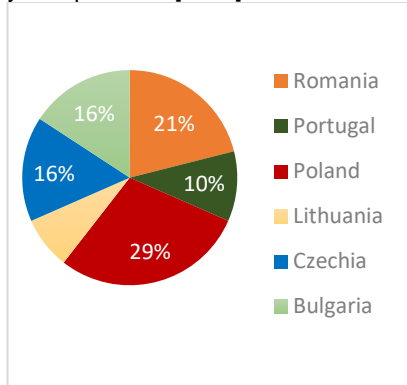
Participants in the focus groups with bilateral initiatives promoters and partners

Organisation
From Beneficiary States
Health promotion center (CZ)
Municipality of Lublin (PL)
Universidade Nova de Lisboa - Faculdade de Ciências Sociais e Humanas (PT)
Expert Forum Association (RO)
Asociace pro aplikovaný výzkum v IT, z.s (CZ)
Associação Geopark Estrela (PT)
Centrul Cultural Clujean (RO)
From Donor States
The Human Rights Academy (NO)
Hogskulen for Gron Utvikling (NO)
Natural State AS (NO)
Bodø2024 IKS (NO)
Norsensus Mediaforum (NO)

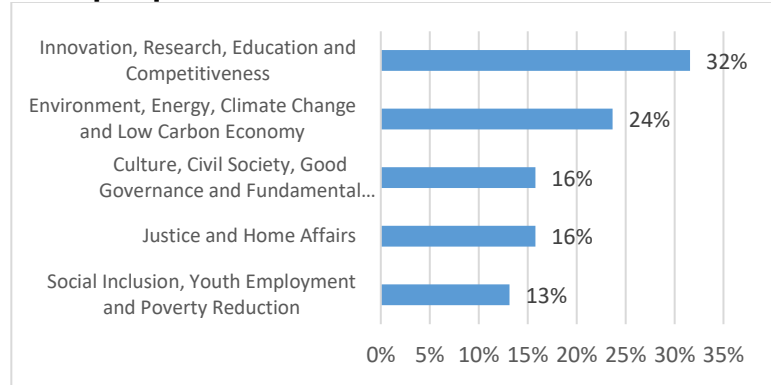
Annex 5. Online surveys

Survey among POs of the programmes implemented in partnership

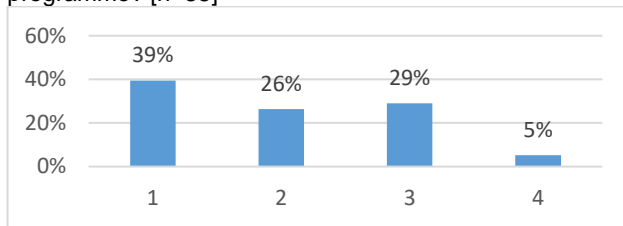
G01Q01 Which beneficiary country do you represent? [n=38]



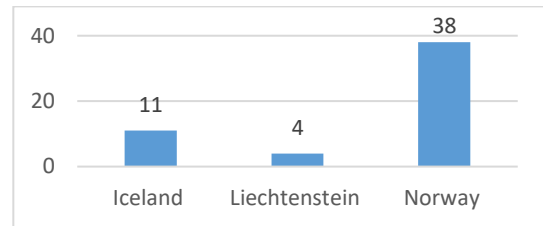
G01Q02 What is the priority sector that your programme operates within? [n=38]



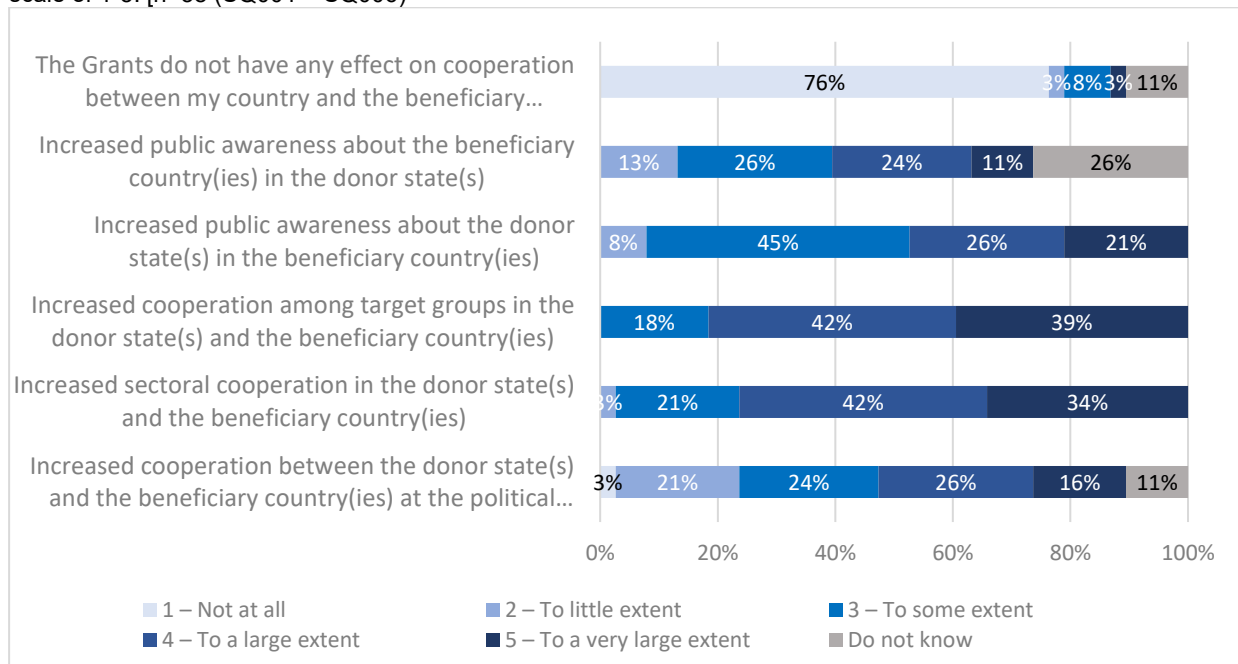
G01Q03 How many Donor Programme Partner(s) - partners at the programme level - do you collaborate with within your programme? [n=38]



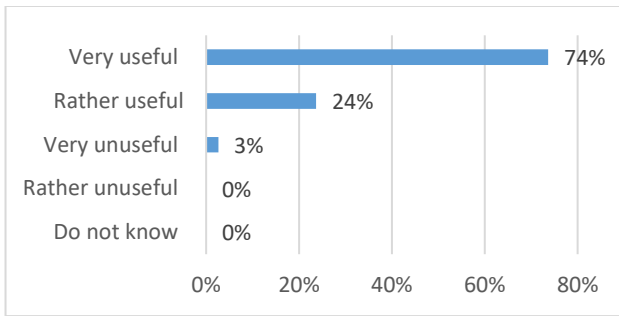
G01Q04 Which Donor State(s) do your Donor Programme Partners represent? [n=38]



G02Q05 In your opinion, to what extent do the EEA and Norway Grants contribute to the following aspects of bilateral cooperation between the Donor States and the Beneficiary States? Please rate the sentences below on a scale of 1-5. [n=38 (SQ001 – SQ006)]



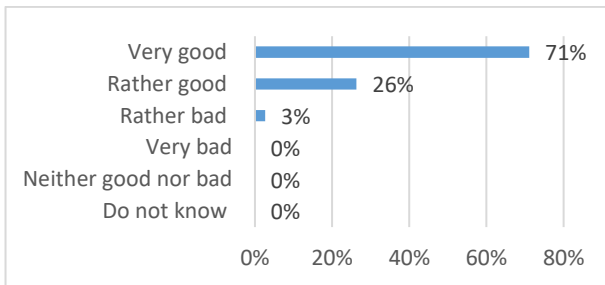
G02Q06 From your experience so far, how useful is it for the programme to have DPP(s)? [n=38]



G02Q18 Please tell us why you think so. [From your experience so far, how useful is it for the programme to have DPP(s)?]

Responded: 28
No response: 10

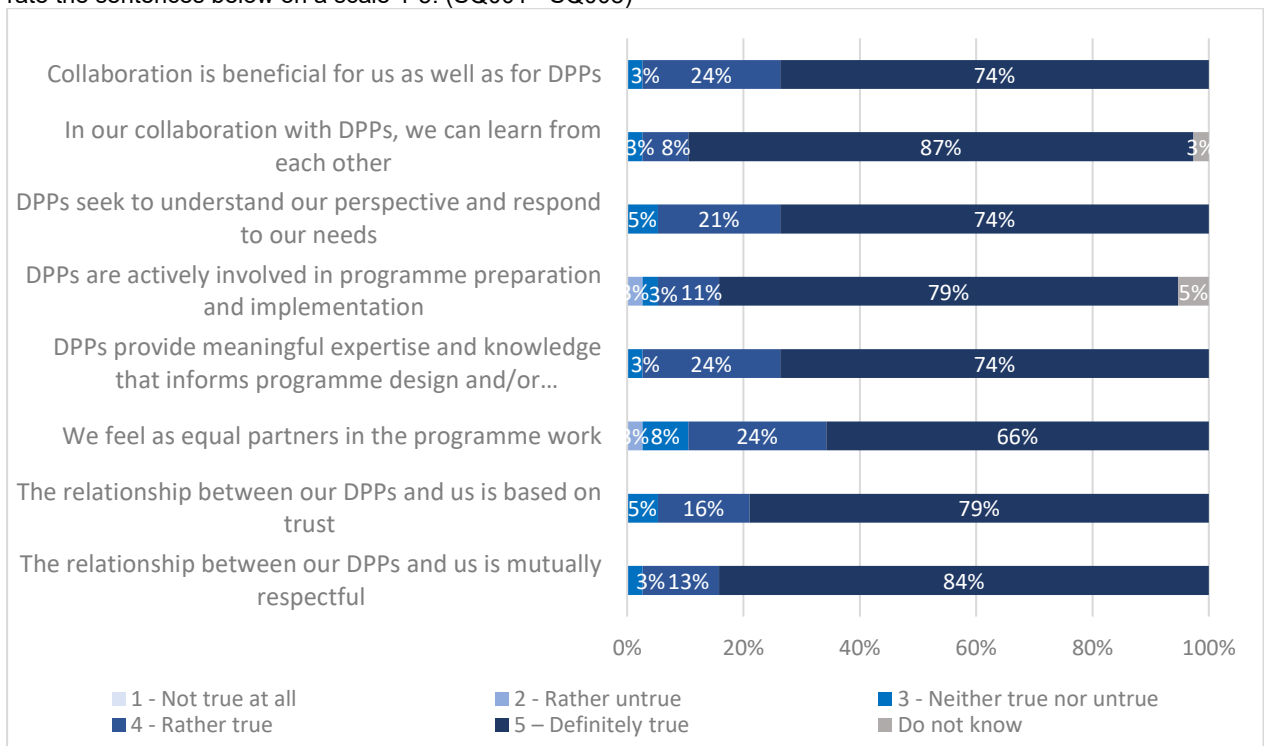
G02Q07 How do you assess the collaboration with Donor Programme Partner(s) so far? [n=38]



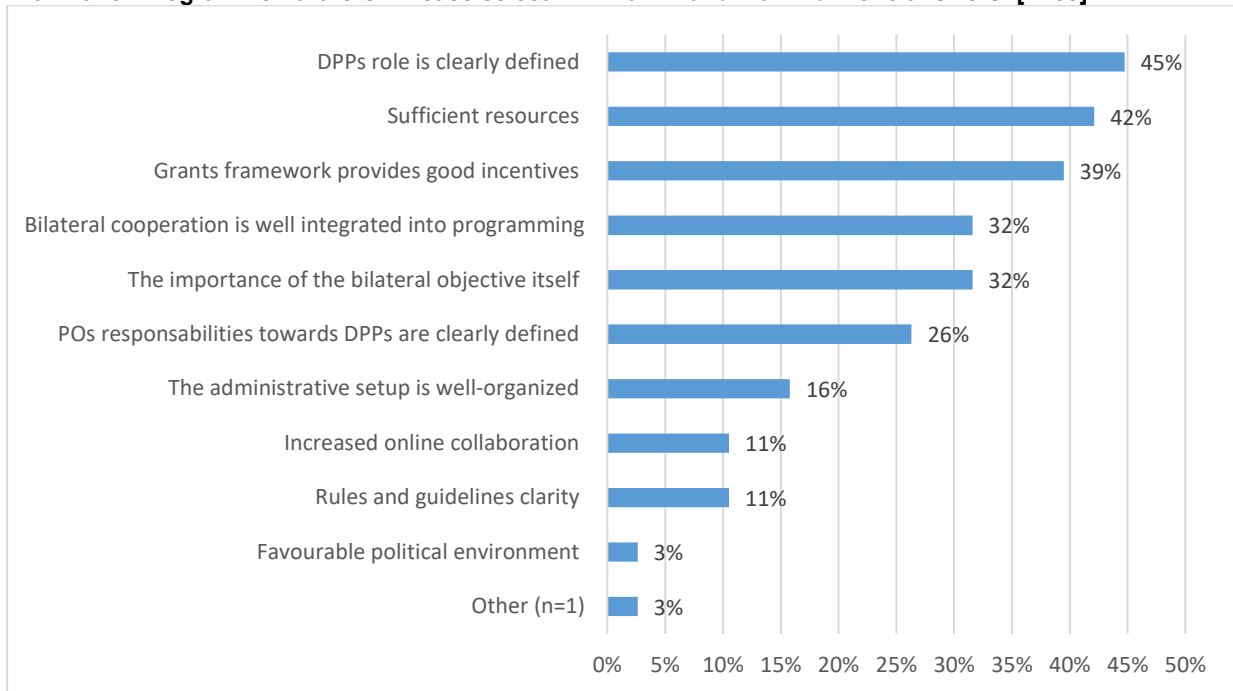
G02Q19 Please tell us why you think so. [How do you assess the collaboration with Donor Programme Partner(s) so far?]

Responded: 26
No response: 12

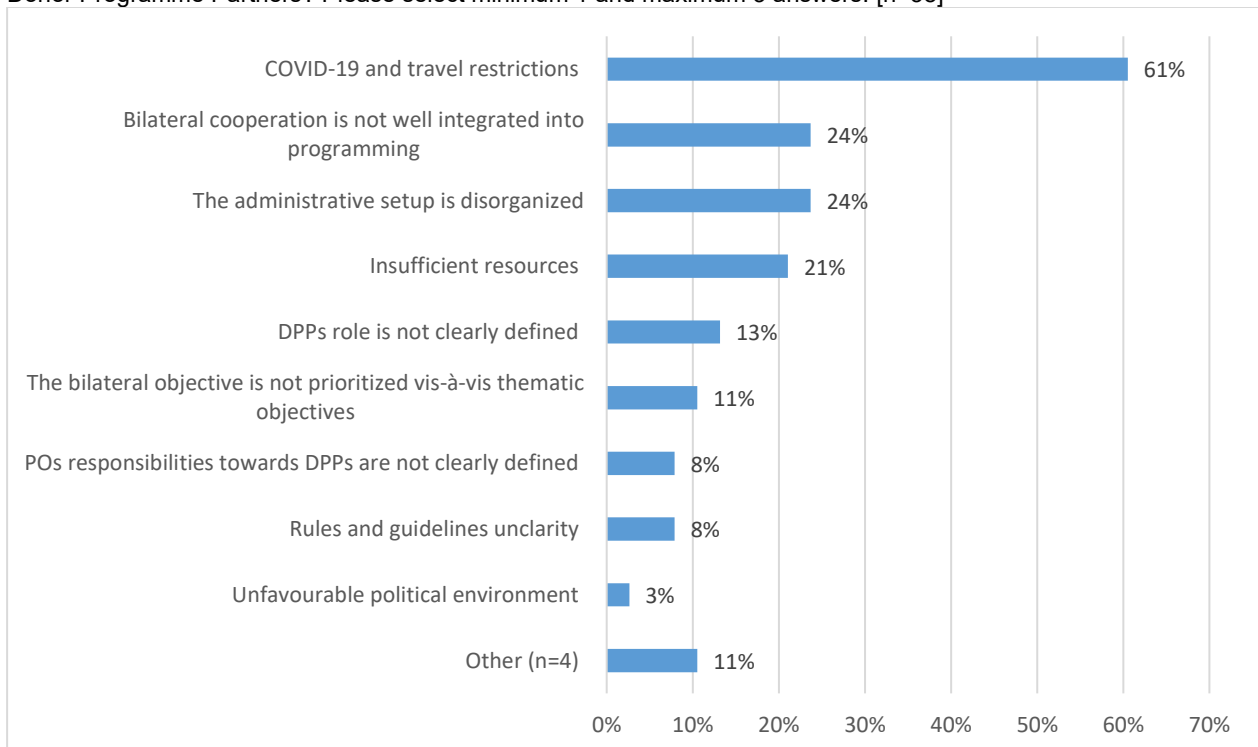
G02Q08 How would you describe your collaboration and relationship with Donor Programme Partner(s)? Please rate the sentences below on a scale 1-5. (SQ001 - SQ008)



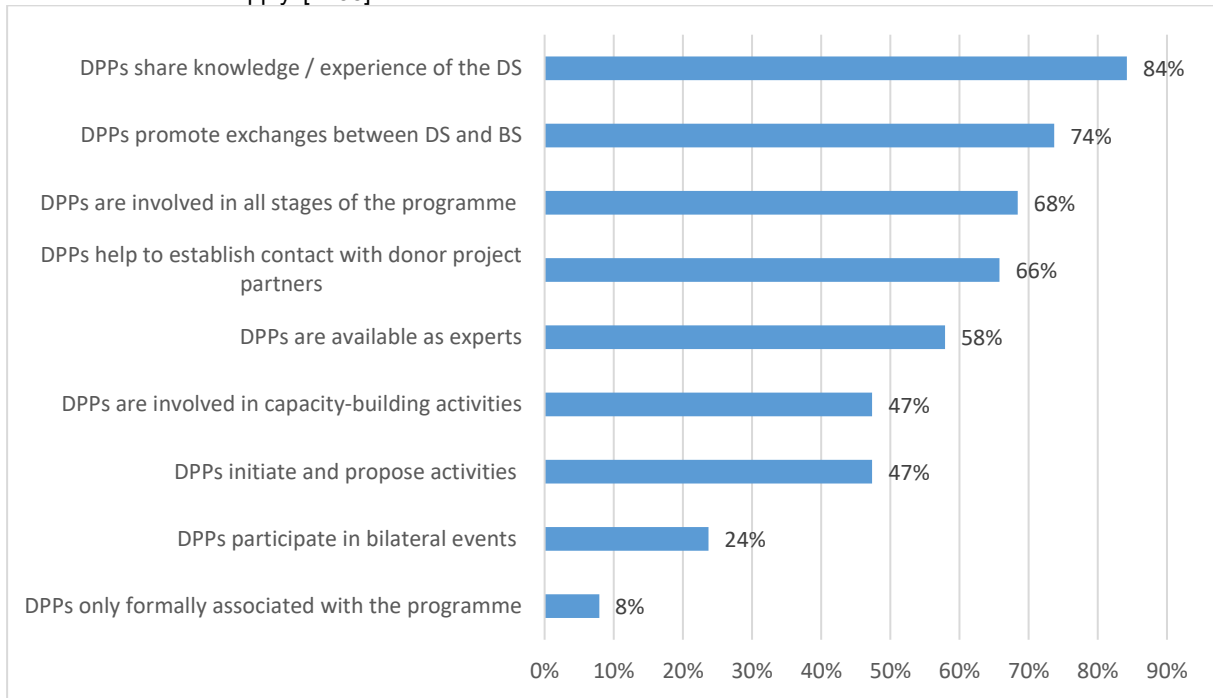
G02Q09 In your experience, what are the most important factors that positively affect bilateral cooperation with Donor Programme Partners? Please select minimum 1 and maximum of 3 answers. [n=38]



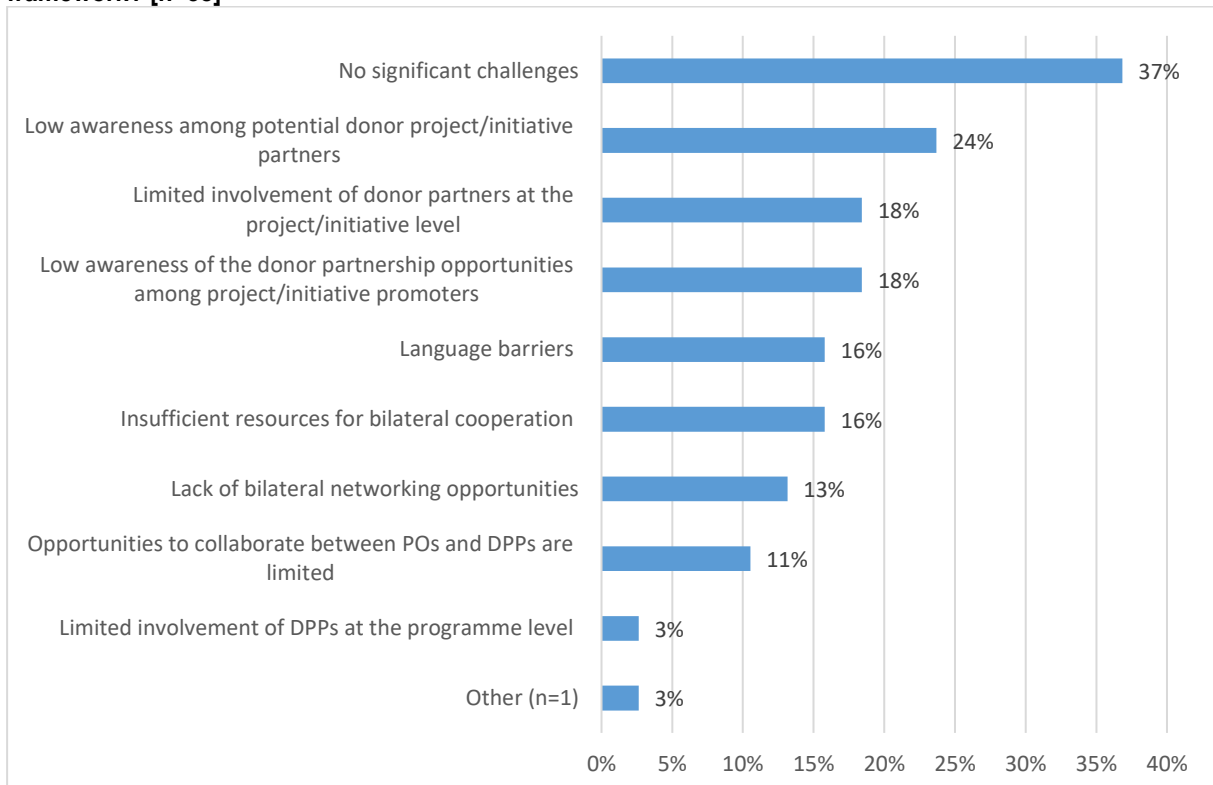
G02Q10 In your experience, what are the most important factors that negatively affect bilateral cooperation with Donor Programme Partners? Please select minimum 1 and maximum 3 answers. [n=38]



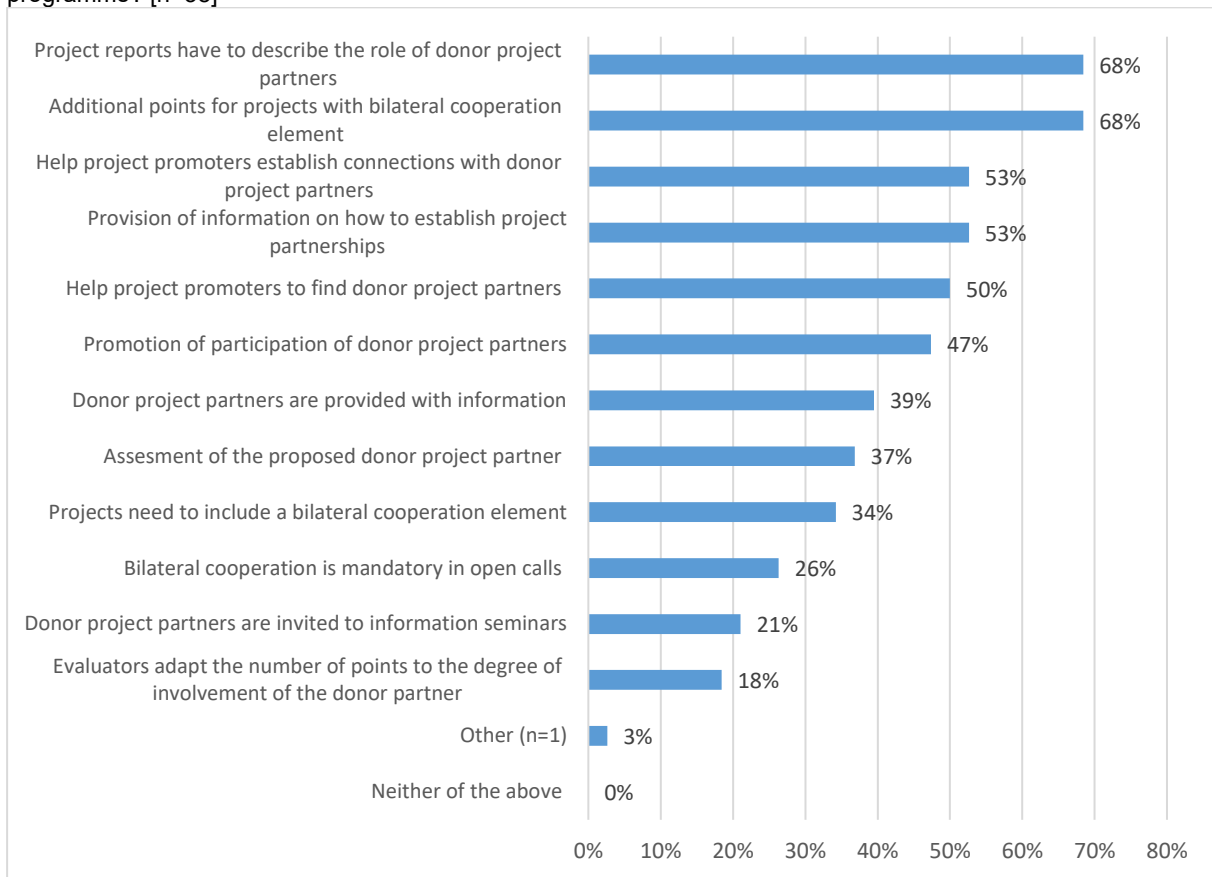
G02Q11 What is the role of the Donor Programme Partner(s) in the programme that your institution manages? Please select all that apply. [n=38]



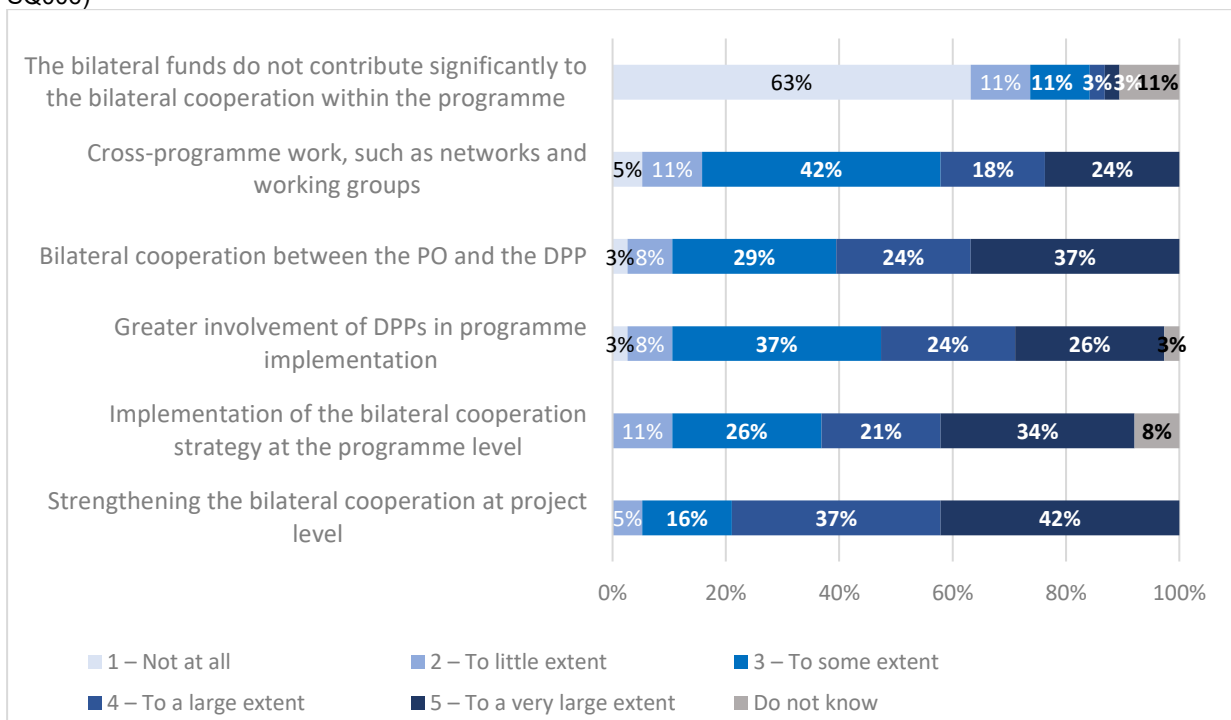
G02Q12 Do you see any challenges to bilateral cooperation within the EEA and Norway Grants framework? [n=38]



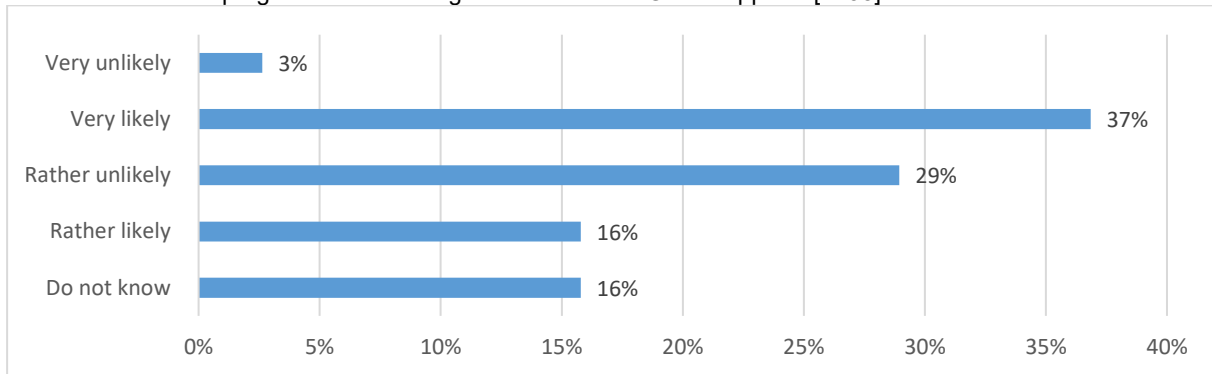
G02Q13 How is the bilateral cooperation aspect realised within the project selection and implementation under your programme? [n=38]



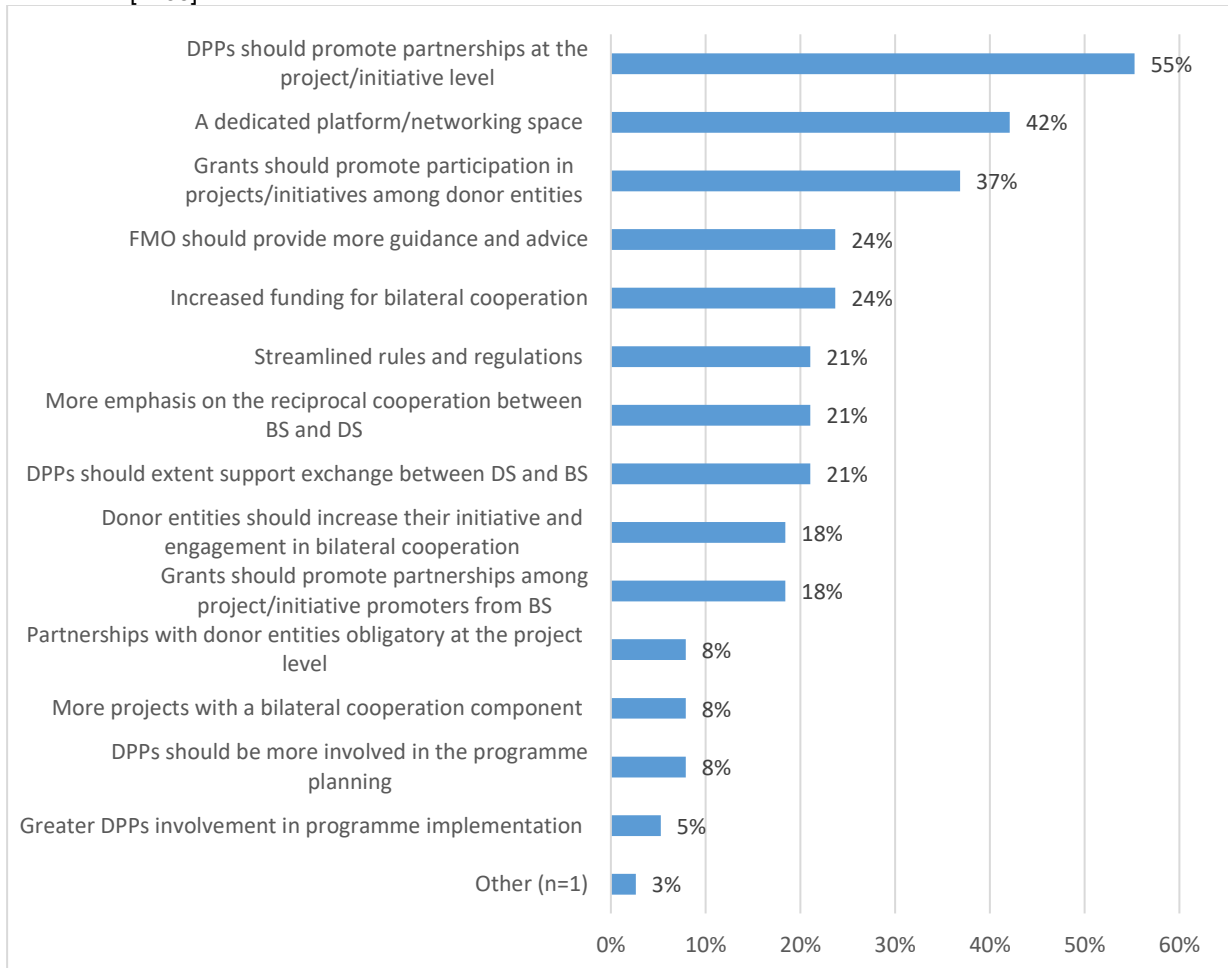
G02Q14 In your opinion, to what extent do the current programme allocations of the bilateral funds contribute to the following aspects of bilateral cooperation? Please rate the sentences below on a scale of 1-5. [n=38] (SQ001 - SQ006)



G02Q15 How likely is it that your institution would continue cooperation with the Donor Programme Partner institutions after the programme in the long term without the Grant support? [n=38]



G02Q16 What could be done to strengthen bilateral cooperation between the Donor States institutions and your country's institutions involved in the EEA and Norway Grants in the future? Please select minimum 1 and maximum 4 answers. [n=38]

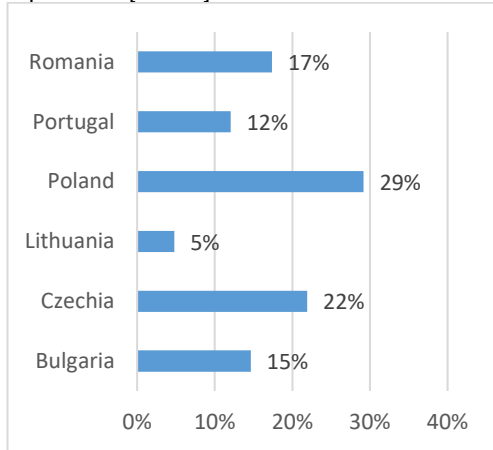


G02Q17 Please share any additional comments you have regarding bilateral cooperation in the EEA and Norway Grants: [n=7]

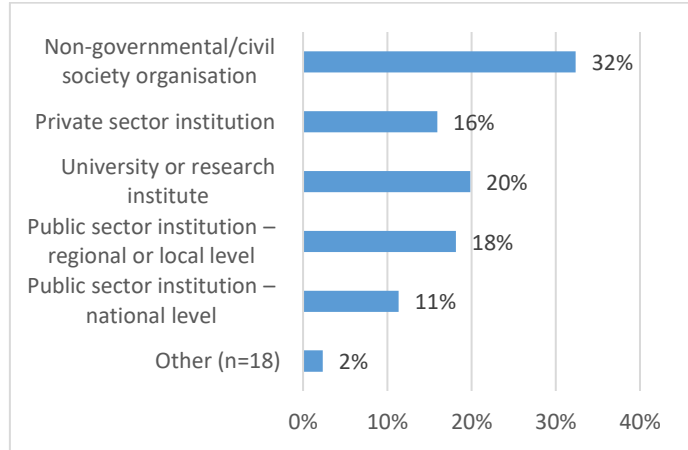
Valid response	7
Invalid response	2
No response	31

Survey among project promoters of the projects implemented in partnership and among promoters of bilateral initiatives at national level

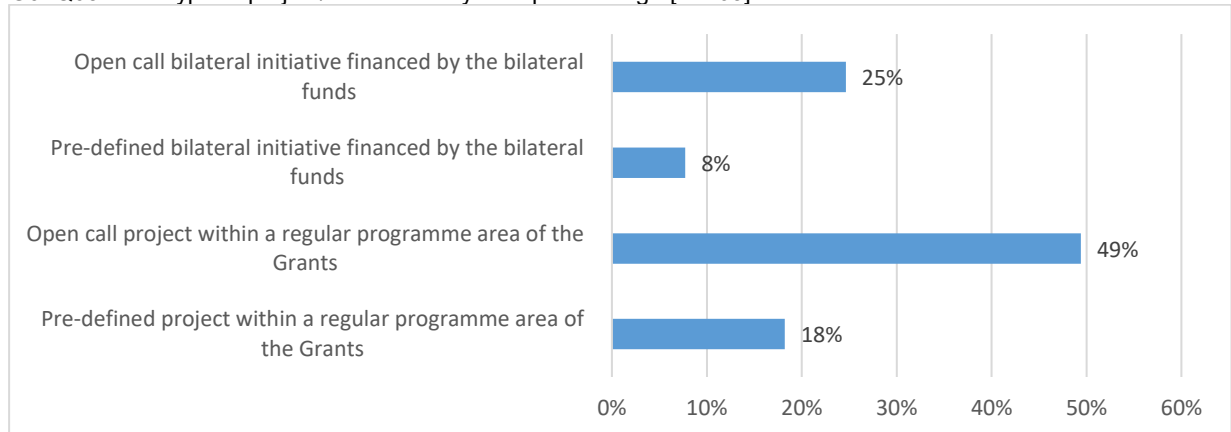
G01Q01 Which country do you represent? [n=771]



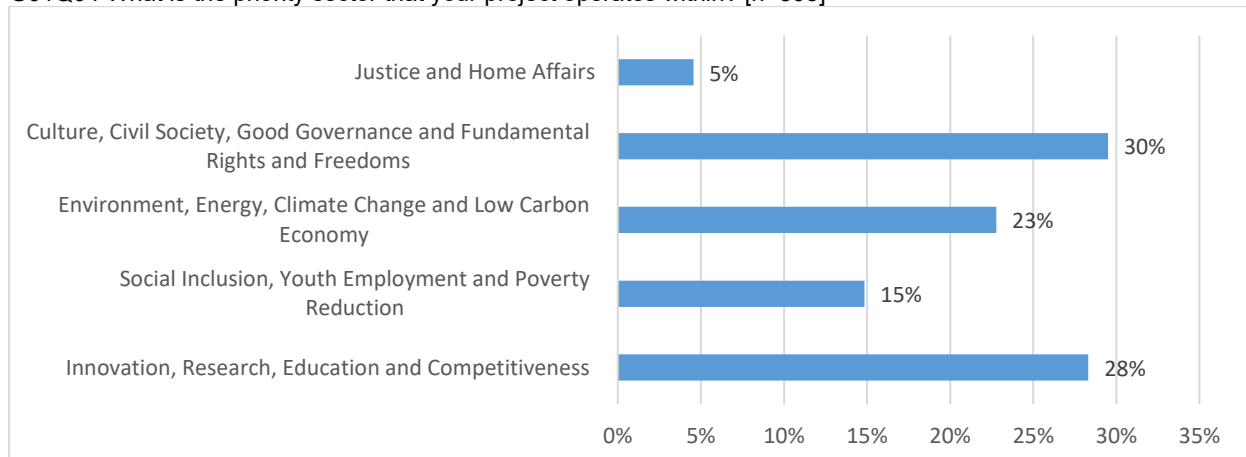
G01Q02 What type of entity is your institution? [n=766]



G01Q03 What type of project/initiative are you implementing? [n=763]



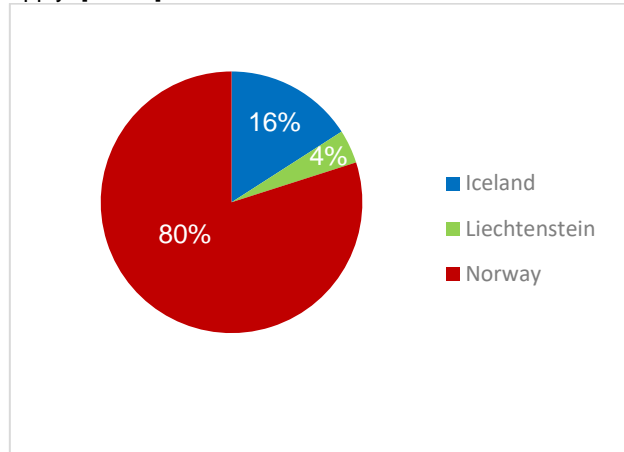
G01Q04 What is the priority sector that your project operates within? [n=505]



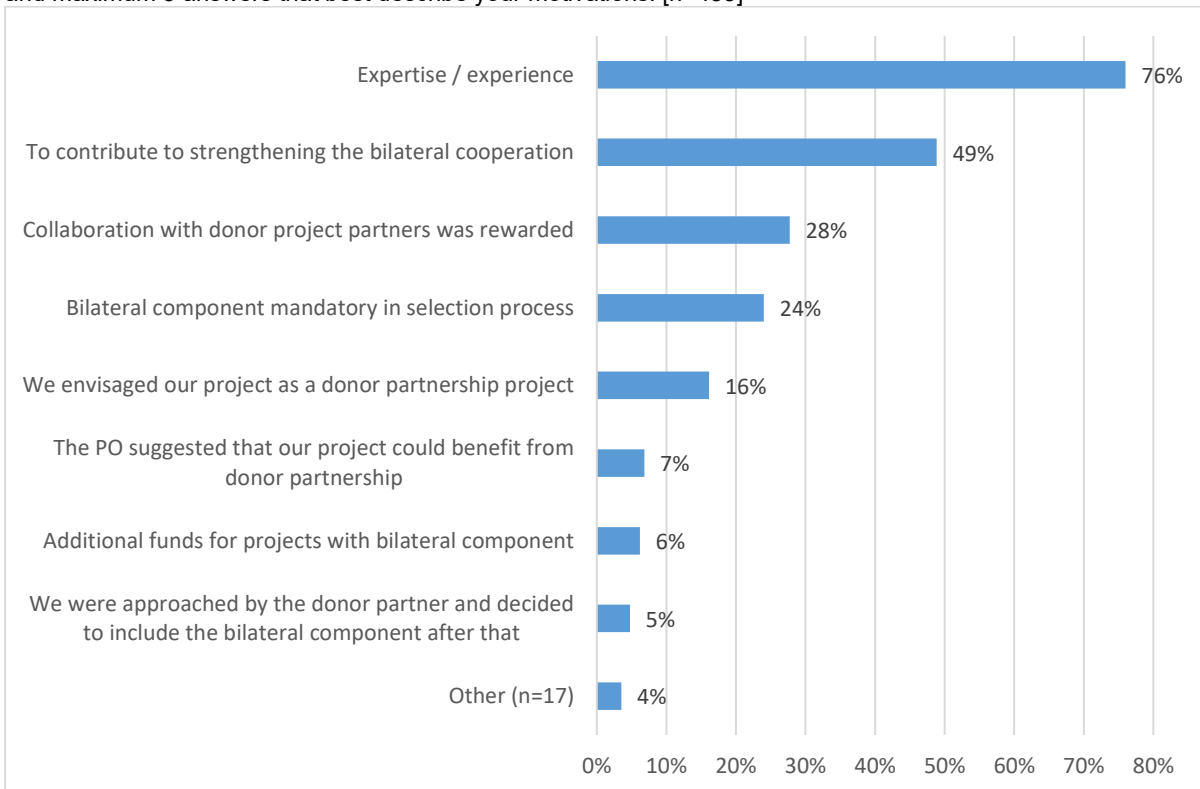
G01Q05 Within your project/initiative, how many donor partners do you collaborate with? [n=745]

Number of projects	Number of responses
0	19
1	530
2	121
3	31
4	17
5	10
6	8
7	1
8	4
9	0
10	1
14	2
25	1

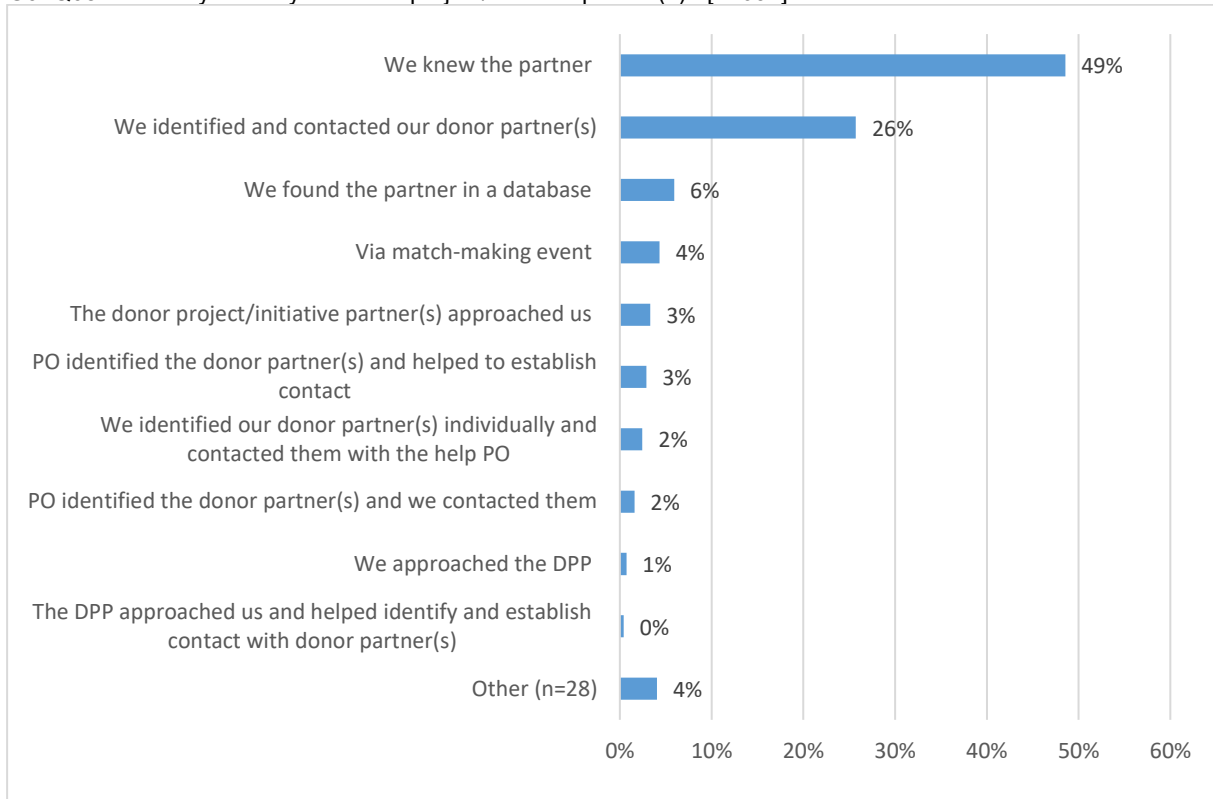
G01Q06 Which Donor State are your project/initiative partner institutions based in? Please select all that apply. [n=842]



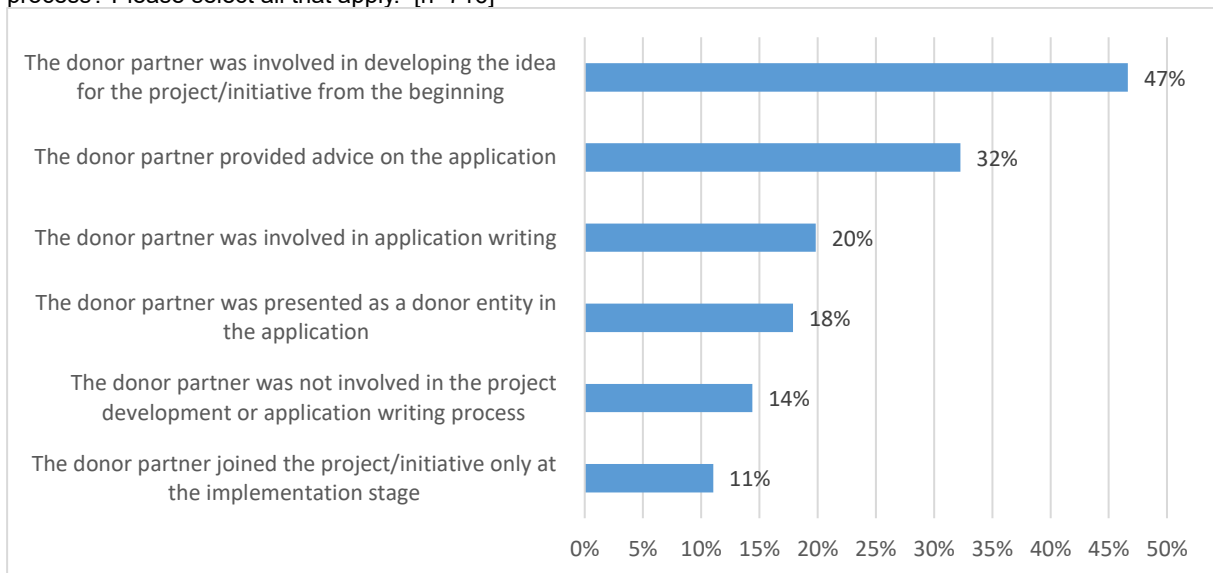
G01Q07 Why did you decide to collaborate with donor partners in your project? Please select minimum 1 and maximum 3 answers that best describe your motivations. [n=483]



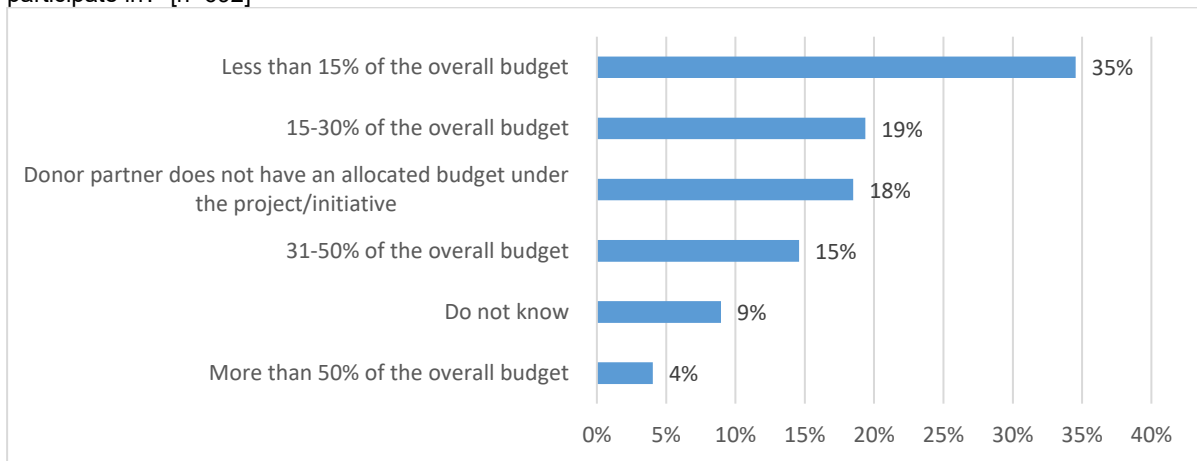
G01Q08 How did you find your donor project/initiative partner(s)? [n=692]



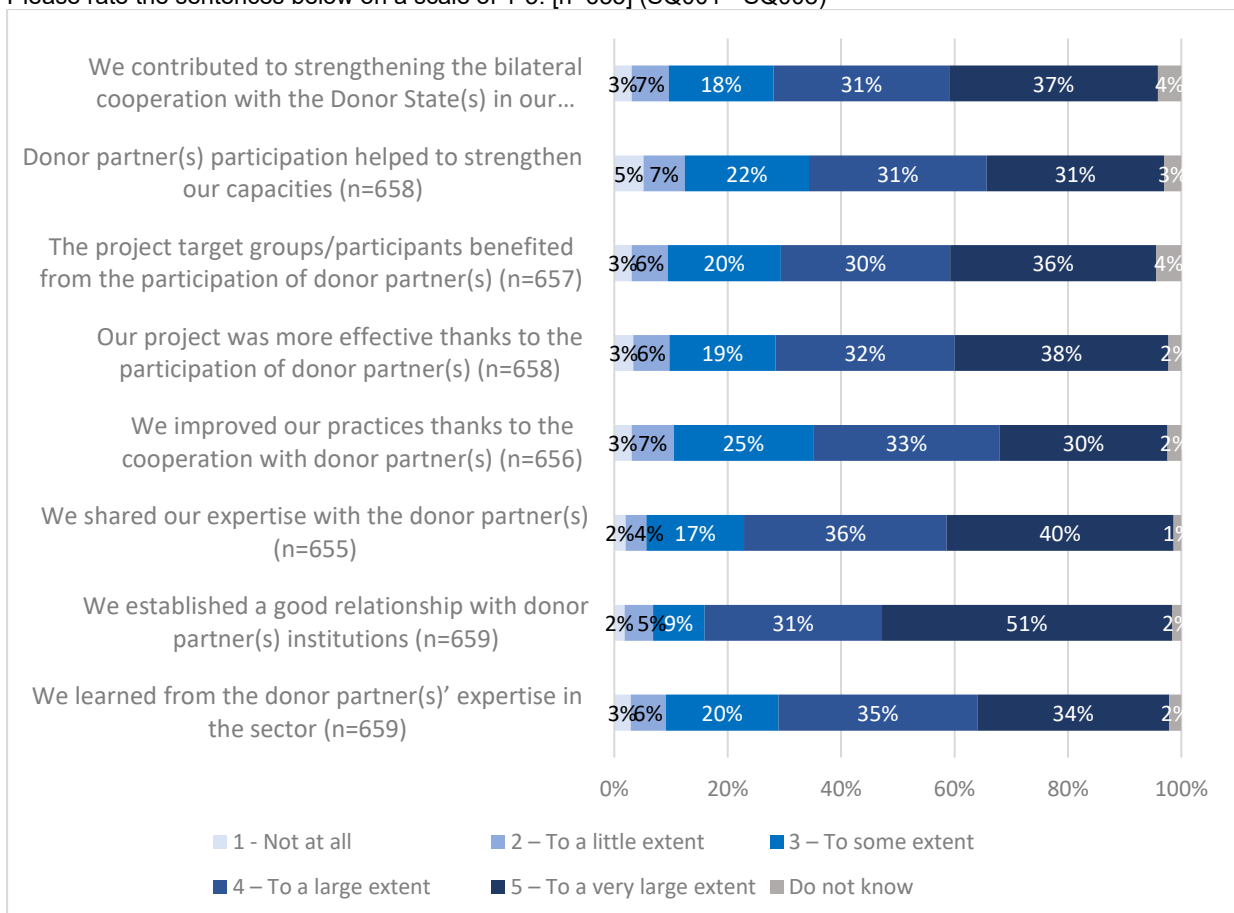
G01Q09 Was the donor partner involved in the application preparation and project(s)/initiative(s) development process? Please select all that apply. [n=716]



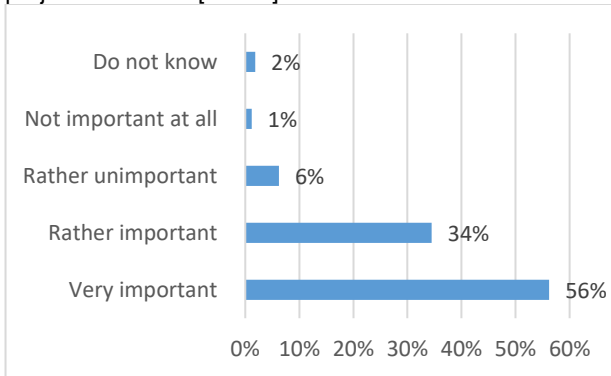
G01Q10 Does the donor project partner institution have an allocated budget within the project(s)/initiative(s) you participate in? [n=692]



G01Q11 To what extent did your cooperation with donor partner institution in the project lead to the following effects? Please rate the sentences below on a scale of 1-5. [n=655] (SQ001 - SQ008)



G01Q12 From your experience so far, how important was the contribution of the donor partner to your project/initiative? [n=658]



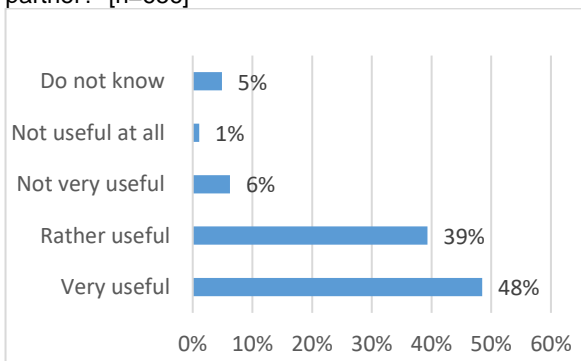
G02Q20 Please tell us why you think so. [From your experience so far, how important was the contribution of the donor partner to your project/initiative?] [n=400]

Responded: 400

No response: 275

Incomplete response: 277

G02Q13 In your opinion, how useful was the participation in your project/initiative to your donor programme partner? [n=656]



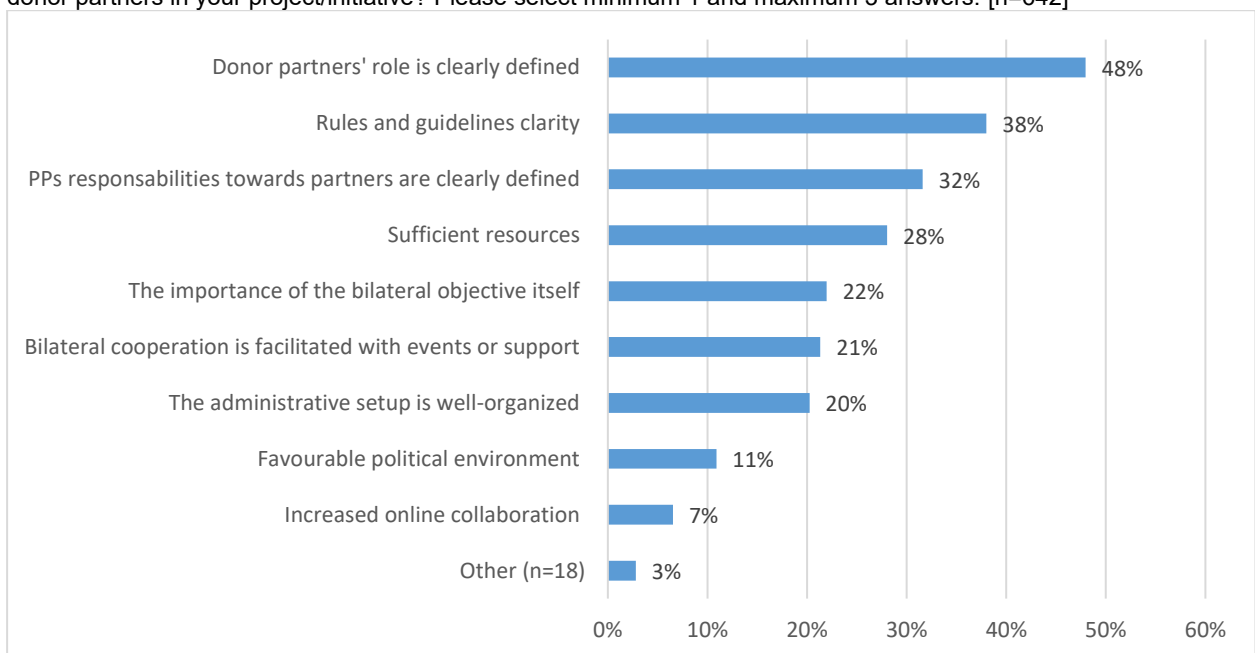
G02Q21 Please tell us why you think so. [In your opinion, how useful was the participation in your project/initiative to your donor programme partner?] [n=347]

Responded: 347

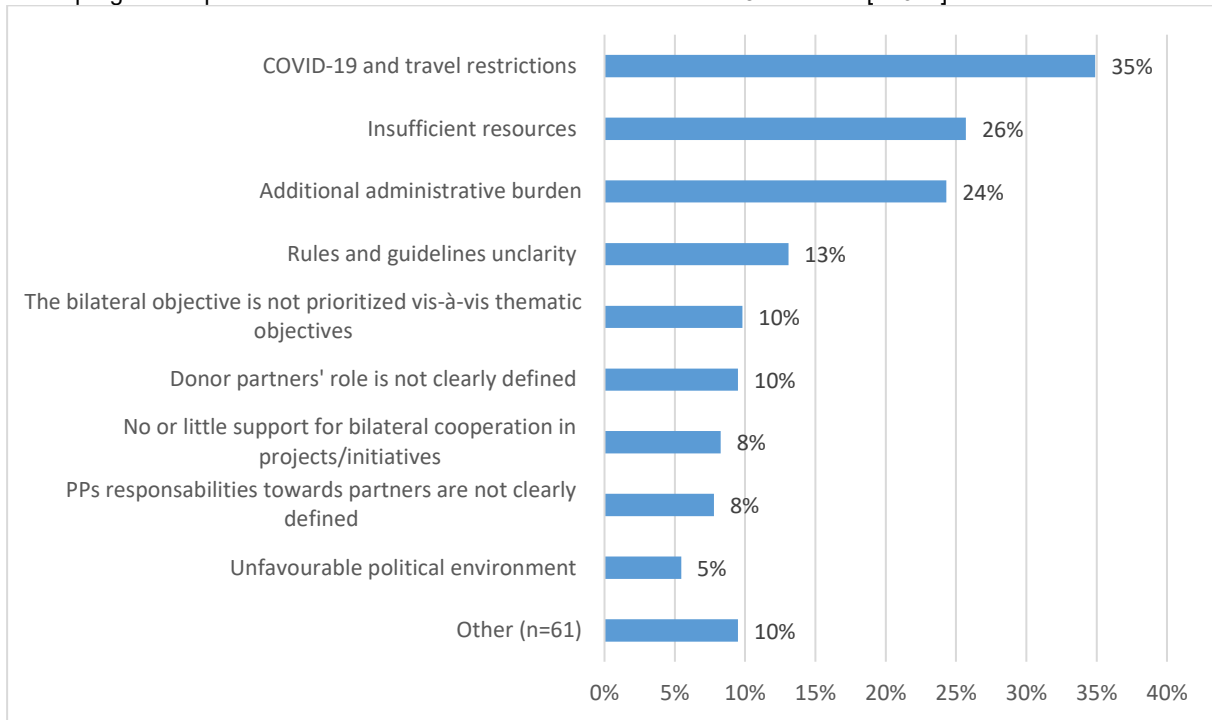
No response: 328

Incomplete response: 277

G02Q14 In your experience, what are the most important factors that positively affect bilateral cooperation with donor partners in your project/initiative? Please select minimum 1 and maximum 3 answers. [n=642]



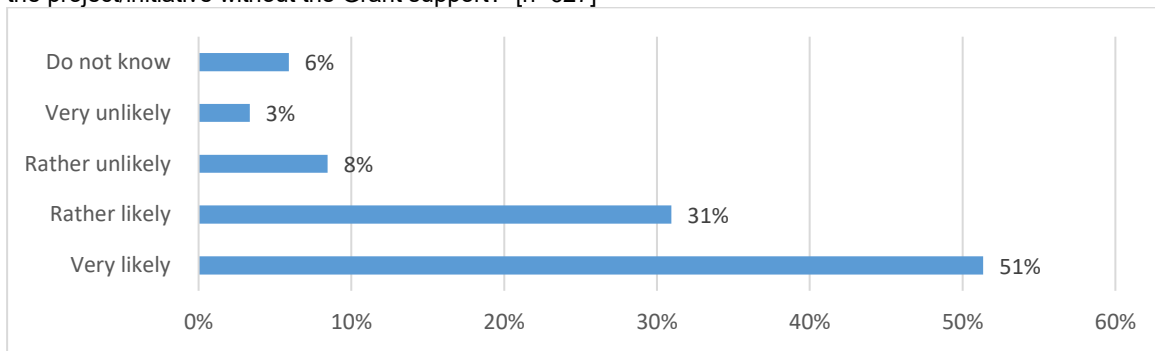
G02Q15 In your experience, what are the most important factors that negatively affect bilateral cooperation with donor programme partners? Please select minimum 1 and maximum 3 answers. [n=642]



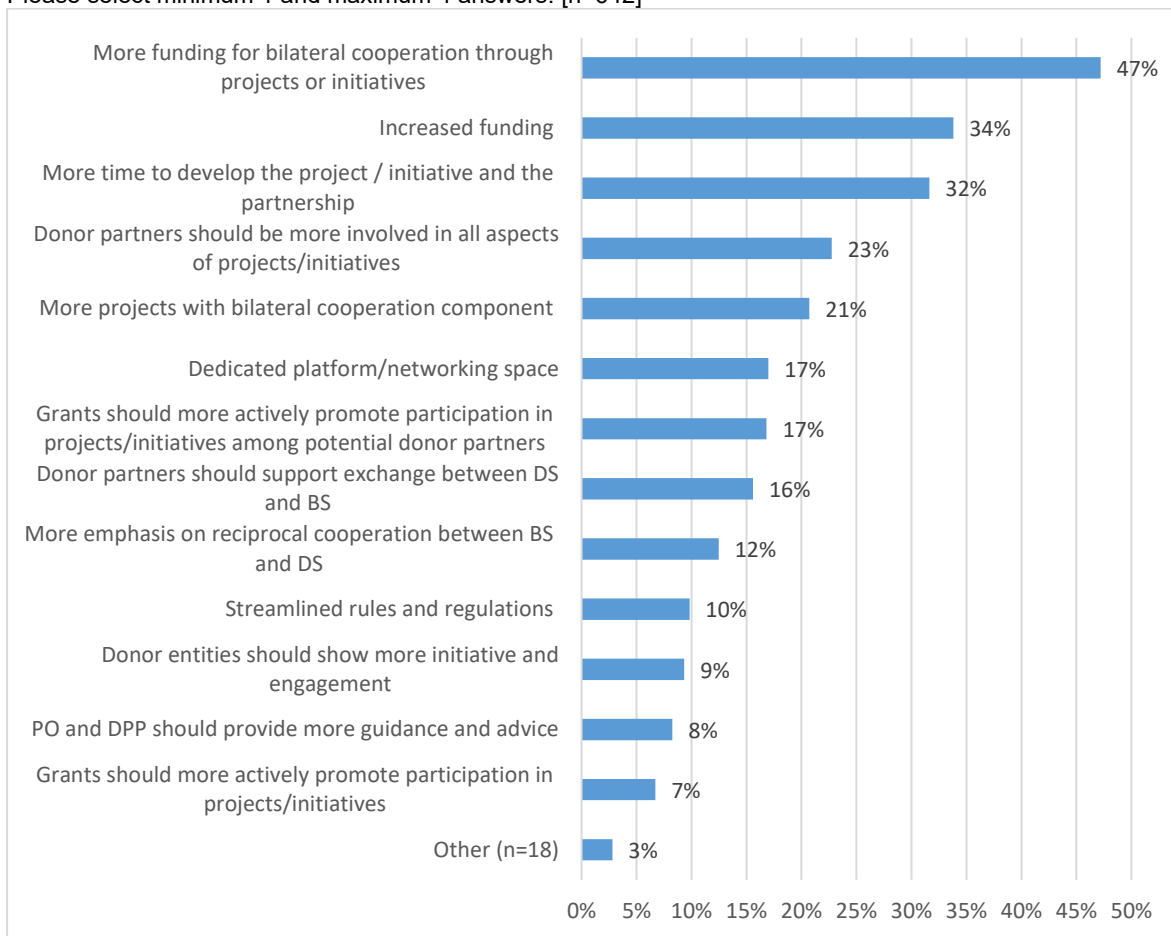
G02Q16 What is the role of the donor partner(s) in your project/initiative? Please select minimum 1 and maximum 3 answers that best describe it. [n=642]



G02Q17 How likely is it that your institution will continue cooperation with your project/initiative donor partner after the project/initiative without the Grant support? [n=627]



G02Q18 What could be done to strengthen bilateral cooperation in the EEA and Norway Grants in the future? Please select minimum 1 and maximum 4 answers. [n=642]

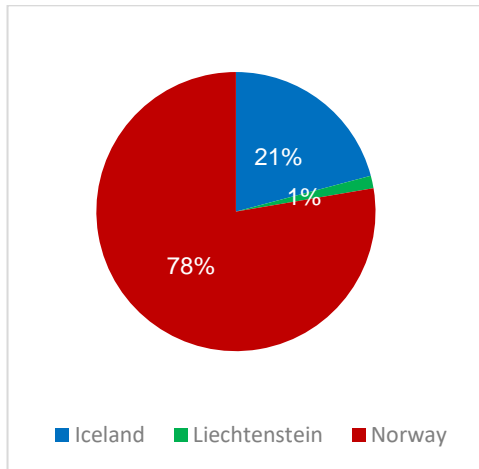


G02Q19 Please share with us any additional comments you have with regard to bilateral cooperation in the EEA and Norway Grants. [n=130]

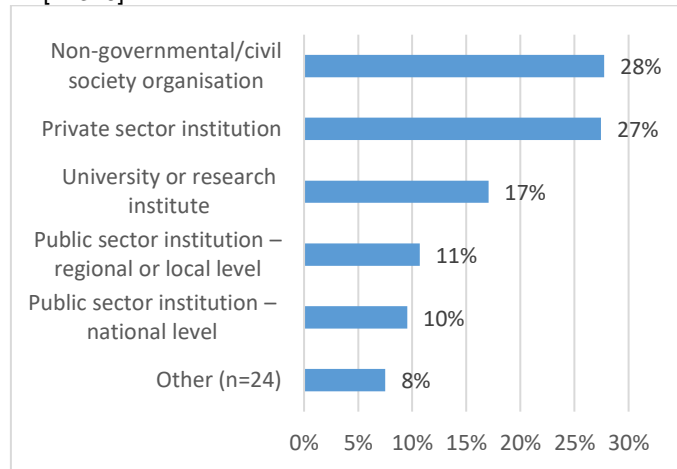
Valid response	130
No response	512
Incomplete response	310

Survey among donor project partners and partners of bilateral initiatives

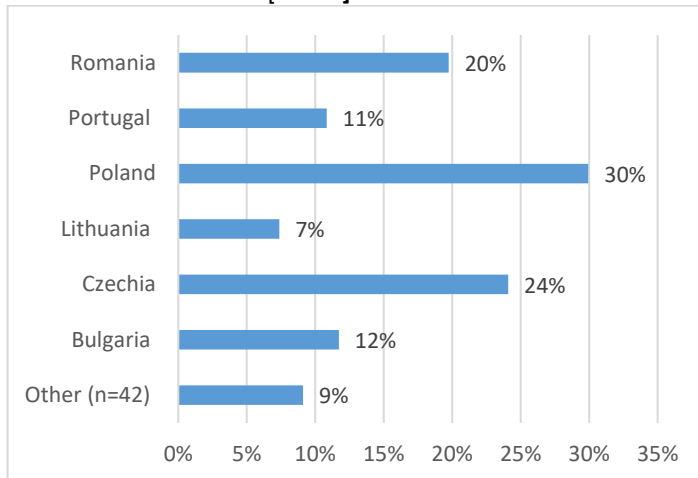
G01Q01 Which donor country do you represent? This is likely the country where your entity is registered. [n=345]



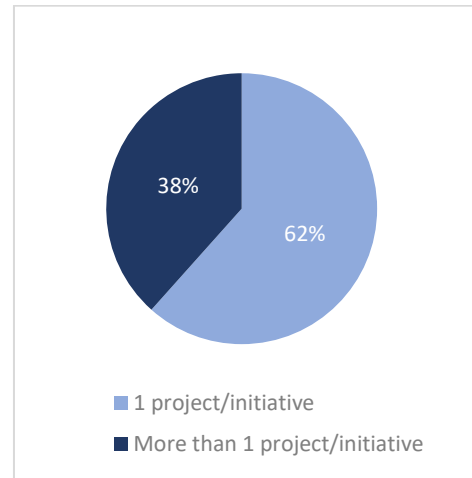
G01Q02 What type of entity is your institution? For this survey, if you are part of a larger institution, please focus on the projects/initiatives your unit or department is involved in. [n=346]



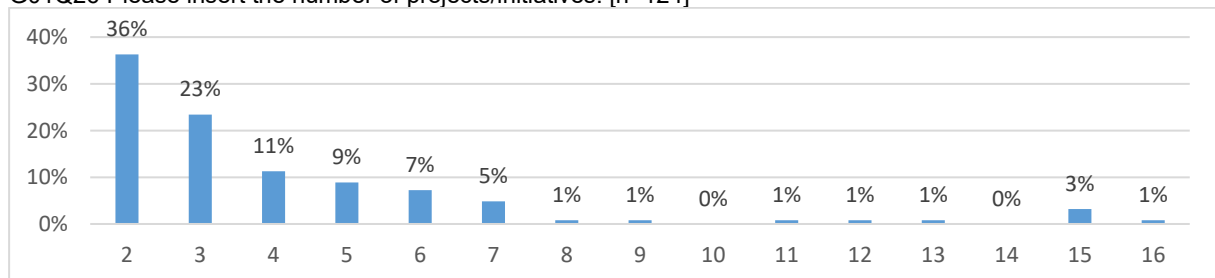
G01Q03 This survey is focused on projects/initiatives in the 6 countries listed below. Of these 6 countries, where are the projects/initiatives you participate in? Please select all that apply, including whether you also participate in projects/initiatives in countries besides the 6. [n=461]



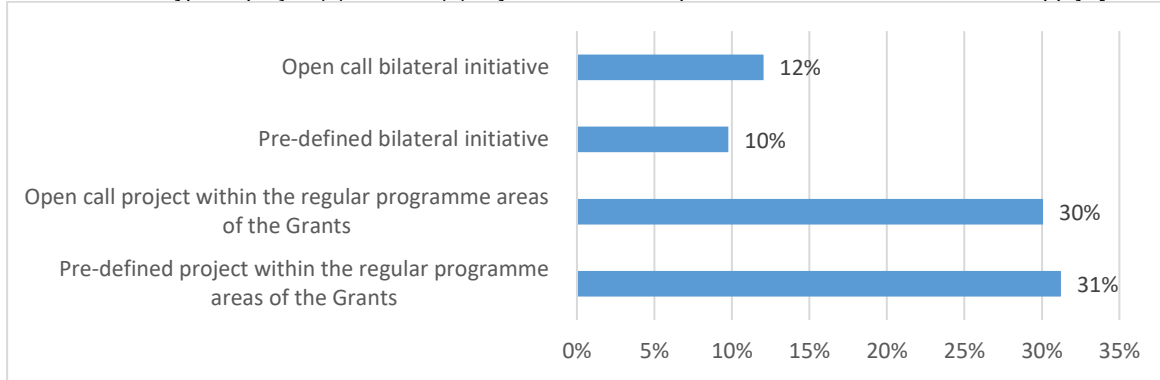
G01Q04 How many projects/initiatives do you participate in (from the 6 countries: Bulgaria, Czechia, Lithuania, Poland, Portugal and/or Romania)? [n=336]



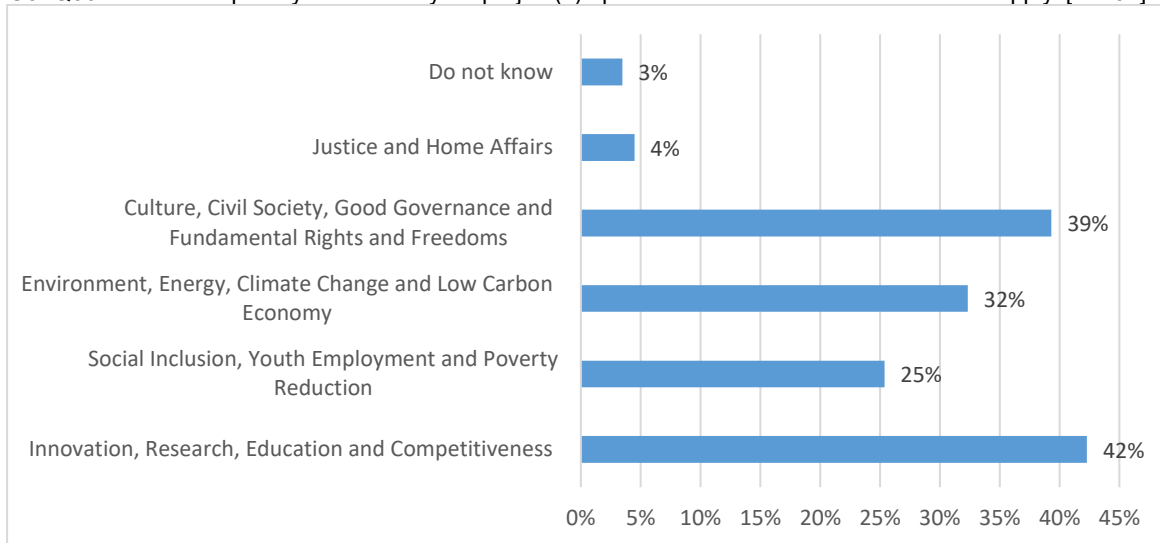
G01Q26 Please insert the number of projects/initiatives: [n=124]



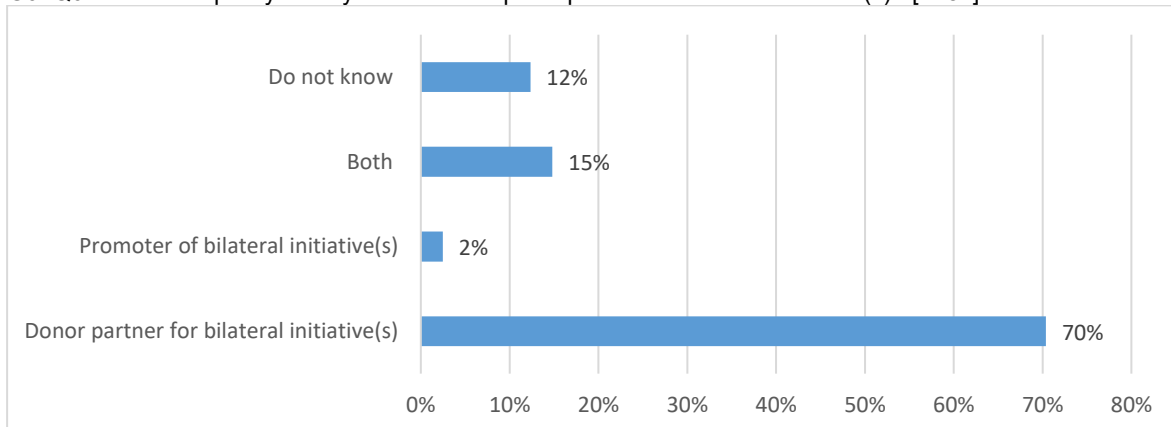
G01Q05 What type of project(s)/initiative(s) is your institution a partner of? Please select all that apply. [n=301]



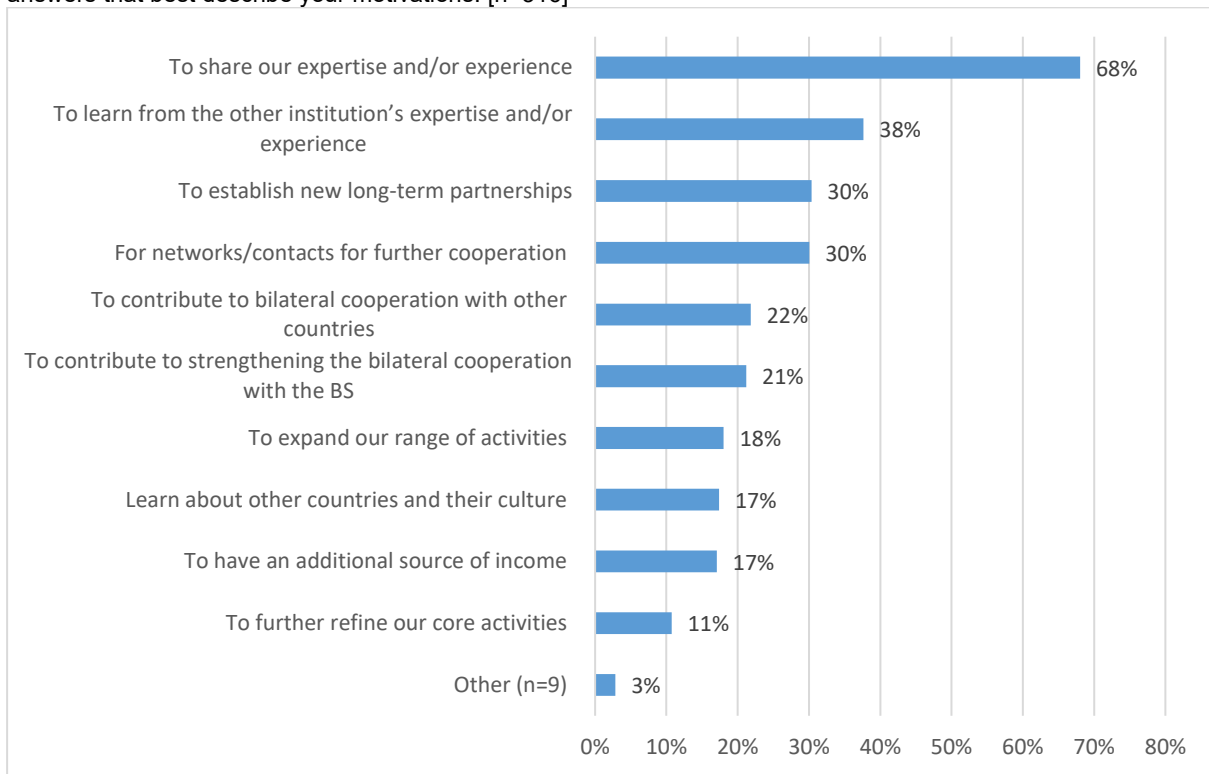
G01Q06 What is the priority sector that your project(s) operates within? Please select all that apply. [n=201]



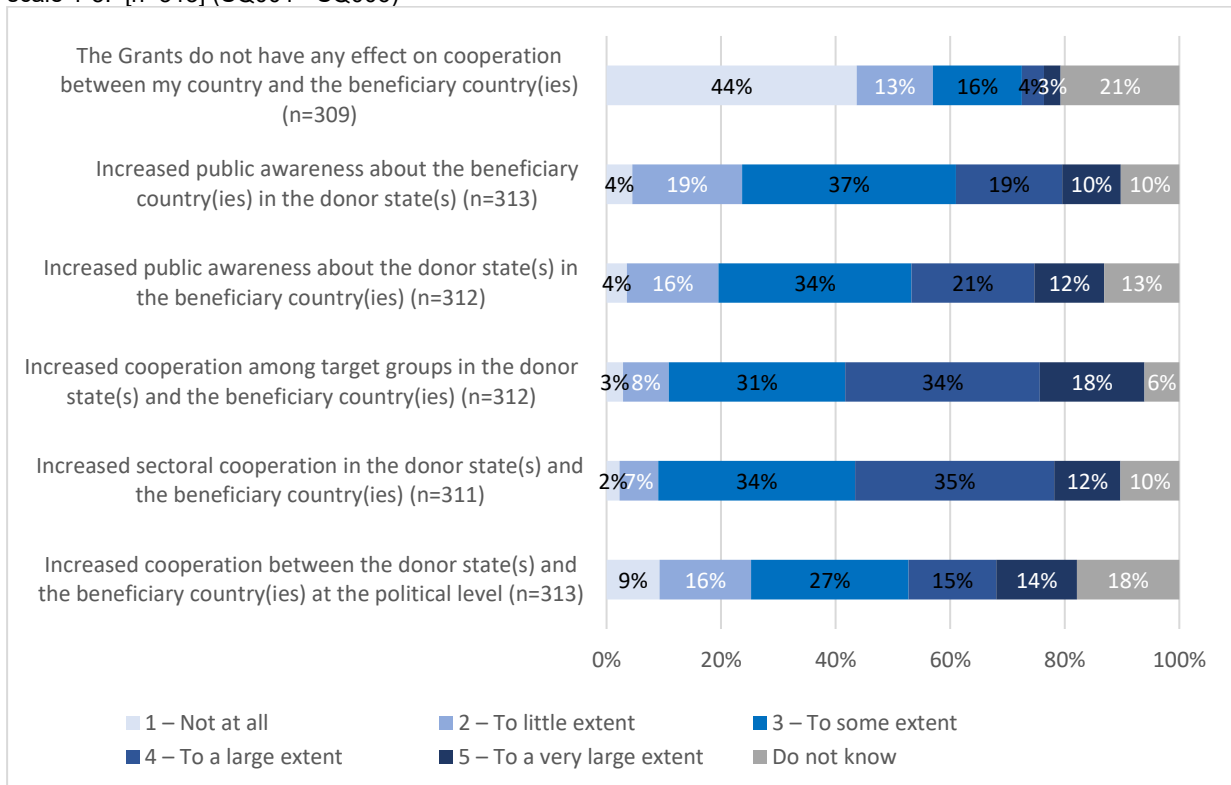
G01Q07 In what capacity does your institution participate in the bilateral initiative(s)? [n=81]



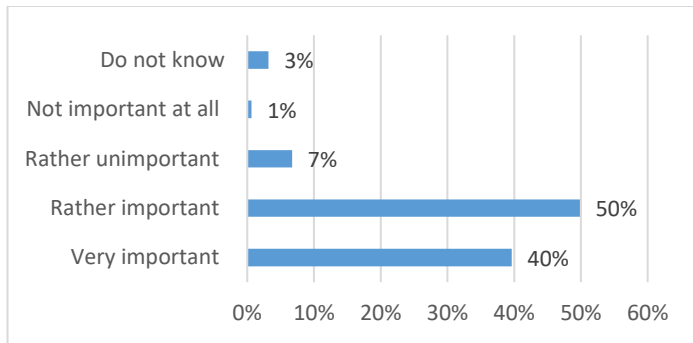
G02Q08 Why did you decide to participate in the project(s)/initiative(s)? Please select minimum 1 and maximum 3 answers that best describe your motivations. [n=316]



G02Q09 In your opinion, to what extent do the EEA and Norway Grants contribute to the following aspects of bilateral cooperation between the Donor States and the Beneficiary States? Please rate the sentences below on a scale 1-5. [n=313] (SQ001 - SQ006)



G02Q10 In your opinion, how important was your contribution to the project/initiative? [n=313]



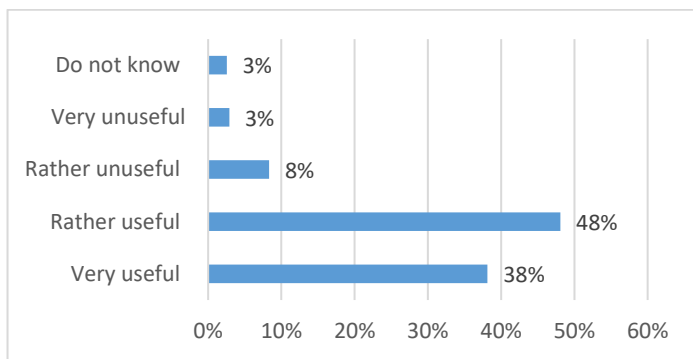
G02Q22 Please tell us why you think so. [In your opinion, how important was your contribution to the project/initiative?] [n=316]

Responded: 231

No response: 85

Incomplete response: 95

G02Q11 From your experience so far, how useful was your participation in the project/initiative for your institution? [n=312]



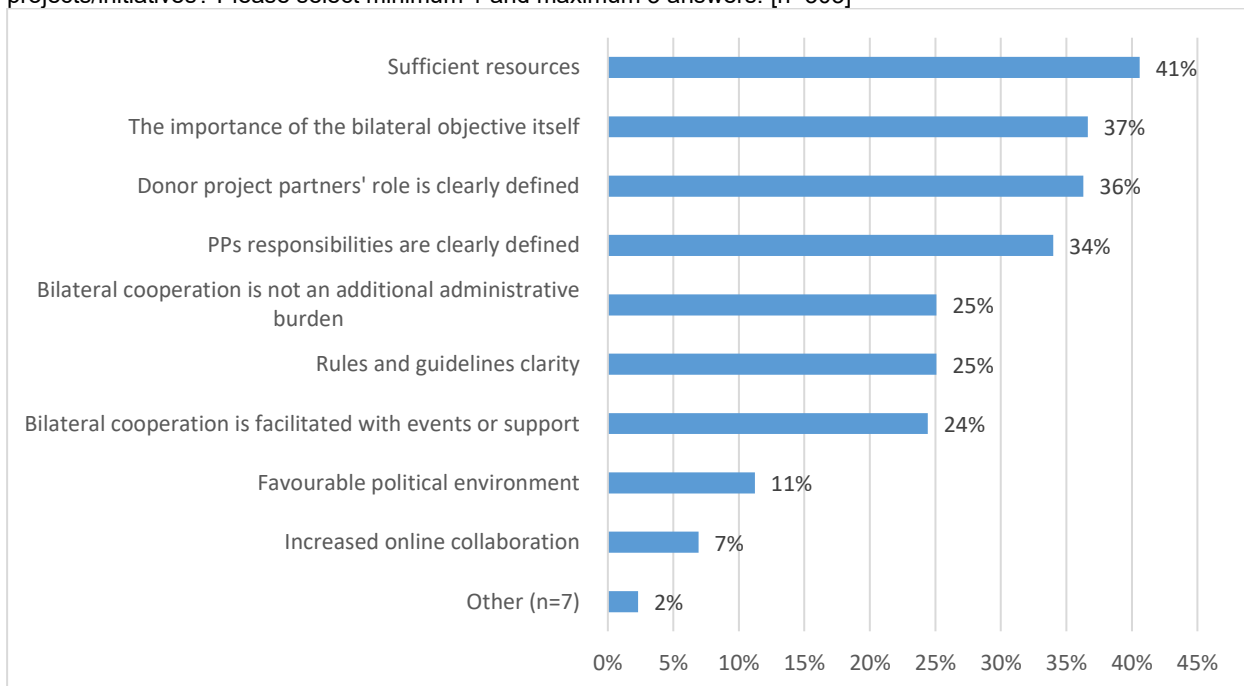
G02Q23 Please tell us why you think so. [From your experience so far, how useful was your participation in the project/initiative for your institution?]

Responded: 225

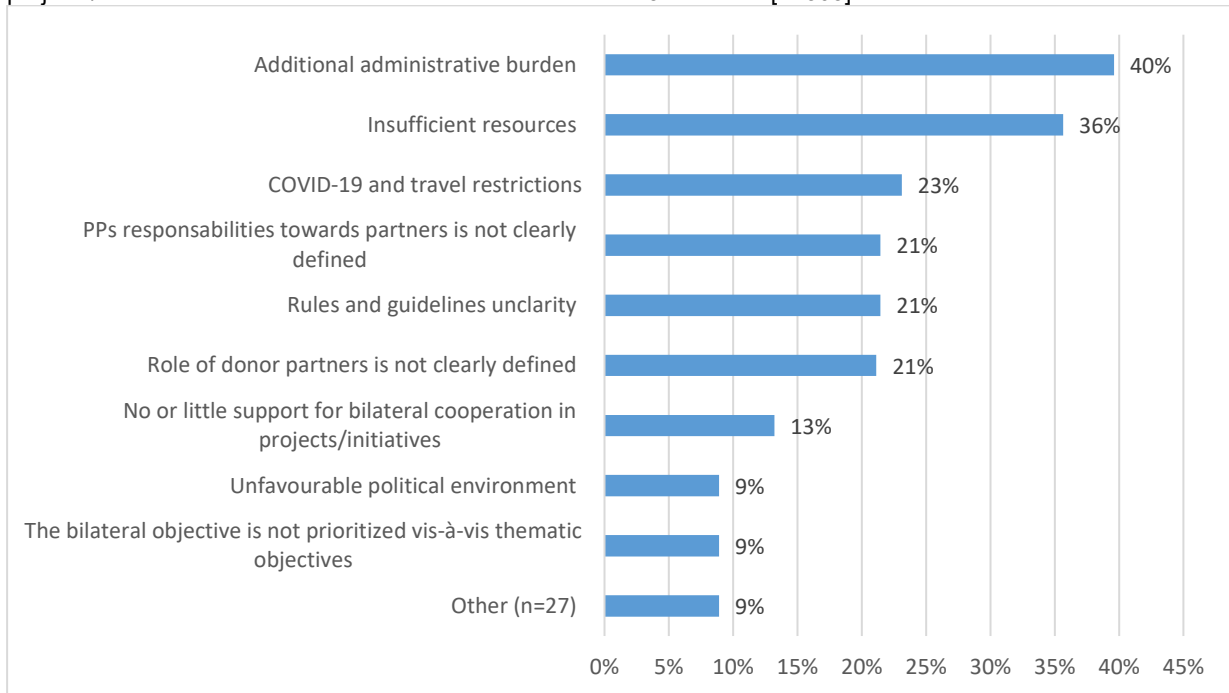
No response: 91

Incomplete response: 95

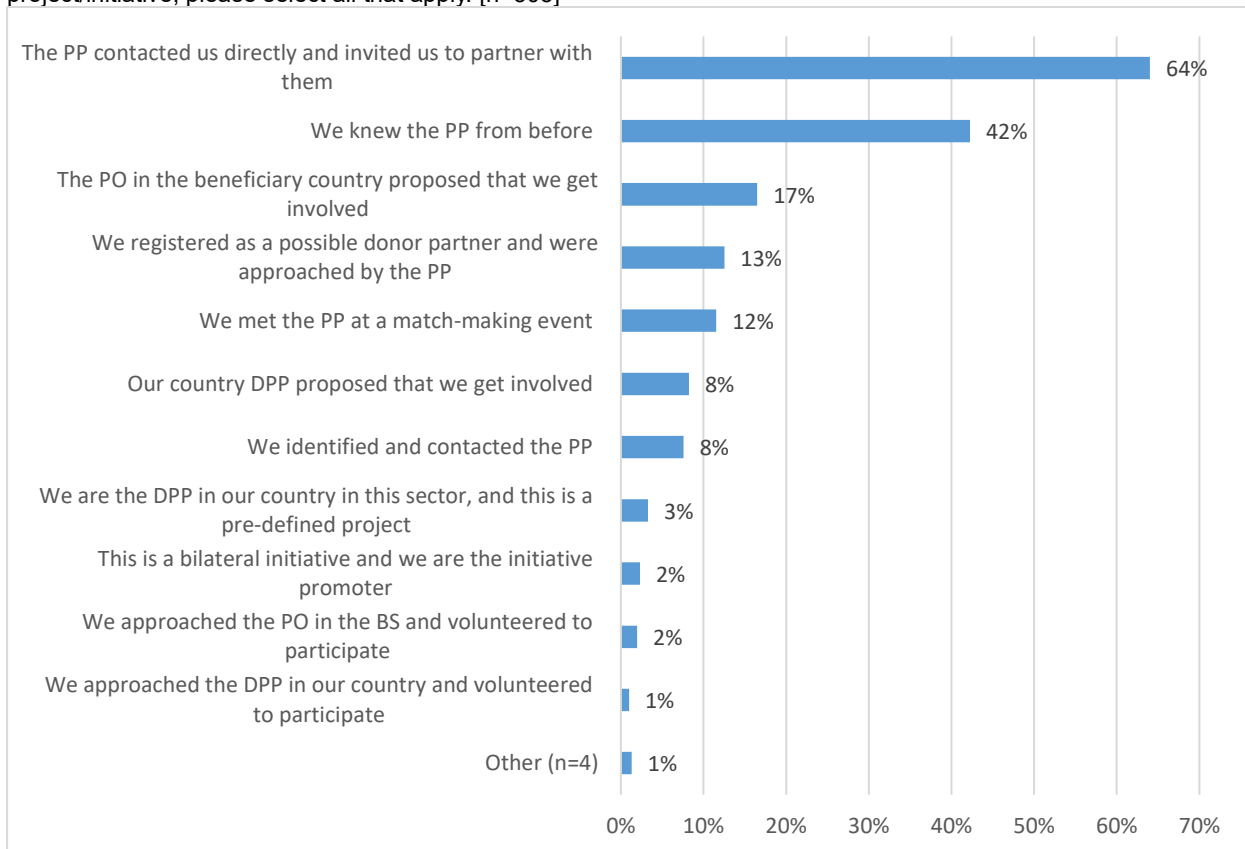
G02Q12 In your opinion, what are the most important factors that positively affect bilateral cooperation in projects/initiatives? Please select minimum 1 and maximum 3 answers. [n=303]



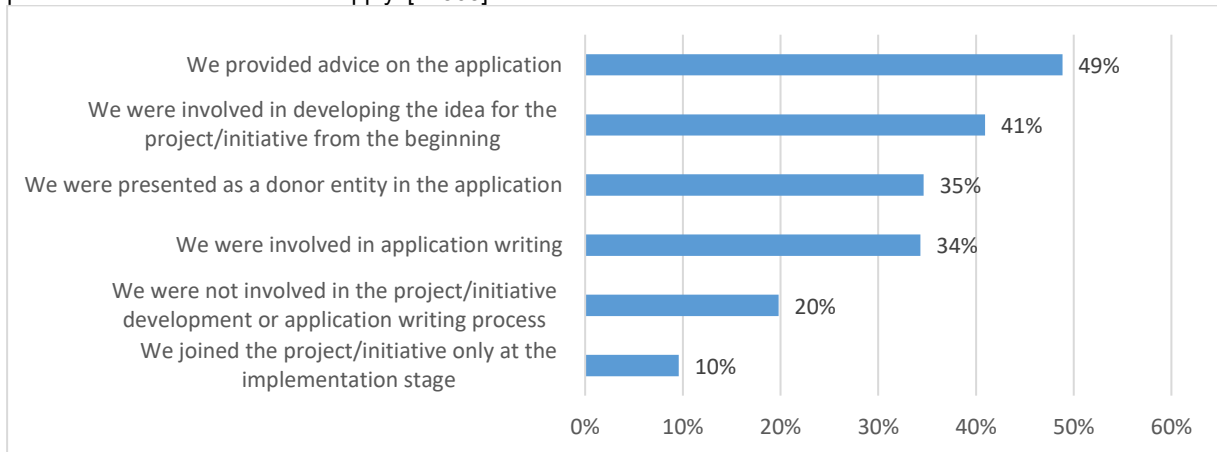
G02Q13 In your opinion, what are the most important factors that negatively affect bilateral cooperation in projects/initiatives? Please select minimum 1 and maximum 3 answers. [n=303]



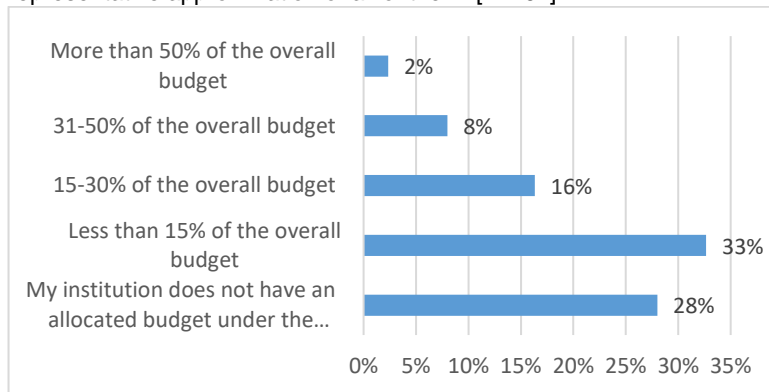
G02Q14 How did you identify the project(s)/initiative(s) to engage with? If you participated in more than one project/initiative, please select all that apply. [n=303]



G02Q15 Was your institution involved in the application preparation and project(s)/initiative(s) development process? Please select all that apply. [n=303]



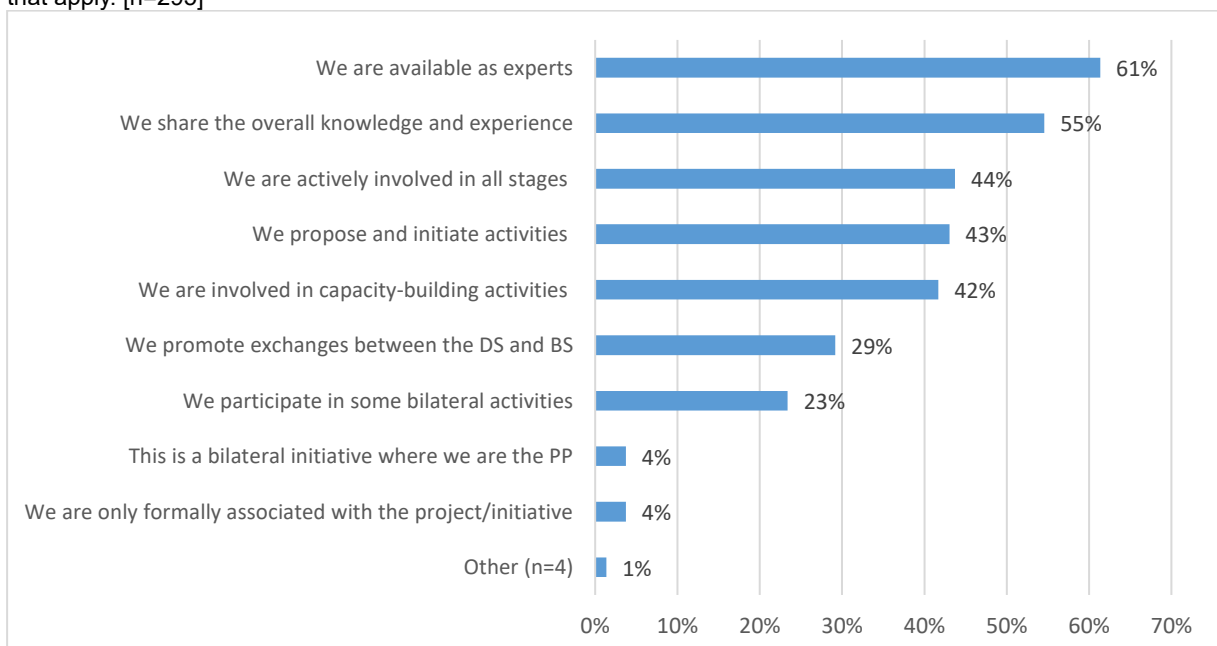
G02Q16 Does your institution have an allocated budget within the project(s)/initiative(s) you participate in? If you participate in more than one project/initiative, please select an option that is the most representative approximation of all of them. [n=262]



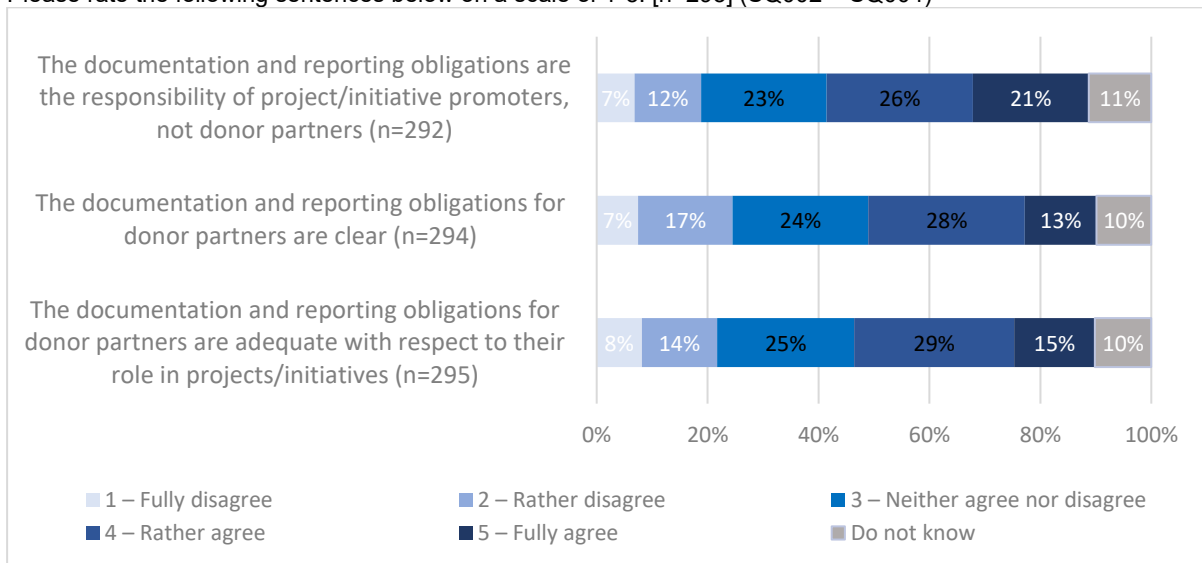
G01Q24 If you know your EUR budget allocation instead, please insert the amount in the box below.

Number of responses	Amount
1	7400
1	13839
1	0
1	8400
1	8850
1	200000
1	493860
Average	104621

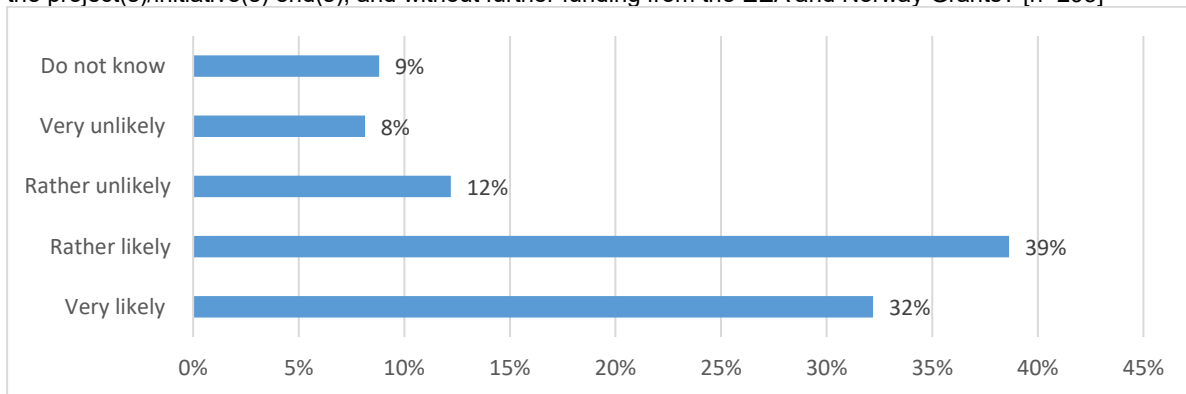
G02Q17 What is your role as the donor entity in the implementation of the project(s)/initiative(s)? Please select all that apply. [n=295]



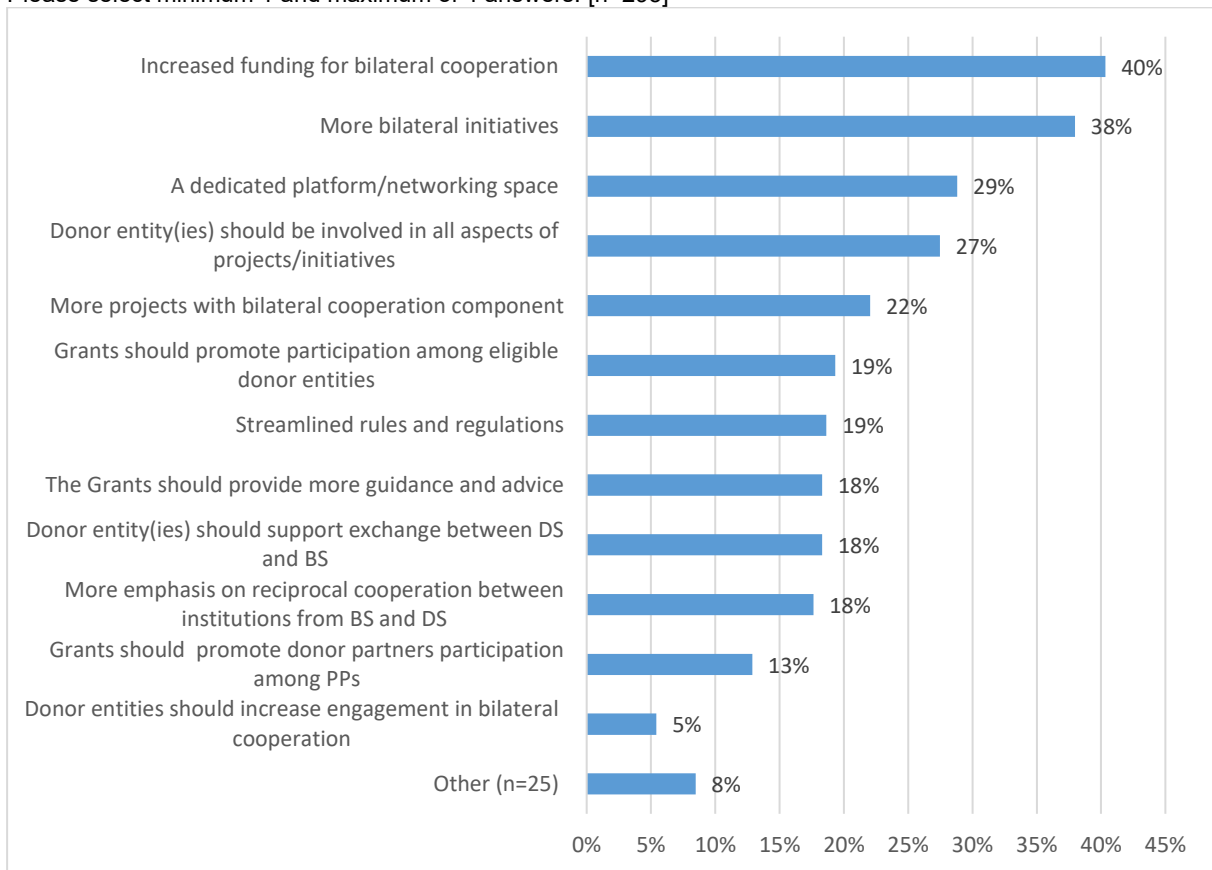
G02Q18 What do you think about the documentation and reporting obligations within the project(s)/initiative(s)? Please rate the following sentences below on a scale of 1-5. [n=295] (SQ002 – SQ004)



G02Q19 How likely is that your institution will continue cooperation with partners in the Beneficiary State(s) after the project(s)/initiative(s) end(s), and without further funding from the EEA and Norway Grants? [n=295]



G02Q20 What could be done to strengthen bilateral cooperation in the EEA and Norway Grants in the future? Please select minimum 1 and maximum of 4 answers. [n=295]



G02Q21 Please share any additional comments you have regarding bilateral cooperation in the EEA and Norway Grants. [n=81]

Valid response	81
No response	214
Incomplete response	116

Annex 6. Additional tables with analyses referred to in the report

Table 0.1. Share of projects implemented in partnership per country (Share of the partnership projects to the total number of projects)

Country	All programmes	Active Citizen Fund, Regional Funds and support to Ukrainian refugees excluded
Bulgaria	36%	58%
Croatia	41%	57%
Cyprus	13%	0%
Czechia	42%	59%
Estonia	32%	39%
Greece	13%	22%
Latvia	38%	64%
Lithuania	38%	52%
Malta	10%	18%
Poland	39%	65%
Portugal	47%	63%
Romania	35%	44%
Slovakia	40%	60%
Slovenia	48%	91%

Source: GrACE (data as of 14.06.2023)

Table 0.2. Share of projects implemented in partnership per Programme Area

Programme Area	Share of partnership projects
Innovation, Research, Education and Competitiveness	
PA1 Business Development, Innovation and SMEs	38%
PA2 Research	74%
PA3 Education, Scholarships, Apprenticeships and Youth Entrepreneurship	77%
PA4 Work-life Balance	77%
PA5 Social Dialogue – Decent Work (Norway Grants)	67%
Social Inclusion, Youth Employment and Poverty Reduction	
PA6 European Public Health Challenges	45%
PA7 Roma Inclusion and Empowerment	24%
PA8 Children and Youth at Risk	39%
PA9 Youth Participation in the Labour Market	-
PA10 Local Development and Poverty Reduction	31%
Environment, Energy, Climate Change and Low Carbon Economy	
PA11 Environment and Ecosystems	40%
PA12 Renewable Energy, Energy Efficiency, Energy Security	38%
PA13 Climate Change Mitigation and Adaptation	50%
Culture, Civil Society, Good Governance and Fundamental Rights and Freedoms	
PA14 Cultural Entrepreneurship, Cultural Heritage and Cultural Cooperation	86%
PA15 Civil Society	-
PA16 Good Governance, Accountable Institutions, Transparency	47%
PA17 Human Rights – National Implementation	47%
Justice and Home Affairs	
PA18 Asylum and Migration	19%
PA19 Correctional Services and Pre-trial Detention	78%
PA20 International Police Cooperation and Combating Crime	36%
PA21 Effectiveness and Efficiency of the Judicial System, Strengthening Rule of Law	65%
PA22 Domestic and Gender-based Violence	33%
PA23 Disaster Prevention and Preparedness	100%

Source: GrACE, based on data for all projects and programmes except the Active Citizen Fund, Regional Funds and projects in support of Ukrainian refugees (data as of 14.06.2023)

Table 0.3. Applications received with and without donor project partner compared against the requirements of the open call procedures

Programme/Call	Applications received			Partnership requirements
	Total	with a donor project partner	%	
BG-HOMEAFFAIRS	14	3	21%	
Improving the national asylum and migration capacities, especially as regards provision of conditions for vulnerable migrants and in particular for unaccompanied minors	5	0	0%	Extra points given (3% weight)
Improving the national asylum and migration capacities, especially as regards provision of services to TCNs seeking international protection and granted temporary protection with a special focus on vulnerable groups	9	3	33%	Extra points given (5% weight)
BG-INNOVATION	255	89	35%	
First Call for proposals Green Industry Innovation: Scheme for Individual Projects	68	36	53%	Extra points given
First Call for Proposals: Small Grants Scheme on Welfare Technology for SMEs	8	2	25%	Extra points given
First Call Green Industry Innovation: Small grant scheme for SMEs	11	1	9%	Extra points given
First Call Welfare Technology: Scheme for Individual Project Proposals	15	9	60%	Extra points given
Second Call for Project Proposals - Welfare Technology, Individual Projects Scheme	9	4	44%	Extra points given
Second Call for Proposals - Welfare Technology, Small Grant Scheme	8	1	13%	Extra points given
Second Call for Proposals- Green Industry Innovation: Individual Project Scheme	87	23	26%	Extra points given
Second Call for Proposals Green Industry Innovation, SGS	49	13	27%	Extra points given
Support for start-ups	57	14	25%	Extra points given
CZ-EDUCATION	140	140	100%	
1st Call for proposal for Inclusive Education Projects	2	2	100%	Mandatory partnership
1st Call for proposal for Institutional Cooperation Projects	13	13	100%	Mandatory partnership
1st Call for proposal for Mobility Projects	12	12	100%	Mandatory partnership
1st Call for proposal for VET Projects	1	1	100%	Mandatory partnership
2nd Call for proposal for Mobility Projects	23	23	100%	Mandatory partnership
2nd Call for proposal for Inclusive Education Projects	2	2	100%	Mandatory partnership
2nd Call for proposal for VET Projects	5	5	100%	Mandatory partnership
2nd Call for proposals for institutional cooperation projects	17	17	100%	Mandatory partnership
3rd Call for proposal for Inclusive Education Projects	5	5	100%	Mandatory partnership
3rd Call for proposal for Mobility Projects	17	17	100%	Mandatory partnership
3rd Call for proposal for VET Projects	4	4	100%	Mandatory partnership
3rd Call for proposals for institutional cooperation projects	15	15	100%	Mandatory partnership
4th Call for proposals for institutional cooperation projects	24	24	100%	Mandatory partnership
CZ-HEALTH	177	36	20%	
Open Call for proposals for bilateral initiatives - Facilitation of bilateral partnerships at project level	15	0	0%	No incentives for partnership
Prevention of communicable and non-communicable diseases of people living in socially excluded localities, mainly Roma	2	0	0%	No incentives for partnership
Support of mental health of children and adolescents	38	10	26%	No incentives for partnership
Support of NGOs activities in the field of mental health of children and adolescents	64	13	20%	No incentives for partnership
Support of NGOs activities in the field of patient organizations	48	11	23%	No incentives for partnership
Support of NGOs activities in the field of prevention and early diagnosis of neurodegenerative diseases	10	2	20%	No incentives for partnership

Programme/Call	Applications received			Partnership requirements
	Total	with a donor project partner	%	
PL-CLIMATE	588	167	28%	
Activities related to the protection of the environment and ecosystems carried out by the NGOs	45	12	27%	Extra points given (6% weight)
Awareness raising activities on climate change mitigation and adaptation carried out by schools	82	28	34%	Extra points given (6% weight)
Construction of an installation for the production of fuel from wood and agro biomass in the form of pellets	7	1	14%	Extra points given (6% weight)
Construction/modernization of municipal heating systems and elimination of individual heat sources	19	3	16%	Extra points given (4% weight)
Development of high-efficiency industrial and professional cogeneration	49	2	4%	Extra points given (6% weight)
Ecosystem management plans implemented	18	8	44%	Extra points given (5% weight)
Geothermal energy production	3	0	0%	Extra points given (3% weight)
Improved energy efficiency in school buildings	214	51	24%	Extra points given (3% weight)
Increased protection against invasive alien species	8	2	25%	Extra points given (6% weight)
Increasing the efficiency of energy generation in existing small hydropower plants (up to 2MW)	5	0	0%	Extra points given (9% weight)
Strengthened implementation of Circular Economy	47	14	30%	Extra points given (5% weight)
The implementation of green and blue infrastructure in cities	91	46	51%	Extra points given (7% weight)
PL-CULTURE	424	318	75%	
Culture heritage management enhanced	224	118	53%	Extra points given
Outcome 2 - 1st call	14	14	100%	Mandatory partnership
Outcome 2 - 2nd call	95	95	100%	Mandatory partnership
Outcome 2 - 3rd call	91	91	100%	Mandatory partnership
PT-INNOVATION	254	154	61%	
2nd Call #3 - Resource Efficiency of Enterprises in Marine Sector Supported	6	1	17%	Extra points given (25% weigh)
2nd SGS #1 - Initiatives for business growth in Startups Supported	7	2	29%	Extra points given (25% weigh)
Call nr #1 – Business, development, innovation and SMEs	35	21	60%	Extra points given (25% weigh)
Call nr #3 – Resource Efficiency of Enterprises	3	0	0%	Extra points given (25% weigh)
Call nr #4 - Research	63	63	100%	Mandatory partnership
Call nr #5 - Education	27	19	70%	Extra points given (50% weigh)
Call#2 - Business Development, Innovation and SMEs	51	35	69%	Extra points given (25% weigh)
SGS #2 - Development of Business and Management Skills – Training on Job	10	0	0%	Extra points given (25% weigh)
SGS #3 - Support for Education Initiatives - Ocean Literacy	46	8	17%	Extra points given (10% weigh)
SGS#1 - Initiatives for business growth in startups	6	5	83%	Extra points given (25% weigh)
RO-ENERGY	232	76	33%	
Outcome 1: Call 1 - Increased capacity to deliver renewable energy - Hydropower - EEA Grants	5	4	80%	Extra points given
Outcome 1: Call 1.1 - Increased capacity to deliver renewable energy - Hydropower - EEA Grants	6	3	50%	Extra points given
Outcome 1: Call 2 - Increased capacity to deliver renewable energy - Geothermal - EEA Grants	7	5	71%	Extra points given
Outcome 1: Call 2.1 - Increased capacity to deliver renewable energy – Geothermal - EEA Grants	4	0	0%	Extra points given
Outcome 1: Call 3 - Increased capacity to deliver renewable energy – Other Renewable Energy Sources (RES) - Norway Grants	28	20	71%	Extra points given

Programme/Call	Applications received			Partnership requirements
	Total	with a donor project partner	%	
Outcome 1: Call 3.1 - Increased capacity to deliver renewable energy – Other Renewable Energy Sources (RES) - Norway Grants	71	15	21%	Extra points given
Outcome 1: SGS-1 - Hydropower, geothermal and other RES for SMEs and NGOs - Norway Grants	12	9	75%	Extra points given
Outcome 1: SGS-1.1 - 'Hydropower, geothermal and other RES for SMEs and NGOs' - Norway Grants	29	4	14%	Extra points given
Outcome 2: Call 4(a) - "Increased energy efficiency in place" – EEA Grants	18	3	17%	Extra points given
Outcome 2: Call 4(b) - "Increased energy efficiency in place" – Norway Grants	19	9	47%	Extra points given
Outcome 2: SGS-2 - Energy Audits - Norway Grants	9	0	0%	Extra points given
Outcome 2: SGS-3 - Increased energy efficiency – for SMEs and NGOs' - EEA Grants	8	0	0%	Extra points given
Outcome 4: Call 5(a) - Enhanced research and development capacity - EEA Grants	1	1	100%	Extra points given
Outcome 4: Call 5(b) - Enhanced research and development capacity - Norway Grants	3	3	100%	Extra points given
Outcome 4: SGS-5 - Enhanced research and development capacity – for SMEs and NGOs - Norway Grants	1	0	0%	Extra points given
Outcome 5: Call 6.1b: Electrification of households - Norway Grants	3	0	0%	Extra points given
Outcome 5: Call 6a - Electrification of households - EEA Grants	2	0	0%	Extra points given
Outcome 5: SGS-6.1a - Electrification of households - EEA Grants	6	0	0%	Extra points given
RO-RESEARCH	561	561	100%	
EEA Grants - Collaborative Research Projects	276	276	100%	Mandatory partnership
NO Grants - Collaborative Research Projects	285	285	100%	Mandatory partnership

Source: GrACE, Call for proposals documents and assessment criteria; There are no call for proposals under LT-JUSTICE. PL-LOCAL DEVELOPMENT applies different approach to stimulate partnerships

Annex 7. Overview of possible Bilateral Fund set-up options

This is a short overview of Bilateral Fund set-up options identified and discussed with the stakeholders during the evaluation. The presented three options are not exhaustive. These are only briefly discussed in terms of their advantages and disadvantages. Possibilities to address disadvantages of each of the options were also analysed and are presented below.

Option 1: Bilateral Fund at programme level separated from the national level bilateral funding (2009-2014 FM)		
Advantages	Disadvantages	Possibilities to address disadvantages
<ul style="list-style-type: none"> • Strong ownership of the POs on the Bilateral Fund at project level • Less administrative burden to NFPs 	<ul style="list-style-type: none"> • Limited funding to introduce national level strategic bilateral cooperation initiatives • No flexibility to reallocate bilateral funding between programmes 	<ul style="list-style-type: none"> • Increase the national level component and introduce (keep) the JCBF • The risk that some programmes will need more funding and others cannot absorb the allocated budget can hardly be mitigated

Option 2: Bilateral funding at programme and national level merged in one fund (2014-2021 FM)		
Advantages	Disadvantages	Possibilities to address disadvantages
<ul style="list-style-type: none"> • Flexibility to reallocate Bilateral Funds between programmes as needed • National level strategic initiatives can be supported • Strategic cooperation between Beneficiary and Donor States Strengthened 	<ul style="list-style-type: none"> • Higher administrative burden to NFPs and POs (double reporting) • POs ownership on programme level Bilateral Funds weakened 	<ul style="list-style-type: none"> • Simplify (and automate) reporting • Provide more information to POs and DPPs and closely monitor and advise them on the use of bilateral funding at national and programme level

Option 3: Bilateral Fund managed at national level without programme level allocation		
Advantages	Disadvantages	Possibilities to address disadvantages
<ul style="list-style-type: none"> • Management of the funds streamlined • Flexibility to allocate and reallocate funds as needed • Strategic usage of the funds strengthened 	<ul style="list-style-type: none"> • Bilateral funding at programme level could be weakened. There is a risk that the programmes may not or can hardly access funding for bilateral cooperation needs at programme level • Increased administrative burden for NFPs 	<ul style="list-style-type: none"> • Provide information to POs and DPPs and guidance how the Bilateral Fund can be accessed and used to support programme level bilateral activities. • Ensure close and effective cooperation with POs and DPPs. One option would be to invite them to JCBF.