



HELLENIC REPUBLIC



MINISTRY OF ECONOMY AND FINANCE

**GENERAL SECRETARIAT FOR
INVESTMENT AND DEVELOPMENT**

GENERAL DIRECTORATE FOR
DEVELOPMENT PLANNING, REGIONAL
POLICY AND PUBLIC INVESTMENT

COHESION FUND MANAGEMENT & MONITORING
SPECIAL SERVICE (CFM&MSS)

NATIONAL FOCAL POINT



**EUROPEAN ECONOMIC AREA
FINANCIAL MECHANISM
2004-2009**

ANNUAL REPORT 1

ON THE IMPLEMENTATION OF

THE EEA FINANCIAL MECHANISM

2004-2009

IN THE HELLENIC REPUBLIC

Implementation period:

July 2005 – March 2008

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GLOSSARY OF ACRONYMS

BG	Block Grant
CFM&MSS	Cohesion Fund Management & Monitoring Special Service
EEA	European Economic Area
FCC	Financial Control Committee
FM	Financial Mechanism
FMC	Financial Mechanism Committee
FMO	Financial Mechanism Office
GA	Grant Agreement
IP	Individual Project
MEF	Ministry of Economy and Finance
MoU	Memorandum of Understanding
NFP	National Focal Point
NGO	Non-Governmental Organization
PEC	Proposal Evaluation Committee
PIP	Public Investment Programme (of the Hellenic Republic)
PRG	Programme
PPP	Public Private Partnerships
SPA	Single Paying Authority
SC	Steering Committee
TS	Technical Secretary (of the Steering Committee)
TAF	Technical Assistance Fund

PREFACE

The purpose of the Annual Report on the implementation of the EEA Financial Mechanism in the Hellenic Republic is to give comprehensive information on the implementation during the period under review. The annual report should provide an overview of the implementation of the mechanism and compile information the National Focal Point has received from all the involved bodies throughout the implementation period July 2005 - April 2008.

The present Annual Report is elaborated in fulfilment of the Beneficiary State's reporting obligation to the EEA Financial Mechanism Committee as stipulated in Article 5 of the Memorandum of Understanding signed between the Hellenic Republic and the donor States (Republic of Iceland, Principality of Liechtenstein and Kingdom of Norway) and in Article 3 of the "Reporting and Monitoring Guidelines" as adopted and amended by the EEA Financial Mechanism & the Norwegian Financial Mechanism.

The reported period starts with the date of signature of the Memorandum of Understanding on the EEA Financial Mechanism; however most of this period could be described as preparatory phase.

The implementation phase started on January 10th 2008 with the announcement of the "Open call for submission of individual project proposals and for individual project proposals focused on academic research". The period for submission of proposals will last four months with concluding date for submissions being May 12th 2008.

The process for the identification, evaluation and classification of proposals will follow and is expected to be concluded at National level before the summer holidays (August 2008) with the selection and forwarding of the short-listed proposals to the FMO for further appraisal and donor selection.

The final decision by the EEA FMC as well as the signing of the Grant Agreements that will indicate the commencement of the approved projects is expected to be concluded before the end of the first trimester of 2009.

The National Focal Point confirms that the data included in the Annual Report on implementation of the EEA Financial Mechanism is comprehensive, complete and correct.

1. IMPLEMENTATION STATUS

1.1 INTRODUCTION

Under the *Agreement, Protocol 38 – on the EEA Financial Mechanism*, the EFTA countries undertake to contribute to the reduction of economic and social disparities in the EEA through the establishment of a Financial Mechanism. The estimated amount allocated for the Hellenic Republic is 34.260.000 € for the period 2004 – 2009.

1.2 SETTING UP FOCUS AREAS

The Greek Authorities, after extensive internal consultations during which the EEA FM priority sectors were carefully examined, focus areas were identified and explored based on the synergies between the activities and actions of the EU Structural Funds (i.e. CSF, CF, Interreg, etc). The finally defined focus areas are presented in the Annex B of the signed MoU.

1.3 MEMORANDUM OF UNDERSTANDING

1.3.1 SIGNING OF THE MEMORANDUM OF UNDERSTANDING

On 21-06-2005 within the framework of an official visit of the Deputy Minister of Economy and Finance in Oslo, Norway, the Memorandum of Understanding on the implementation of the EEA Financial Mechanism was signed between the Kingdom of Norway and the Hellenic Republic. On 07-07-2005 the signing procedure was completed by the Republic of Iceland and the Principality of Liechtenstein.

1.3.2 ADDENDUM TO THE MEMORANDUM OF UNDERSTANDING

In view of the devastation caused by the forest fires in southern Greece, the Hellenic authorities on 05-09-2007 requested by the donor states (Republic of Iceland, Principality of Liechtenstein and Kingdom of Norway) an amendment to the Annex B of the MoU, so that to direct available financial support to the affected regions in order to address the damage to the environment.

In detail, the Hellenic authorities proposed 40% of the “Individual projects” funds to be distributed to the priority sector “Protection of the environment”, and to channel 50% of the aforementioned funds to the afflicted regions with the addition of one focus area: “Restoration of the ecosystem ravaged by forest fires”.

The EEA Financial Mechanism Committee has granted its approval and on 11-12-2007 the signing process for the “Addendum to the MoU” regarding the aforementioned amendment, between the donor states and the Hellenic Republic, was completed on ambassadors’ level.

1.4 LEGISLATIVE FRAMEWORK AND REGULATORY CONTEXT

The legislative framework and the regulatory context of the EEA FM include, among others, the following:

- Protocol 38a to the EEA Agreement, incorporated into the EEA Agreement by the EEA Enlargement Agreement. Protocol 38a to the EEA Agreement determines the priority sectors eligible for co-financing.

- The Memorandum of Understanding (07-07-2005) on the implementation of the EEA FM 2004-2009, between the Republic of Iceland, the Principality of Liechtenstein, the Kingdom of Norway and the Hellenic Republic.
- The Addendum to the MoU (11-12-2007) on the implementation of the EEA FM 2004-2009, between the Republic of Iceland, the Principality of Liechtenstein, the Kingdom of Norway and the Hellenic Republic.
- The Rules and Procedures for the implementation of the EEA FM 2004-2009, adopted by the EEA Financial Mechanism Committee.
- A number of guidelines adopted and issued by the Financial Mechanism Committee

It should be noted that, during the implementation phase of the EEA FM, any procurement shall be carried out in accordance with the relevant EU and National Legislation.

1.5 TECHNICAL MEETINGS

1.5.1 TECHNICAL MEETING ON 3RD OF NOVEMBER 2005 IN GREECE

On November 3rd 2005 a technical meeting was held in Athens between representatives of the Greek Authorities, the Norwegian Ministry of Foreign Affairs, the FMO and the Norwegian Embassy in Athens, in which principal issues regarding the use of required additional forms of financial assistance such as block grant on PPPs as well as the appointment of relevant intermediary bodies were discussed. Also, an indicative allocation of financial resources in the proposed forms of financial assistance was presented for the effective implementation of the EEA FM.

1.5.2 TECHNICAL MEETING ON 9TH OF MAY 2006 IN GREECE

On May 9th 2006 the 1st Annual Meeting was scheduled to be held in Athens on the implementation of the EEA FM for period 2004 - 2009 between the Hellenic authorities and the FMO representatives. By desire of the donor states the aforementioned scheduled Annual Meeting has been diminished to a Technical Meeting where certain issues regarding the "Draft Open Call" submitted on 02-03-2006 were discussed:

- The issue of partnerships between Greek Project Promoters and Bodies from the EEA member states was discussed. The Hellenic authorities expressed their concern regarding the compatibility of the scheme with national and EU legislation.
- The role of the "Proposal Evaluation Committee" (PEC) was discussed.
- It was, also, agreed the appointment of an NGO representative as a member of the Steering Committee responsible for the identification, evaluation and classification of the submitted proposals.
- The implementation of the specific form of grant assistance: "Scholarships and mobility programmes fund" was discussed.
- Finally, the issue of the specific type of assistance: "block grant on PPPs" was extensively discussed.

It should be noted that following the negotiations after the Technical Meeting, it has been decided not to proceed with the specific type of assistance: "Block Grant on PPPs" and to include the respective scheduled budget (EEA FM contribution: € 3.000.000) to the budget regarding the "Individual Projects".

It has also been decided to appoint the Greek Ministry of Education & Religion as the Intermediary Body for the implementation of the specific form of grant assistance:

"Scholarships and mobility programmes fund", to support co-operation and transfer of knowledge.

1.5.3 TECHNICAL MEETING ON 11TH OF JULY 2007 IN GREECE

On the technical meeting held in Athens on July 11th 2007 between the Hellenic authorities and the representatives of the FMO, in order to speed up the process of implementation of the EEA FM for period 2004 - 2009, it was decided not to proceed with the specific form of assistance "Block Grant on the academic research" (including "seed Money Fund").

Instead, it has been decided to include funding regarding "Academic Research" to the "Open Call for submission of individual project proposals and of individual project proposals focused on Academic research", that was finally launched on January 10th 2008.

Resulting to the above, the budget regarding the aforementioned "Open Call" has been amended as follows:

- A total value of € 36.250.000 will provide support to individual projects, of which € 29.000.000 (80%) will be financed by the EEA FM and € 7.250.000 (20%) by the PIP of the Hellenic Republic, and
- A total value of € 1.875.000 will provide support to individual projects focused on Academic Research, of which € 1.500.000 (80%) will be financed by the EEA FM and € 375.000 (20%) by the PIP of the Hellenic Republic.

1.5.4 TECHNICAL MEETING ON 4TH OF DECEMBER 2007 IN BRUSSELS

On December 4th 2007, a technical meeting was held in Brussels between the Secretary General of Investments and Development of the Ministry of Economy and Finance, the EFTA Deputy Secretary General and representatives of the FMO and NFP in which several final issues of the Open Call had been arranged before the approval of the draft open call by the EEA Financial Mechanism Committee.

1.6 SPECIFIC FORMS OF FINANCIAL ASSISTANCE

The Greek Authorities, taking into consideration the efficient and effective implementation of the EEA FM and based on the priority sectors and focus areas of the Annex B of the MoU, decided to submit proposals for individual projects and to use specific forms of grant assistance. Therefore, according to Annex C of the MoU, the following types of assistance will also be activated within the context of the EEA Financial Mechanism 2004 - 2009:

- A "Scholarships and Mobility Programs Fund" will support cooperation and transfer of knowledge.
- A "Technical Assistance Fund" will support publicity and information activities, workshops, activities related to administrative issues, management costs, the appointment of a Support & Monitoring agent, e.t.c.

1.7. ALLOCATION OF FINANCIAL RESOURCES IN FORMS OF ASSISTANCE

According to Table 2, par. 1.9 of the "Rules and Procedures", the cumulative commitment ceilings for the Hellenic Republic, after the deduction of the management costs (4%) is 32,889,600 €.

Furthermore, according to the same aforementioned paragraph, an additional amount of approximately 3% shall be deducted from the net amount in order to cover expenses

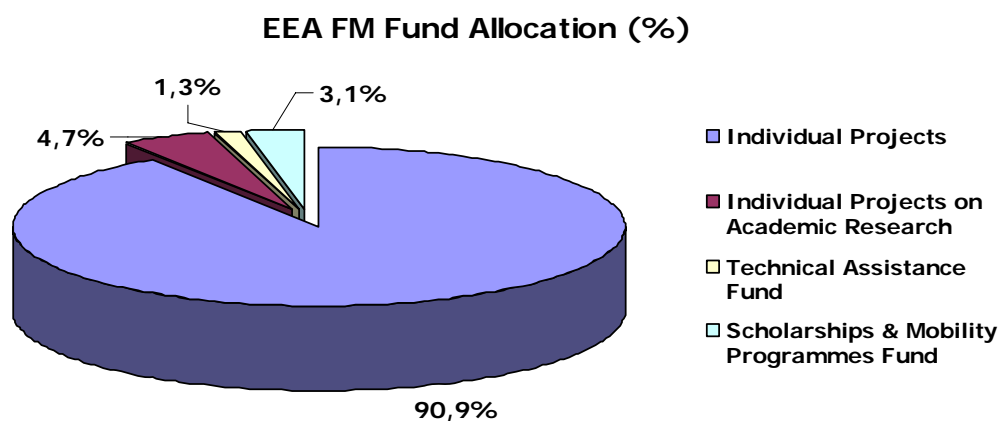
relating to appraisal reports, monitoring, ex-post evaluations and technical assistance. Hence, the net amount is reduced to 31,900,000 €.

Consequently, the final allocation of the Greek net total quota for the implementation of the EEA Financial Mechanism for period 2004 – 2009 as well as the corresponded national participation is presented as follows:

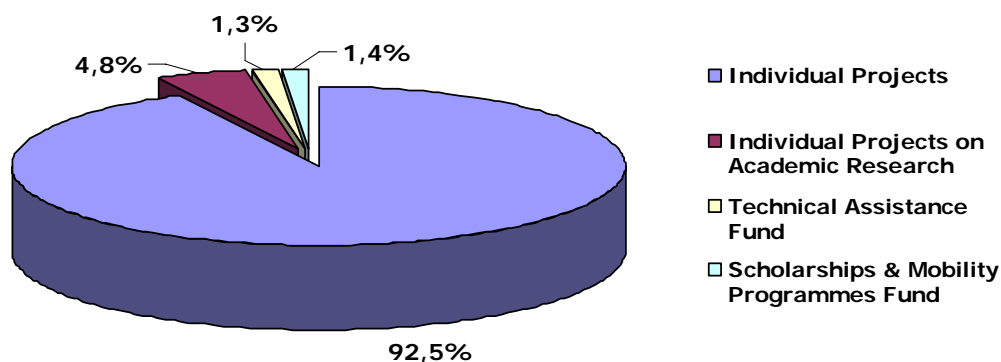
Forms of Assistance	EEA FM Contribution (in €)	PIP * Contribution (in €)	EEA FM (%)	PIP (%)	TOTAL (in €)
Individual Projects	29.000.000	7.250.000	80	20	36.250.000
Individual Projects on Academic Research	1.500.000	375.000	80	20	1.875.000
Technical Assistance Fund	400.000	100.000	80	20	500.000
Scholarships & Mobility Programmes Fund	1.000.000	111.111	90	10	1.111.111
TOTAL	31.900.000	7.836.111			39.736.111

* PIP stands for the Public Investment Program of the Hellenic Republic

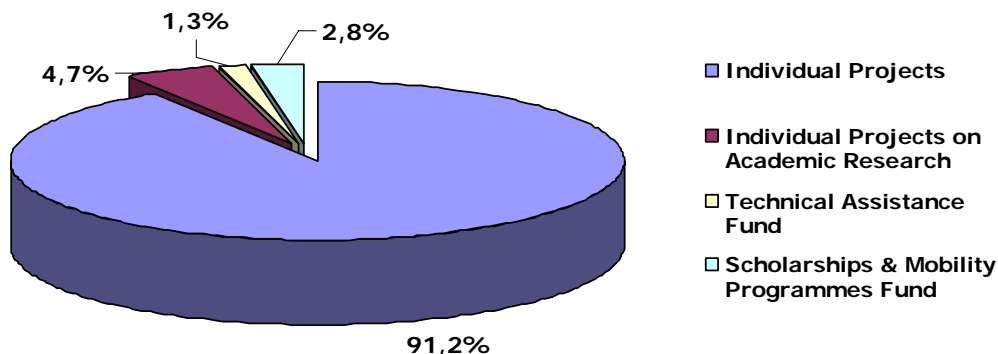
The following pie charts give a graphical representation of the allocation of financial resources (in percentages) in several types of assistance, coming from the EEA Financial Mechanism, the Public Investment Programme of the Hellenic Republic, as well as in total.



PIP Fund Allocation (%)



Total Fund Allocation (%)



2. OPEN CALL FOR SUBMISSION OF INDIVIDUAL PROJECT PROPOSALS AND FOR INDIVIDUAL PROJECT PROPOSALS FOCUSED ON ACADEMIC RESEARCH

2.1 ANNOUNCEMENT OF THE "OPEN CALL"

Following a series of negotiations between the Hellenic Authorities and the Financial Mechanism Office that lasted for almost two years, the latter with its letter on December 4th 2007 granted its approval to the final version of the "Open Call" text that has been submitted to the FMO on November 29th 2007.

On January 10th 2008, the "Open Call for submission of individual project proposals and for individual project proposals focused on Academic Research" was launched. Aiming to a wide communication to potential applicants and a transparent process, the "Open Call" was announced through three major financial and two political newspapers of nationwide circulation.

Furthermore, a press release was issued by the Office of the Deputy Minister of Economy & Finance, on January 15th 2008, in order to inform the public and potential applicants about the "Open Call" and to emphasize on the importance given to the implementation of the EEA FM in Greece.

The “Open Call” is analytical and describes in detail the forms of financial assistance offered, the scope of eligible proposals, the eligibility criteria of potential applicants and of expenditures, the evaluation process and the evaluation criteria to be used.

Detailed information regarding the identification, evaluation and classification process by the Steering Committee as well as the role of the Proposals Evaluation Committee can be found in the “Managerial Set-up” (section 5) of the present report.

2.2 ESTIMATED SCHEDULE

An estimated time schedule regarding the activities that follow the announcement of the “Open Call”, on January 10th 2008, in relation to the evaluation process and the signing of Grant Agreements, is presented in the following table:

Date	Activity	Duration
10-01-2008 – 12-05-2008	Proposals’ submission period in regard to the “Open Call”	4 months
15-05-2008 – 15-07-2008	Evaluation process by the Steering Committee	2 months
Until 15-08-2008	Submission of Recommendation by PEC to the Deputy Minister of Economy & Finance Submission of the short-listed proposals by the Deputy Minister of Economy & Finance to the FMO	1 month
September 2008 - December 2008	Final approval by the FMC	4 months
January 2009 – March 2009	Signing of Grant Agreements of the approved projects - commencement of projects’ implementation	3 months

It should be noted that, except from the submission period to be concluded on May 12th 2008, all other dates refer to estimates based mainly on the interest expressed by the public in regard to the “Open Call”.

2.3 OPENING WORKSHOP ON THE IMPLEMENTATION OF THE EEA FM 2004 - 2009

On March 13th 2008 it was held at Iraklion Crete a Workshop on the implementation of the EEA Financial Mechanism 2004 – 2009 and in particular on the “Open Call for Submission of Individual Project Proposals and for Individual Project Proposals focused on Academic Research”.

In the event hosted by the Secretary General of Investments & Development of the Ministry of Economy & Finance, Mr. P. Drossos participated: His Excellency the Ambassador of the Royal Norwegian Embassy in Greece Mr. Sverre Stub and on behalf of the Financial Mechanism Office Mrs. A. Thorbegsdóttir, Country Portfolio Officer and Mr. H. B. Sverrison, Head of legal Affairs.

The event was crowned with success with approximately 150 participants attending with great interest, receiving clear-cut information regarding the Financial Mechanism and the “Open Call”, in particular. The National Focal Point received positive comments by the majority of the attendants.

The participants comprised from a wide spectrum of bodies including: ministries, prefectures, regional authorities, non-governmental organizations, private companies and individuals, interested in the Financial Mechanism and in the opportunities offered through the “Open Call”.

A guided tour at the "CretAquarium – Thalassocosmos", a best practice project funded from the EEA FM 1994 – 1998 indicated the opening of the workshop.

The scope of the workshop was to inform the public and potential applicants about the EEA Financial Mechanism and the opportunities that are presented through the aforementioned "Open Call".

The workshop marked the first half of the "Open Call" period allowing potential applicants to adequately prepare themselves by reading carefully the relevant Guidelines adopted by the EEA FMC and consequently optimizing the Workshop by asking clear-cut, pertinent questions about issues related to the "Open Call" and to the process regarding the submission of proposals.

The event's agenda pertains to issues of general interest regarding the implementation of the EEA Financial Mechanism as well as to technical issues such as the filling up of the Application Form. In detail, the topics discussed include the following:

- The legal framework on the implementation of the EEA FM 2004 – 2009.
- Issues relating to the scope of the "Open Call":
 - Forms of Financial Assistance
 - Scope of eligible proposals (priority sectors, focus areas)
 - Applicants eligibility
 - Elaboration, submission and evaluation of proposals
- Issues relating to the preparation of proposals:
 - Filling up of the Application Form (incl.: key points to be noted, supporting documentation, technical issues relating to the filing up process)
 - Presentation and discussion relating to frequently asked questions regarding the preparation of proposals.
- Requirements of the EEA Financial Mechanism regarding information & publicity issues.
- Presentation of three best practice projects funded by the EEA Financial Mechanism:
 - Thessaloniki Science Center & Technology Museum, co-financed by the EEA FM 1994 - 1998
 - Poseidon II – A second generation monitoring and forecasting system for the Eastern Mediterranean, co-financed by the EEA Financial Instrument 1999 - 2003
 - Nestos – Restoration and environmental interpretation of the riparian forest of Nestos delta, co-financed by the EEA Financial Mechanism 1999 - 2003
- Presentation of the "Partnerships" issue within the context of the present "Open Call".

3. SPECIFIC FORMS OF GRANT ASSISTANCE (ANNEX C OF THE MoU)

3.1 SCHOLARSHIPS AND MOBILITY PROGRAMMES FUND

In the Technical Meeting of the 3rd November 2005, the Greek Authorities expressed their intention of appointing a certain Secretariat within the Ministry of Education and Religion as the Intermediary Body of the Scholarships and Mobility Programs Fund. This particular fund will support co-operation and transfer of knowledge in the priority areas of Annex B of the MoU.

As a result of the aforementioned bilateral negotiations and a number of exchanged formal correspondence, the FMO informed the Greek Authorities on January 24th 2006 that the requested proposal for appointing a certain Intermediary Body was accepted.

The NFP in co-operation with the Ministry of Education and Religion has identified a Directorate of the Ministry, as the Intermediary Body for the implementation of the "Scholarships & Mobility Programmes Fund".

In October 2006, the NFP and the Intermediary Body of the Ministry of Education and Religion attended a workshop on "EFTA/EEA – The Norwegian Scholarship and training Funds" which took place in Bergen, Norway, and explored possibilities regarding scholarship and mobility programmes between the beneficiary states and the EEA – EFTA States within the framework of the EEA FM 2004-2009.

Currently, the NFP is in close co-operation with the Ministry of Education and Religion regarding the elaboration of the application form which will be forwarded for approval to the FMO.

3.2 TECHNICAL ASSISTANCE FUND

The Technical Assistance Fund is proposed by the Beneficiary State on the purpose of supporting activities of the NFP regarding the implementation of the EEA Financial Mechanism for the period 2004 – 2009. It is a specific form of Grant Assistance referred to in Article 8 of the MoU.

The total budget of the TAF is € 500.000. The EEA FM contribution will be € 400.000 (80%) and the contribution of the Hellenic Republic through the Public Investments Programme of the Ministry of Economy & Finance will be € 100.000 (20%). The NFP will act as the Project Promoter assuming full responsibility for the implementation of the Technical Assistance Fund.

The supported activities include: publicity and information activities, workshops, management costs, appointment of a Monitoring Agent for the implementation of the FM and expenses relating to the organization of Annual Meetings, Monitoring Committees, Steering Committee meetings and technical meetings on the implementation of the approved projects.

The proposed activities under the Technical Assistance Fund are presented in the following table:

#	Activities	EEA Contribution (80%)	PIP Contribution (20%)	TOTAL
1	Workshop on the implementation of approved projects, Spring 2009	20.000	5.000	25.000
2	Publicity & information expenditures	16.000	4.000	20.000
3	Management costs	16.000	4.000	20.000
4	4 Annual Meetings (for years 2008 – 2011)	14.400	3.600	18.000
5	3 Annual Monitoring Committees (for years 2009 – 2011)	48.000	12.000	60.000
6	Support & Monitoring Agent	248.000	62.000	310.000
7	Steering Committee (meetings & experts)	11.840	2.960	14.800
8	Technical meetings (on project implementation)	5.760	1.440	7.200
9	Workshop at the end of financial period	20.000	5.000	25.000
Total		400.000	100.000	500.000

The NFP prepared a complete application form which was submitted to the FMO for assessment on 27 March 2006. The FMO with a letter dated April 28th 2006 requested additional information on several issues regarding this application.

The NFP decided to proceed further in relation to the TAF application after the publication of the "Open Call for Submission of Individual Project Proposals and for Individual Project Proposals focused on Academic Research".

On February 28th 2008, the NFP submitted a revised TAF Application Form. The FMO with its letter on March 7th 2008 commended on the application and requested additional information. The NFP is in the process of revising the TAF Application Form accordingly and will submit it to the FMO no later than mid May 2008.

4. INFORMATION - PUBLICITY

The National Focal Point being responsible and accountable for the overall implementation of the EEA FM 2004 – 2009, ensures that all relevant information is going to be widely communicated, aiming to increase transparency and raise public awareness. The National Focal Point serves as the contact point for the implementation of the EEA FM. Therefore, it is available to the public for the provision of any inquiry regarding the EEA FM.

Hence, according to the "Publicity Guidelines", the NFP shall inform potential beneficiaries about the existence and functioning of the EEA FM as well as the availability of funds.

The NFP also ensures that all relevant information related to the overall implementation of the EEA FM is given adequate publicity. The NFP follows the Publicity Guidelines and the Communication Action Plan revised and sent regularly to the FMO.

4.1 PUBLICITY ACTIVITIES SCHEDULE

Indicative publicity & information activities are presented below according to a publicity schedule updated (Communication Plan) and forwarded to the FMO twice a year.

4.1.1 WORKSHOPS

Opening Workshop Meeting

On March 13th 2008, the NFP organized at Iraklion Crete a one-day Workshop on the implementation of the EEA Financial Mechanism 2004 – 2009 and in particular on the "Open Call" in order to create an awareness in the Hellenic Republic on the EEA FM, to provide a platform for networking and possible cooperation between interested parties, to discuss matters related to the implementation of the EEA FM and finally to inform the potential applicants concerning the technical issues of the "Open Call".

Furthermore, a guided tour took place to the nearby "CretAquarium - Thalassocosmos", a project co-financed by the EEA FM of period 1994 – 1998, in order to promote the EEA Financial Mechanisms and their results in Greece.

Workshop Meeting on the implementation of the approved projects

On the first trimester of 2009, the NFP is planning to organize a Workshop on the implementation of the approved projects that will be resulted from the evaluation process of the "Open Call for submission of individual project proposals and for individual project proposals focused on Academic Research".

The Project Promoters of the approved projects and all involved bodies will be asked to participate. The scope of the workshop will be to inform all parties involved on the implementation of the approved projects regarding the legislative and regulatory framework in force.

Closing Workshop

A closing workshop regarding the EEA FM 2004 – 2009 implementation, is scheduled to be held in 2011. This workshop is aiming to ex-post evaluating and reviewing the 2004 -

2009 implementation period as well as to identifying the best practices and approaches followed.

4.1.2 PUBLICITY AND INFORMATION ACTIVITIES

According to the “Rules and Procedures” on the implementation of the EEA FM 2004 – 2009, the NFP has already proceeded to a number of activities such as: press releases, information meetings and workshops, printed material (such as brochures, etc.). Communication strategy plans are in force and revised per semester. The aim is to provide information to the public regarding: Information, in general, about the EEA FM, 2004 – 2009 and the already publicized “Open Call”.

Furthermore, in regard to the announcement of the “Open Call”, within the NFP operates a help desk where potential applicants may set their queries, either written or oral, regarding the implementation of the Financial Mechanism in general, the “Open Call” and the preparation of their applications.

4.1.3 ANNUAL MEETINGS & ANNUAL MONITORING COMMITTEES

In addition to the aforementioned publicity measures, adequate publicity will be given to the implementation of the EEA Financial Mechanism for period 2004 – 2009 in regard to the Annual Meetings and the Monitoring Committees that are scheduled to be organized during the programming period, as follows:

Annual Meetings

According to the “Guide to Annual Meeting Preparation”, paragraph 1.1., four annual meetings are planned to be held during the years 2008 – 2011, between the Hellenic authorities and the FMO. In the Annual Meetings, among others, several issues are going to be discussed specifically on the progress made towards the achievement of the overall objective of the EEA, the progress of project identification in the beneficiary state, the ongoing implementation of the financed projects, the financial progress pertaining to commitments and disbursements.

The first Annual Meeting is scheduled to be held on May 22nd 2008 at the Financial Mechanism Office premises in Brussels.

Annual Monitoring Committees

The NFP will organize three annual Monitoring Committees for the years 2009 – 2011, with the participation of representatives of all parties involved. The aim of these meetings is to follow up on the overall progress of the EEA FM 2004 – 2009 and the progress of different types of assistance.

4.2 WEB PAGE

The National Focal Point – CFM&MSS in order to ensure that the existence of the Financial Mechanism and all relevant information regarding its implementation are communicated in the most efficient way to the public at large and that the Mechanism’s contributions are given adequate publicity, has created a distinct section at its own website (www.eeagrants.gr).

The information provided on the web page regarding the EEA FM 2004 - 2009 is structured as follows:

- News
- Legislative Framework
- Regulatory Framework, including:
 - Guidelines
 - Application Form (along with the user guide and indicator guidelines)

- Other Documents
- Adequate special section is given regarding the “Open Call for Submission of Individual Project Proposals and for Individual Project Proposals focused on Academic Research”, that was published on January 10th 2008, as follows:
 - Announcement of the “Open Call”
 - Announcement of Workshops (such as the workshop held on March 13th 2008 at Iraklion Crete)
 - Frequently Asked Questions regarding the proposals’ preparation within the context of the “Open Call”

The aforementioned web page will be updated regularly according to the progress made regarding the implementation of the EEA FM. Therefore, it will be indicatively enriched with the following:

- Information regarding the evaluation process for the aforementioned “Open Call”
- Presentation of the proposals received Grant Assistance
- Announcement of the forthcoming specific form of Grant Assistance: “Scholarships and Mobility Programs Fund”, aiming to support co-operation and transfer of knowledge.
- Any other relevant information

Furthermore, the NFP is in the process of upgrading its website aiming to a more user-friendly format and enriched content.

5. MANAGERIAL SET-UP

5.1 NATIONAL FOCAL POINT

The Hellenic National Focal Point for the implementation of the EEA FM is the Ministry of Economy and Finance, Cohesion Fund Management & Monitoring Special Service.

The NFP has the overall responsibility for the management and monitoring of the activities of the EEA FM in the Hellenic Republic, as described in Annex A of the MoU, and serves as a contact point in accordance with the Rules and Procedures adopted by the Financial Mechanism Committee, including the overall responsibility for the use of funds, financial control, and audit.

5.2 STEERING COMMITTEE

The Steering Committee is an advisory body to the National Focal Point and to the PEC in respect of the identification, evaluation and classification of proposals. The Steering Committee’s task is to provide opinions and recommendations to the PEC on projects that are eligible for support within the EEA Financial Mechanism.

In order to appropriately evaluate projects, the Steering Committee could be assisted by working groups and use the services of individual experts or other institutions. The Steering Committee shall operate in an open and transparent manner.

The Steering Committee is independent from potential applicants. It is comprised of representatives of the Ministry of Economy and Finance/National Focal Point, Ministry of Environment, Ministry of Culture, Ministry of Health, Ministry of Development, Ministry of Employment and Social Protection, Ministry of Foreign Affairs, Ministry of Education and Religion, Ministry of Internal Affairs and confederation of regional and local authorities.

Currently, the SC has been established as a body and all the members are at the disposal of the NFP prior to the announcement of the Open Call for Individual Projects’ proposals.

5.3 PROPOSALS EVALUATION COMMITTEE

Regarding the evaluation process of the application forms by the MEF, a project Evaluation Committee (PEC), will be established within the NFP and will review the recommendations by the SC and, based on these, provide its recommendations to the Deputy Minister of Economy & Finance as to which projects are to be short-listed and forwarded to the FMO for further appraisal and donor decision.

6. REFORMS AND RESTRUCTURING OF MANAGEMENT AND CONTROL SYSTEM

6.1 PUBLIC WORKS PROCUREMENT SYSTEM

The last three years an accelerating ongoing development regarding the public works production system is in a process. The Ministry of Environment, Physical Planning and Public Works in close cooperation with the European Commission has agreed on several modifications of the aforementioned system, as follows:

- The Greek legislation regarding the procurement of public works construction contracts has been revised with Law 3263/2004, having been fully adapted to the EU legislative framework and practices.
- In order to encounter the great and arbitrary deviations between the budgets described in the open calls and the construction costs of the projects and to ensure transparency and rendering of equal opportunities regarding the participants in public procurements, the following have been enforced:
 - New public works price lists reflecting the actual market prices and unifying the fragmented subtotals for each activity into coherent unities with clear specifications.
 - Standardized procurement and contract issues regarding the construction of public works.
- With the Law 3316/2005 regarding the “procurement of studies and relevant services” the legislation has been revised and adapted to the recent EU guidelines (17/04 and 18/04).

6.2 IMPLEMENTATION OF THE EEA FM IN PERIOD 2007 - 2013

With the Law 3614/2007 regarding the “management, audit and implementation of development interventions for the programming period 2007 – 2013” the legislative framework is set for the implementation of the EEA Financial Mechanism in Greece throughout the aforementioned period.

The issues regarding management, audit and implementation of the EEA Financial Mechanism projects will be settled in detail upon the issue of a relevant Ministerial Decision. Furthermore, following the projects’ approval, an audit plan will be set up according to the projects’ implementation schedules.

Nevertheless, following the issue of the aforementioned Ministerial Decision, the Hellenic authorities’ priority will be to set up an audit plan for the National Focal Point regarding the implementation of the EEA Financial Mechanism.

All aforementioned audit plans will be in full compliance with the audit and control system that is being implemented to the mainstream of programs co-financed by the EU.

7. CHALLENGES REGARDING THE IMPLEMENTATION OF THE EEA FM

The National Focal Point taking under consideration its experience from the implementation of the EEA Financial Instrument for period 1999 – 2003, regards the

following key point as crucial for the successful implementation of the EEA Financial Mechanism:

- Selection and approval of mature and viable proposals within the context of the "Open Call" in combination with credible and competent Project Promoters in charge.
- Sound application of the legislation in force by the Project Promoters during the implementation of projects.
- Sufficient knowledge by the Project Promoters and all involved parties in the implementation of projects, of the legislative and regulatory framework of the EEA Financial Mechanism in force.

Furthermore, the National Focal Point schedules to organize a Workshop "The implementation of the approved projects" where the aforementioned legislative and regulatory framework will be presented to all involved bodies along with detailed instructions regarding the implementation process and the procedures that are to be followed.

- The National Focal Point, in order to closely monitor and secure the projects' smooth implementation as well as the competency of the Project Promoters in charge, is planning to contact a number of visits and on-the-spot checks throughout the implementation period of the EEA Financial Mechanism.

In particular, a number of twenty such visits is initially budgeted and incorporated in the "Management Costs" category of expenses as described in the Technical assistance Application Form of the National Focal Point.

- A fundamental issue for the implementation of the EEA Financial Mechanism is the appointment of a "Support and Monitoring Agent" who will offer an adequate follow up on the projects' implementation and overall support to the National Focal Point.

For this reason, the Monitoring Agent's fee must be in accordance with current conditions prevailing in the business environment as well as market prices.

8. ACTION PLAN FOR PERIOD APRIL 2008 – MARCH 2009

The next 12 months will correspond to the most crucial phase regarding the implementation of the Financial Mechanism for period 2004 – 2009 in Greece: the process for the identification, evaluation and classification of proposals submitted in respect to the "Open Call".

Following, the approval by the FMO in regard to the short-listed proposals forwarded by the MEF and the consequent signing of the Grant Agreements will indicate the commencement of the implementation of the approved projects.

In detail, the planned activities for period April 2008 – March 2009 are:

1. Evaluation of the submitted proposals regarding the Open Call

- As previously described, regarding the evaluation process of the application forms by the MEF, the NFP is responsible, with the assistance of the SC and PEC to evaluate and classify the proposals. This process will start immediately after May 12th 2008 which is the deadline for submission of project proposals.

The process is expected to be completed by the end of July 2008 with the submission of PEC's recommendation to the Deputy Minister of Economy & Finance.

- Consequently, in August 2008, it will follow the submission of the short-listed proposals by the Deputy Minister of Economy & Finance to the FMO.
- Finally, in the period September – December 2008, it is expected the approval be the FMC in regard to short-listed proposals.

2. Scholarships and Mobility Programme Fund

The “State Scholarships Foundation”, an independent body supervised by the Ministry of Education and Religion, has been appointed as the Intermediary Body for the establishment and implementation of the “Scholarship and Mobility Programmes Fund”.

Within May 2008, the aforementioned Body will submit the relevant Application Form to the National Focal Point in order to be evaluated. Following, the Application Form will be forwarded to the FMO for final approval by the FMC.

3. Technical Assistance Fund

On February 28th 2008, the NFP submitted a revised TAF Application Form. The FMO with its letter on March 7th 2008 commended on the application and requested additional information. The NFP has revised the TAF Application Form according to the FMO's comments dated 07-03-2008 and will submit it to the latter no later than mid May 2008.

The approval of the application by the FMC will indicate the commencement of the TAF implementation.

4. Signing of Grant Agreements

In the period January – March 2009, the FMO and the FMC, in co-operation with the Hellenic Republic will proceed to the signing of the Grant Agreements leading to commencement of the implementation of the approved projects.

5. Workshop on “The implementation of the approved projects”

Following the signing of Grant Agreements, between January and March of 2009, the National Focal Point schedules to organise a Workshop on “The implementation of the approved projects within the framework of EEA Financial Mechanism 2004 – 2009”.

The scope of this Workshop is to inform the Project Promoters and all involved parties on the regulatory and legislative framework in force regarding the approved projects resulted from the “Open Call for submission of individual project proposals and for individual project proposals focused on academic research”.

ANNEX

**Open Call for Submission of Individual Project Proposals and for
Individual Project Proposals focused on Academic Research**