



HELLENIC REPUBLIC

**MINISTRY FOR DEVELOPMENT, COMPETITIVENESS,  
INFRASTRUCTURE, TRANSPORT & NETWORKS**

GENERAL SECRETARIAT FOR INVESTMENT AND DEVELOPMENT

GENERAL DIRECTORATE OF DEVELOPMENT PLANNING, REGIONAL POLICY & PUBLIC INVESTMENT

SPECIAL SERVICE FOR THE MANAGEMENT AND MONITORING OF OTHER DEVELOPMENT  
PROGRAMS

**STRATEGIC REPORT**  
**ON THE IMPLEMENTATION OF**  
**THE EEA FINANCIAL MECHANISM**  
**2009-2014**  
**IN THE HELLENIC REPUBLIC**

Implementation period: November 2011 – September 2012

Dated: 12<sup>th</sup> October 2012

Prepared: National Focal Point

Special Service for the Management  
and Monitoring of Other Development  
Programmes

## **CONTENTS**

### **GLOSSARY OF ACRONYMS**

AA	Audit Authority
BF	Bilateral Fund at National Level
BS	Beneficiary State
CA	Certifying Authority
DPM&MSS	Special Service for the Management & Monitoring of Other Development Programmes
EEA	European Economic Area
FCC	Financial Control Committee
FM	Financial Mechanism
FMC	Financial Mechanism Committee
FMO	Financial Mechanism Office
GA	Grant Agreement
GOL	Grant Offer Letter
IP	Individual Project
EMA	External Monitoring Agent
MDCITN	Ministry of Development, Competitiveness, Infrastructure, Transportation and Networks
MoU	Memorandum of Understanding
MS	Member State
NFP	National Focal Point
NGO	Non-Governmental Organization
NMFA	Norwegian Ministry of Foreign Affairs
PIP	Public Investment Programme (of the Hellenic Republic)
PCRs	Project Completion Reports
PIPs	Project Implementation Plans
PIRs	Project Implementation Reports
PO	Programme Operator
PP	Project Promoter
SPA	Single Paying Authority
SC	Steering Committee
TAF	Technical Assistance Fund

## **1. EXECUTIVE SUMMARY**

The purpose of the Strategic 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 and to form the basis of discussions at the annual meeting which will take place in Brussels on 16<sup>th</sup> October 2012. The strategic report provides an overview of the implementation of the mechanism with a special focus on the assessment of its contribution through the national management and control structures.

The present Strategic Report is the first one regarding the implementation of the EEA FM period 2009-2014 in Greece and is elaborated in fulfilment of the Beneficiary State's reporting obligation to the EEA Financial Mechanism Committee as stipulated in Article 2.2 of the Regulation by using the standardized template of Annex 3 of the Regulation.

The Memorandum of Understanding for the implementation of the EEA Financial Mechanism was officially signed by all parties on 7 November 2011.

According to the signed Memorandum of Understanding the programmes that will be implemented are stated in section 3.3. of the present report.

## **2. ASSESSMENT OF IMPACT AT NATIONAL LEVEL**

### **2.1. COHESION**

All of the programmes that are going to be implemented under the EEA FM 2009-2014 fit into the overall objectives of the mechanism, which is the reduction of the economic and social disparities along with the strengthening of the bilateral relations between the donor states and the beneficiary one. It should be noted that the largest in size programme is going to be implemented along with a Donor Programme Partner (UDI) and for the rest of the programmes, the POs are going to encourage potential PPs to collaborate with donor state project partners.

### **2.2. BILATERAL RELATIONS**

The bilateral funds at national level are considerable in size (317.000 €) and consequently there is a need for a strategic approach. Also, the bilateral fund at national level should be considered along with the programme-level bilateral funds as these should work complementarily. During the Technical Meeting on 4<sup>th</sup> July 2012 as well as the meeting on 2<sup>nd</sup> October 2012, the NMFA and the FMO have identified issues or topics of interest to donor states regarding priorities in Greece which were stated to the Beneficiary State in order to explore further co-operation. These priorities are the following:

- meetings, seminars, study visits, both at high and working levels regarding the asylum and migration sector ;
- Within the NGO fund, transparency and corruption would be a natural priority for bilateral activity (in cooperation with TFRG and TI). Activities could include a seminar with OECD on budget routines in governments and with CoE/GRECO on anti-corruption.
- A relevant priority from a Norwegian perspective would be to cooperate on Greek implementation on a draft EU-regulation on safety in the offshore oil- and gas sector.

- Policy consultations on renewable energy, climate change and moving towards a more smart, sustainable and inclusive growth.

However, the Hellenic Authorities would like to examine further the potential priorities set by the Donors' side and therefore kindly request postpone this discussion to a later meeting.

### **3. MANAGEMENT AND IMPLEMENTATION**

#### **3.1. MANAGEMENT AND CONTROL SYSTEM**

The NFP in close co-operation with the involved national entities for the implementation of the EEA Financial Mechanism 2009-2014 in Greece, i.e. the Certifying Authority, the Audit Authority, the Directorate of the Public Investment Programme as well as the Directorate of Finance within the Ministry of Development, Competitiveness, Infrastructure, Transportation and Networks, the Special Service of Institutional Support and finally the Special Service for MIS are currently undergoing the elaboration of a detailed management and control system. Following its approval by the FMO, the aforementioned system will have the form of a common Ministerial Decision between the Minister of Finance and the Minister of Development, Competitiveness, Infrastructure, Transportation and Networks. It is estimated that the draft document, which will be accompanied by a report and an opinion confirming that the implementation system of the Hellenic Republic and the Programme Operator complies with the Regulation and the generally accepted accounting systems will be sent by the NFP to the FMO no later than 15<sup>th</sup> November 2012. It is noted that no Greek programme applications is going to be approved prior to the submission of the documented management and control system to the FMO. A summary of the management and control system chapters is attached.

#### **3.2. COMPLIANCE WITH EU LEGISLATION, NATIONAL LEGISLATION AND THE MoU**

In view of government and public administration changes regarding the structure of the Ministry of Development, Competitiveness, Infrastructure, Transportation and Networks within the NFP operates, the Hellenic authorities kindly requested from the donor states, an amendment to Annex A of the MoU during a technical meeting with representatives from the NMFA and the FMO on 04-07-2012. Also, due to administrative changes that affected the PO responsibilities of Programme 2 of Programme Area: "Institutional Framework in the Asylum and Migration Sector", an amendment of Annex B is required regarding the change of the PO.

The EEA FM 2009-2014 implementation in Greece will with the EU and national legislation taking into consideration the Regulation and especially focusing on the public procurement procedures, the state aid issues and the environmental awareness matters.

#### **3.3. STATUS OF PROGRAMMES**

According to Annex B of the MoU, the programme areas under which programmes are going to be implemented within the framework of the EEA FM 2009-2014 are as follows:

1. Integrated marine and inland water management
2. Renewable Energy
3. Funds for Non-Governmental Organizations
4. Institutional Framework in the Asylum and Migration Sector
5. Research within Priority Sectors

Regarding the progress implementation of the aforementioned programme areas immediately after the signing of the MoU, this is stated in detail below:

**Integrated marine and inland water management (9.510.000€ EEA FM contribution)**

The Special Service for the co-ordination of environmental activities within the Ministry of Environment, Energy and Climate Change, which acts as the Programme Operator for the specific programme, has been immediately activated and started the preparation of designing and structuring the programme as well as of elaborating the programme application. The NFP and the PO were in a very close and day-to-day co-operation in order to accomplish the first target set which was the completion of writing up the programme application by 31<sup>st</sup> May 2012 as the deadline stated by the Regulation for the programme application submission to the FMO was the 7<sup>th</sup> July 2012. A number of technical meetings held between the NFP and the PO as well as a meeting between representatives by the FMO, the Norwegian Embassy in Athens, the NFP and the PO, which took place in 15<sup>th</sup> February 2012, were very constructive taking into account that crucial issues of the programme have been discussed and solved. Specifically, these issues were the elaboration of the Strategic Environmental Impact Assessment of the Programme, the legal constitution of the potential project promoters, the Project Promoter of the pre-defined project and finally the percentage of the national contribution which finalized to be 15%. The PO sent a draft of the programme application to the NFP and to the FMO and both of them returned to the PO with comments and requests for additional information which were taken into consideration. It must be noted that during the technical meeting on the 4<sup>th</sup> July 2012, that took place in Athens between representatives of the NMFA, the FMO, the NFP and the PO, the PO presented its programme application and more comments have been made by the NMFA in order the programme to become more clear and distinctive. The Donors decided to grant an extension for the submission of the programme proposal until 31<sup>st</sup> July 2012 in order the aforementioned comments to be compiled. Finally, the PO submitted its application electronically on time though the hard copy was sent to the FMO on 18<sup>th</sup> August 2012. The programme application submission through DoRIS is still pending.

**Renewable Energy (9.510.000€ EEA FM contribution)**

The Centre for Renewable Energy Sources and Saving (CRES) supervised by the Ministry of Environment, Energy and Climate Change, acts as the Programme Operator for the specific programme. CRES has been immediately activated and started the preparation of designing and structuring the programme as well as of elaborating the programme application. The NFP and the PO were in a very close and day-to-day co-operation in order to accomplish the first target set which was the completion of writing up the programme application by 31<sup>st</sup> May 2012 as the deadline stated by the Regulation for the programme application submission to the FMO was the 7<sup>th</sup> July 2012. A number of technical meetings held between the NFP and the PO as well as a meeting between representatives by the FMO, the Norwegian Embassy in Athens, the NFP and the PO, which took place in 15<sup>th</sup> February 2012, were very constructive taking into account that crucial issues of the programme have been discussed and solved. Specifically, these issues were if the PO will issue an open call or an open negotiation regarding the selection of the most suitable island in which the implementation of the pre-defined project is going to take place, the requirement or not for the elaboration of the Strategic Environmental Impact Assessment of the Programme, the legal constitution of the potential project promoters and finally the percentage of the national contribution which finalized to be 15%. The PO sent a draft of the programme application to the NFP and to the FMO and both of them returned to the PO with comments and requests for additional information which were taken into consideration. It must be noted that during the technical meeting on the 4<sup>th</sup> July 2012, that took place in Athens between representatives of the NMFA, the FMO, the NFP and the PO, the later one presented its programme application and the Donors decided to grant an extension for the submission of the programme proposal until 31<sup>st</sup> July 2012. Finally, the PO submitted its application electronically on time though the hard copy was sent to the FMO on 18<sup>th</sup> August 2012. The programme application submission through DoRIS is still pending.

**Funds for Non-Governmental Organizations (6.340.000€ EEA FM contribution)**

The Financial Mechanism Office is entrusted with operating the programme "Funds for Non – Governmental Organizations" which is being funded 100% by the EEA FM resources. The FMO launched the specific programme area and started an open negotiation with the potential stakeholders in order to mapping the area through a meeting that was organised on 2<sup>nd</sup>

November 2012. The NFP was invited as an observer. At the beginning of February 2012, the FMO published an open call for submitting proposals regarding the appointment of an NGO Fund Operator which ended on 29th February 2012. Immediately after, the FMO started to evaluate the potential Fund Operators and finally the FMO selected through a procedure that complies to the EU legislation selected a consortium to deal with ELIAMEP. It should be noted that the contract for the NGO Fund Operator will be awarded shortly.

### **Institutional Framework in the Asylum and Migration Sector (20.873.417€ EEA FM contribution)**

Two programmes are going to be implemented under this programme area. 40% shall be allocated to Programme 1: "Address urgent needs for the reception and screening of new arrivals and for the accommodation of vulnerable groups" and 60% to Programme 2: "Capacity building of national asylum and migration management systems". Both of the aforementioned programmes are donor partnership programmes and specifically the Donor Programme Partner is the Norwegian Directorate of Immigration (UDI). The Financial Mechanism Office is entrusted with operating the programme 1 and the Special Service for the co-ordination and monitoring of ESF within the Ministry of Labour would act as the PO for Programme 2 in co-operation with the Ministry of Citizen's Protection and the Ministry of Health and Solidarity. However, following the government and administrative changes in November 2011, the Ministry of Labour was no more the responsible authority for the migration sector and therefore, the Hellenic Authorities requested the change of the PO. In detail, it was requested that the new PO will be the European and Development Programmes Division within the Ministry of Public Order and Citizens' Protection after agreement with UDI. The Hellenic authorities along with their donor programme partner started immediately and intensively the preparation of designing and structuring the programme as well as of elaborating the programme application. The NFP and the PO with UDI were in a very close and day-to-day co-operation in order to accomplish the first target set which was the completion of writing up the programme application by 31<sup>st</sup> May 2012 as the deadline stated by the Regulation for the programme application submission to the FMO was the 7<sup>th</sup> July 2012. During the whole period of preparation prior to the programme application submission, UDI has appointed a staff member in the Norwegian Embassy in Athens in order to assist the Hellenic authorities and organized an important number of missions in Greece for this purpose. Also, a number of technical meetings held between the NFP and the PO or between the NFP and UDI which were very constructive taking into account that crucial issues of the programme have been discussed and solved. Specifically, these issues concern the existence of more than one pre-defined projects as these recognized during the design of the programme, the percentage of the national contribution which finalized to be 15% and the need of changing the PO. It must be noted that during the technical meeting on the 4<sup>th</sup> July 2012, that took place in Athens between representatives of the NMFA, the FMO, the NFP and the PO, the later one presented its programme application and more comments have been made by the NMFA in order the programme to become more clear and distinctive. Therefore, the Donors decided to grant an extension for the submission of the programme proposal until 31<sup>st</sup> August 2012. Finally, the PO submitted its application electronically on time though the hard copy has not yet sent to the FMO as UDI must sign the copy as well. The programme application submission through DoRIS is still pending.

### **Research within Priority Sectors (2.996.311€ EEA FM contribution)**

The General Secretariat for Research and Technology within the Ministry of Education, Life-Long Learning and Religion will act as the Programme Operator for the aforementioned programme area which will focus research programmes on the priority areas of diversity, inequalities and social inclusion. The PO has been immediately activated and started the preparation of designing and structuring the programme as well as of elaborating the programme application. The NFP and the PO were in a very close and day-to-day co-operation in order to accomplish the first target set which was the completion of writing up the programme application by 31<sup>st</sup> May 2012 as the deadline stated by the Regulation for the programme application submission to the FMO was the 7<sup>th</sup> July 2012. A number of technical meetings held between the NFP and the PO were very constructive taking into account that

crucial issues of the programme have been discussed and solved. Specifically, these issues were about the regulatory context of the EEA FM, the number of open calls to be issued for the selection of mature projects and finally the percentage of the national contribution which finalized to be 15%. The PO sent a draft of the programme application to the NFP and returned to the PO with comments and requests for additional information which were taken into consideration. It must be noted that during the technical meeting on the 4<sup>th</sup> July 2012, that took place in Athens between representatives of the NMFA, the FMO, the NFP and the PO, the later one presented its programme application and the Donors decided to grant an extension for the submission of the programme proposal until 31<sup>st</sup> August 2012 in order to change the main focus of the programme application. Finally, the PO submitted its application electronically on time though the hard copy has not been sent to the FMO. The programme application submission through DoRIS is still pending.

#### **Reserve Fund (5.924.724€ EEA FM contribution)**

Apart from the aforementioned programmes, 16 projects under the EEA Financial Mechanism 2004-2009 are funded through the reserve fund referred to in paragraph 2 of Article 1.10 of the Regulation. These projects have been completed in April 2012 and therefore the last PIRs and disbursement requests must be sent to the FMO by 30<sup>th</sup> October 2012. Therefore, a large number of on-the-spot visits must be organized and concluded prior to the submission of PCRs. Currently, a huge number of implementation contracts (Ministerial Decisions) are being amended by the NFP due to administrative changes in the Greek public administration as well as national payments orders are being issued. Finally, regarding the project EL 0019, the Hellenic authorities will kindly request shortly from the FMC to proceed to the de-commitment of the specific project as well as concerning the project EL 0022, to proceed to the de-commitment of a sub-project amounting to 180.000€.

### **3.4. IRREGULARITIES**

As the four Programme applications have not been approved yet by the FMC, no irregularities have been detected and no financial corrections were made during the reporting period. However, regarding the reserve fund projects, it should be noted that the NFP will send its correspondence shortly.

### **3.5. AUDIT, MONITORING, REVIEW AND EVALUATION**

Regarding the Reserve Fund projects, the AA has performed 6 audits to projects with FMO reg. no EL 0053, EL 0039, EL 0024, EL 0079, EL 0081 and EL 0054 according to article 2 of the Management and Control System for the implementation of the EEA FM 2004-2009. The NFP performed 18 on-the-spot visits according to article 28 and 29 of the aforementioned management and control system. Relative correspondence has already been sent to FMO.

### **3.6 INFORMATION AND PUBLICITY**

Regarding the EEA FM 2009-2014, the NFP has not taken yet any required action for the promotion of the specific mechanism. However, the PO for Research within Priority sectors as well as the PO for the Renewable Energy have proceeded in open negotiations concerning specific issues of their programme structure and therefore a relative promotion has been succeeded. As far as the reserve fund projects are concerned, it should be noted that the NFP take care for the implementation of the EEA FM 2004-2009 guideline: "Information and Publicity".

### **3.7. WORK PLAN**

Regarding the period from the annual meeting 2012 to annual meeting of 2013, the Hellenic authorities will proceed to the following indicative work plan:

- Submission of the Management and Control System to the FMC for assessment until 15 November 2012 along with a report and an opinion from the Audit Authority confirming that the implementation system of the BS complies with the Regulation and generally accepted accounting principles;
- Elaboration of a communication strategy plan at national level;
- Establishment of a Monitoring Committee;
- Development of a Management Information System for the beneficiary state for a detailed monitoring of the programmes;
- On-the-spot visits for the EEA FM 2004-2009 projects under the reserve fund
- Submission of the last PIRs of the EEA FM 2004-2009 projects under the reserve fund until 30<sup>th</sup> October 2012;
- Submission of the PCRs of the EEA FM 2004-2009 projects under the reserve fund within six months after the disbursement by the FMO.
- Agreement with the Donor states regarding the bilateral fund at national level and completion of a work plan based on the agreed overall topics.
- Official submission of the TA Fund to the FMO.