
Assessment of the Programme Development Approach

The EEA Grants and Norway Grants enable Norway, Iceland and Liechtenstein to help reduce economic and social disparities in the EEA and to strengthen bilateral relations with 15 EU Member States. The Financial Mechanism Office (FMO) assists the Donor States in managing the Grants. Funding is allocated via a programme approach, whereby the Donor States agree with the Beneficiary States on the details of thematic programmes. The programme development approach includes:

- Memorandum of Understanding (MoU) agreed between the Donor States and Beneficiary States that identifies the programme areas to be supported and the value of grant allocations to programmes.
- Appointment of Fund Operators (FOs): for programmes operated by the FMO, an FO is appointed to manage the programme, in some cases after a competitive call for tenders.
- Stakeholder consultation (SC): face-to-face consultation on the priorities of each programme.
- Concept Note (CN): covers justification, scope, features and planned results of each programme.
- Programme (Implementation) Agreement (P(I)A): setting out the terms and conditions of the operation of each programme, as well as the roles and responsibilities of the parties.

This assignment has assessed the efficiency and effectiveness of the programme development approach against a theory of programme development and has identified implications for the achievement of Grant objectives and potential outlooks for the future.

Overall, the programme development approach is effective in producing programmes of high quality at entry. The building blocks (MoU, SC, CN, P(I)A) are mostly effective, but there is a need to customise or streamline the process in some cases. There is merit in making programmes' intervention logic more explicit and in narrowing the focus of some programmes. Active Citizens Fund (ACF) programmes merit a different programme development approach, e.g. treating country-specific concerns in the MoUs as final and not requiring further donor approval, as well as making the need for CN redundant by revising the ToR for appointing FOs, so that selected bids include the content expected in the CN.

The programme development approach is not always efficient in terms of time taken or resources required. On average, programme development took 21 months, which exceeds the 12-month time scale specified in the Regulations for the Grants. Delays have considerably reduced the time for programme implementation, ultimately increasing the risk of under-performance.

Most programme actors are clear about their own role and other roles. The role of Programme Operators in programme development has generally been clear and effective. National Focal Points sign PAs on behalf of Beneficiary States, but it is not always clear how this responsibility translates into a concrete role in programme development. The involvement of Donor Programme Partners and International Partner Organisations contributes to the effectiveness of programme development but has no discernible positive or negative impact on efficiency (e.g. time taken). The IPO role should be clarified, as it was not clearly understood by all actors and some difficulties were experienced.

There is potential for the Donor States to have a more structured and consistent engagement with the FMO around the MoU negotiation, including in respect of the technical dimension of programmes and to allow a better transition from the MoU negotiation to the programme development stage. Within the FMO, the impact of staff departures could be reduced by having a more systematic recording of decisions taken, reasons for decisions, state-of-play, etc. The FMO might also benefit from having staff members responsible for tracking the progress of programme development across all programmes, so that difficulties can be identified or the process modified.