ANNUAL REPORT **2016-2017**

WORKING TOGETHER FOR A BETTER EUROPE



FOREWORD

The European Economic Area (EEA) Grants and Norway Grants represent the contribution of Iceland, Liechtenstein and Norway, to work together for a green, competitive and inclusive Europe.

This annual report provides an overview of our work, achievements and results in the beneficiary countries 2016-2017, and highlights results achieved in seven areas: Climate Change and Energy Cooperation, Civil Society, Human and Social Development, Cultural Heritage and Art Cooperation, Research and Education Cooperation, Green Industry Innovation, Justice and Home Affairs. We show the extent of, and achievements reached through, cooperation between public institutions, the private sector, academia and civil society in the partner and donor countries, which also leads to cooperation beyond the programmes and projects funded under the EEA and Norway Grants.

More than half of the programmes have programme partners from Iceland, Liechtenstein or Norway. Drawing on the strengths and expertise of our partners, we have been able to introduce fresh thinking and innovative solutions. We will continue to be a constructive partner, utilising the Grants to contribute to tackling the economic and social challenges Europe is facing.

An agreement with the EU on a new funding period was signed in May 2016. A total of €2.8 billion (€1.5 billion through the EEA Grants and €1.3 billion through the Norway Grants) will be made available to 15 EU member states. A new feature of the 2014-2021 period is the establishment of regional funds to tackle youth unemployment and promote regional cooperation.

We take pride in what we have achieved and anticipate even more results after finalisation of the programmes in 2017. We hope you enjoy reading about the results of our work and the cooperation taking place under the EEA and Norway Grants.

Guðlaugur Þór Þórðarson

Minister of Foreign Affairs, Iceland **Dr Aurelia Frick**Minister of Foreign

Minister of Foreign Affairs, Liechtenstein Frank Bakke-Jensen

Minister of EEA and EU Affairs,

Norway

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OVERVIEW

These pages provide you with an overview of who we are and where we work, and give you a short introduction to the latest development trends in Europe.

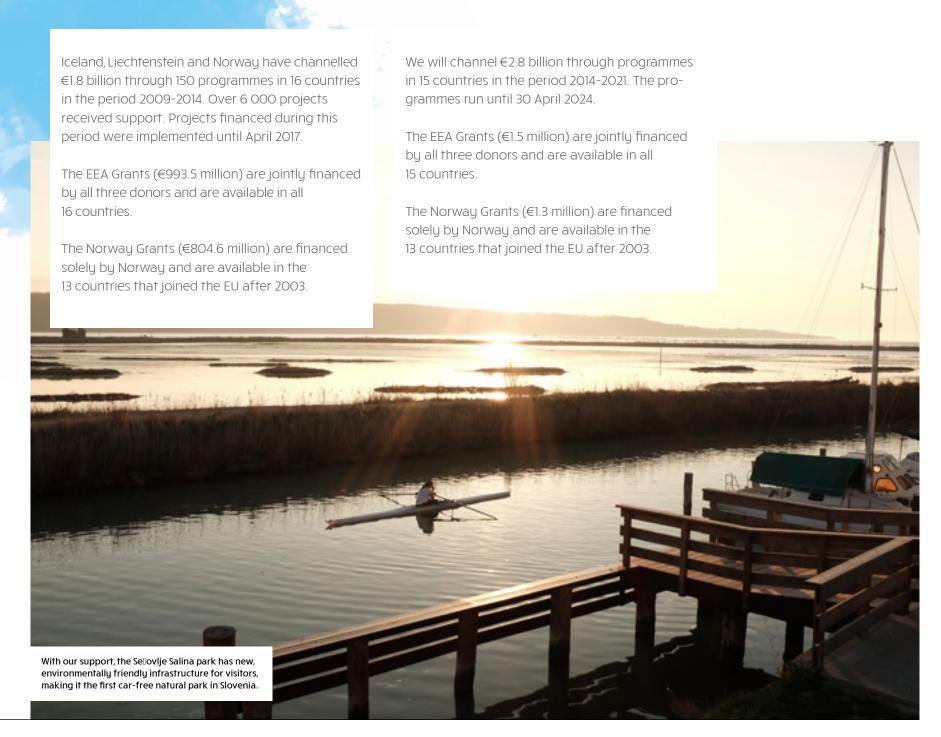
WORKING TOGETHER FOR A GREEN, COMPETITIVE AND INCLUSIVE EUROPE

You are holding the annual report of the EEA and Norway Grants between your hands. Our aim is to provide you with insight into how we are working together with our partner countries for a green, competitive and inclusive Europe.

We invite you to get acquainted with the wide range of programmes and projects we have funded and the results created – benefitting millions of individuals across Europe.

More information on results, cooperation and achievements can be found on

www.eeagrants.org www.norwaygrants.org



EEA **GRANTS**

donor countries

Iceland (Share of contribution: 2009-2014 **3.03**% / 2014-2021 **2.68**%) **Liechtenstein** (Share of contribution:

2009-2014 1.12% / 2014-2021 1.06%) Norway (Share of contribution: 2009-2014 **95.85**% / 2014-2021 **96.26**%)

16 (15) beneficiary countries

Bulgaria, Croatia, Cyprus, Czech Republic, Estonia, Greece, Hungary, Latvia, Lithuania, Malta, Poland, Portugal, Romania, Slovakia, Slovenia and Spain

Spain¹

1 Spain received only transitional funding in the 2009-2014 period and is no longer eligible for funding in the 2014-2021 period.

2 Croatia became a member of the EEA, and consequently a beneficiary country of the EEA and Norway Grants, in 2014.

€993.5m

Financial mechanism 2009-2014

€1.5bn

Norway

Liechtenstein →

Poland

Malta

Romania

Financial mechanism 2014-2021

	Financial mechanism 2009-2014	Financial mechanism 2014-2021
Bulgaria	€78.6 m	€115.0 m
Croatia	€5.0 m	€56.8 m
Cyprus	€3.85 m	€6.4 m
Czech Rep.	€61.4 m	€95.5 m
Estonia	€23.0 m	€32.3 m
Greece	€63.4 m	€116.7 m
Hungary	€70.1 m	€108.9 m
Latvia	€34.6 m	€50.2 m
Lithuania	€38.4 m	€56.2 m
Malta	€2.9 m	€4.4 m
Poland	€266.9 m	€397.8 m
Portugal	€58.0 m	€102.7 m
Romania	€190.8 m	€275.2 m
Slovakia	€38.4 m	€54.9 m
Slovenia	€12.5 m	€19.9 m
Spain	€45.9 m	-

NORWAY **GRANTS**

donor country

Norway

beneficiary countries

Bulgaria, Croatia, Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Romania, Slovakia and Slovenia



Poland

Romania

zech Rep. 🔍

Malta

€804.6m

Financial mechanism 2009-2014

€1.3bn

Financial mechanism

	Financial mechanism 2009-2014	Financial mechanism 2014-2021
Bulgaria	€48.0 m	€95.1 m
Croatia	€4.6 m	€46.6 m
Cyprus	€4.0 m	€5.1 m
Czech Rep.	€70.4 m	€89.0 m
Estonia	€25.6 m	€35.7 m
Hungary	€83.2 m	€105.7 m
Latvia	€38.4 m	€51.9 m
Lithuania	€45.6 m	€61.4 m
Malta	€1.6 m	€3.6 m
Poland	€311.2 m	€411.5 m
Romania	€115.3 m	€ 227.3 m
Slovakia	€42.4 m	€58.2 m
Slovenia	€14.4 m	€17.8 m





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OUR YEAR IN PICTURES

03.05.2016

Signing the agreements for the EEA and Norway Grants 2014-2021: Working together for a green, competitive and inclusive Europe





09.06.2016

The closing conference for Spain, celebrating 20 years of cooperation and



26.05.2016



The official launch of the EEA and Norwau **Grants Financial** Mechanism

10.06.2016

02.06.2016

Secretary, Elsbeth

The Norwegian State

Tronstad, inspecting

the marine research

vessel "Mar Portu-

gal" in Lisbon

Foreign Minister of Liechtenstein Aurelia Frick met with the Slovak Foreign Minister Miroslav Lajčák promoting cooperation on education and culture



06.09.2016

Norwegian Minister for Climate and Environment, Vidar Helgesen visits Bratislava for the Transition to a Green Economy Conference



22.08.2016



Innovation and Green Business Development were

the topics at the Baltic Green Innovation Forum

15.06.2016

Connecting people: This bicycle-trip symbolises cross-border cooperation between Slovakia and Ukraine



13.10.2016

The first signings of the cooperation agreements took place in Romania



10.2016

Norwegian Minister of European Affairs, Elisabeth Aspaker in the Old Orangery in Warsaw during a visit to Poland



09.11.2016

The Norwegian State Secretary, Elsbeth Tronstad attending a conference on cross-border justice for all the EU member states in Bratislava



13.10.2016

The Norwegian State Secretary, Elsbeth Tronstad on a project visit at a Green Industry project for socially excluded persons in Romania



28.11.2016

Cooperation agreements were signed with Slovakia



25.11.2016

Celebrating the International Day for the Elimination of Violence against Women with an event in Norway House



09.12.2016

The judicial and business sectors were the signing of the



emphasised during cooperation agreements with Bulgaria





Iceland, Liechtenstein and Norway and the European Union Agency for Fundamental Rights uniting to better promote and protect fundamental rights

23.02.2017

EU Ministerial Conference on LGBT rights in Malta sponsored by us



01.02.2017

Strengthening ties with Malta with the signing of the cooperation agreements





WHO WE ARE

The EEA and Norway Grants have their basis in the EEA Agreement. Under this agreement, Iceland, Liechtenstein and Norway are part of the European internal market. The agreement sets out the common goal of working together to reduce social and economic disparities in Europe and strengthening cooperation between European countries. For this purpose, we have established the EEA and Norway Grants.

Our objectives are two-fold: to reduce economic and social disparities in Europe, and to strengthen bilateral relations with our beneficiary countries. This improves the functioning of the internal market, and contributes to building a stronger Europe.

In total, Iceland, Liechtenstein and Norway have provided €3.3 billion through consecutive grant schemes between 1994 and 2014. A further €2.8 billion has been made available in the 2014-2021 funding period. Our support is mostly channelled through individual programmes

is the establishment of regional funds to tackle youth unemployment (€65.5 million) and promote regional cooperation (€34.5 million).

covering a range of different sectors. A new feature

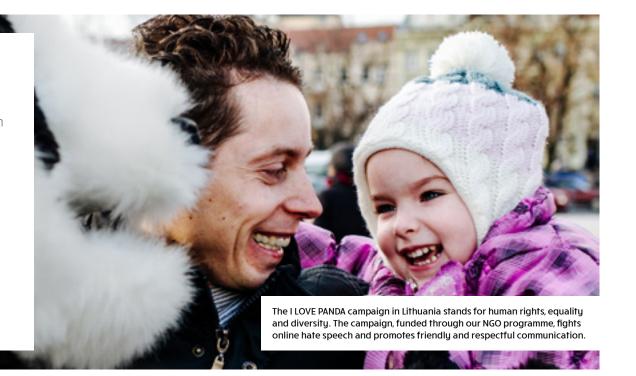
Partnerships between organisations in the donor and beneficiary countries are widely encouraged. This brings mutual benefits, facilitating exchange and strengthening links across borders. A number of international organisations, like the Council of Europe, are also involved as partners in programmes and projects.





WHAT IS THE EEA

The European Economic Area binds together the 28 EU member countries and Iceland, Liechtenstein and Norway as equal partners in the internal market. All EEA countries have the same rights and obligations when it comes to trade and investment, banking and insurance, and buying and selling services, and the citizens have the same right to work, study and live in any EEA member country. The Agreement also covers cooperation in other important areas such as research and innovation, education, culture and the environment.



AREAS OF SUPPORT 2009-2014¹ (€M)



271.4 C

CLIMATE CHANGE AND RENEWABLE ENERGY

HUMAN AND SOCIAL DEVELOPMENT



04.2 CULTURAL HERITAGE

AND ART



JUSTICE AND HOME AFFAIRS



60.8

CIVIL SOCIETY



17

RESEARCH AND EDUCATION COOPERATION



7.7

GREEN INDUSTRY INNOVATION

SUPPORTED AREAS NOT COVERED BY THIS ANNUAL REPORT:

O 8.1 DECENT WORK AND TRIPARTITE DIALOGUE

O 150.4 ENVIRONMENTAL PROTECTION AND MANAGEMENT

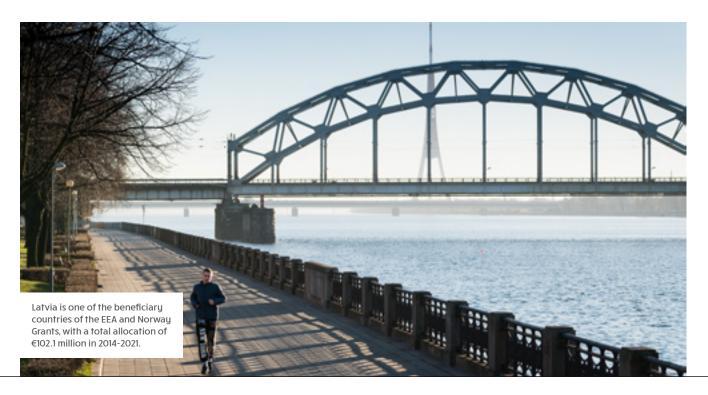
14 - **Overview**

¹ See annex 1 for a breakdown of figures by priority sector, split between EEA Grants and Norway Grants.

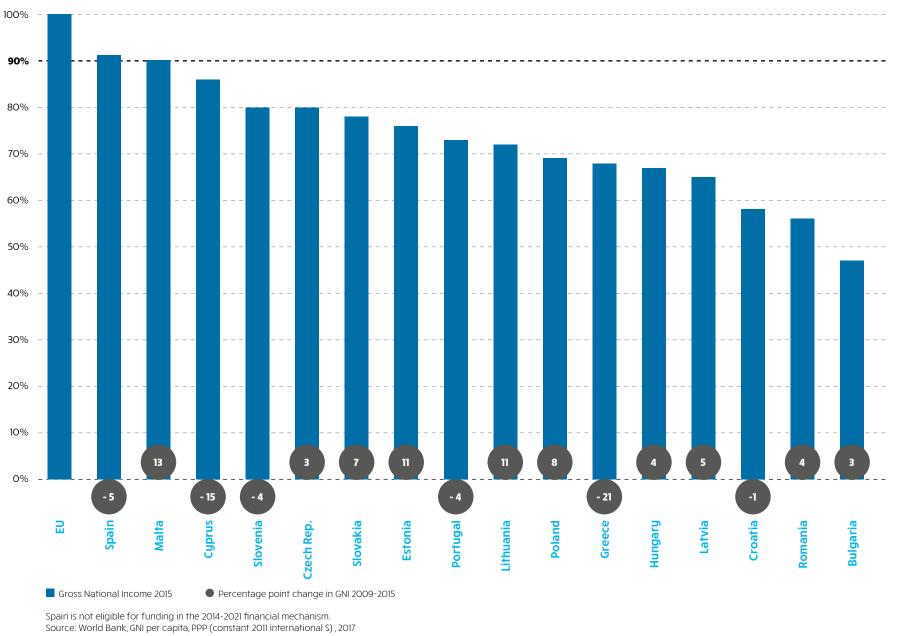
WHICH COUNTRIES BENEFIT

Eligibility for the Grants mirrors the criteria set for the EU Cohesion Fund. This means that member countries where Gross National Income (GNI) per inhabitant is less than 90% of the EU average are included.

A positive economic development from 2015 to 2016 gave reasons to be optimistic on behalf of the EU. Yet the GDP growth has remained moderate with 1.9 percent.







DEVELOPMENT TRENDS

UNEMPLOYMENT

The labour market in some of the beneficiary states is not improving at the pace we hoped. The highest unemployment rates are observed in Greece and Spain, in addition to Croatia, Cyprus and Portugal.

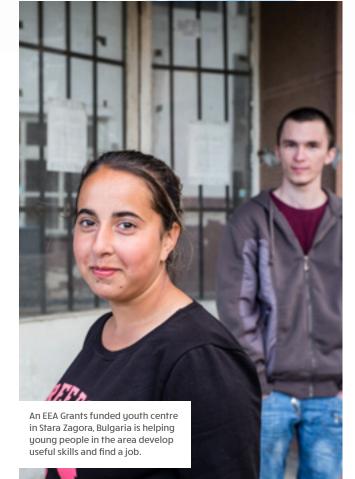
Whereas nine beneficiary countries in 2016 registered a lower unemployment rate than the EU average of 8.5%, the negative trend of high youth unemployment rates continues to affect the population of the same beneficiary countries.

SOCIAL EXCLUSION

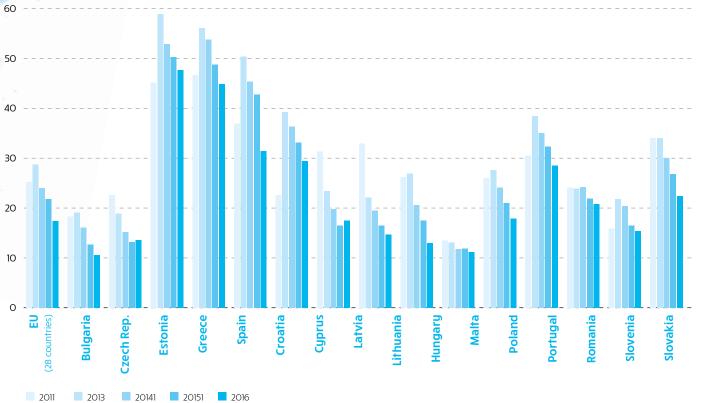
As much as 23% of the population of the EU are at risk of poverty or social exclusion, compared to 24.4% in 2014. The number of people at risk of poverty or social exclusion in some of our beneficiary states remains at a worrying level. But on a positive note, we see that some of the countries have experienced a slight decrease.

PEOPLE AT RISK OF POVERTY OR SOCIAL EXCLUSION

	2014	2015
Romania	40.2%	37.3%
Bulgaria	40.1%	41.3%
Greece	36.0%	35.7%
Czech Republic	14.8%	14%



YOUTH UNEMPLOYMENT RATE BY COUNTRY • ------



Source: Eurostat http://ec.europa.eu/eurostat/statistics-explained/index.php/Unemployment_statistics

Iceland, Liechtenstein and Norway acknowledge that the lack of future prospects can have an impact on European youth. We provide much-needed support to programmes concerning youth employment, education, research and innovation, believing that a reinforcement of the link between these objectives and the labour market is a key driver for growth and job creation.

INEQUALITIES

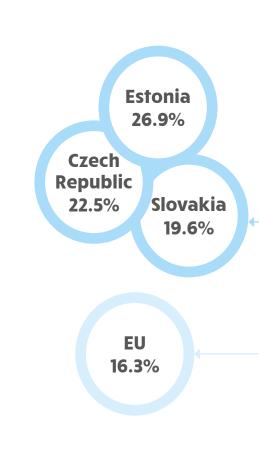
The gender gap reported in 2015 is still wide. We know that male employment rates are consistently higher than those of women across all of the 28 EU member states in 2015. In 2015, the largest disparity between the male and female employment rate was recorded in Malta.

PAY GAP

Across the EU, women earn about 16% less than men per hour. That equals working for free for two months per year. Women are still overrepresented in part-time work. These inequalities evolve around discrimination based on gender and that is why we support programmes that aim to strengthen women's economic independence through increased participation in the labour market.

A wide range of our programmes address inclusion, diversity and participation. We also work closely with the EU to improve the work/life balance, which is central to the Europe 2020 strategy for growth and jobs, to meet the target rate of 75% employment.





Poland

Romania

5.8%

GENDER PAY GAP

GENDER FAT GAF								
	Geo/time	2009	2010	2011	2012	2013	2014	2015
	European Union (28 countries)	-	16.4	16.9	17.3	16.8	16.7	16.3
	Bulgaria	13.3	13.0	13.2	15.1	14.1	14.2	15.4
	Czech Republic	25.9	21.6	22.6	22.5	22.3	22.5	22.5
	Estonia	26.6	27.7	27.3	29.9	29.8	28.1	26.9
	Greece	-	15.0	-	-	-	-	-
	Spain	16.7	16.2	17.6	18.7	17.8	14.9	14.9
	Croatia	-	5.7	3.4	2.9	9.0	10.4	-
	Cyprus	17.8	16.8	16.1	15.6	14.9	14.2	14.0
	Latvia	13.1	15.5	14.1	14.9	16.0	17.3	17.0
	Lithuania	15.3	14.6	11.5	11.9	12.2	13.3	14.2
	Hungary	17.1	17.6	18.0	20.1	18.4	15.1	14.0
	Malta	7.7	7.2	7.7	9.5	9.7	10.6	-
	Poland	8.0	4.5	5.5	6.4	7.1	7.7	7.7
	Portugal	10.0	12.8	12.9	15.0	13.3	14.9	17.8
	Romania	7.4	8.8	9.6	6.9	4.9	4.5	5.8
	Slovenia	-0.9	0.9	3.3	4.5	6.3	7.0	8.1
	Slovakia	21.9	19.6	20.1	20.8	18.8	19.7	19.6

Source: Eurostat http://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&language=en&pcode=tsdsc340&plugin=1



THEMATIC SECTION

This section presents an overview of the work we do in our beneficiary countries and highlights results achieved in seven areas: Climate Change and Energy Cooperation, Civil Society, Human and Social Development, Cultural Heritage and Art Cooperation, Green Industry Innovation, Justice and Home Affairs, and Research and Education Cooperation.



WHAT IS THE ISSUE

Climate change affects everybody, and we all have a role to play in preventing the further deterioration of the Earth's climate, as well as adapting to the changes that are already taking place.

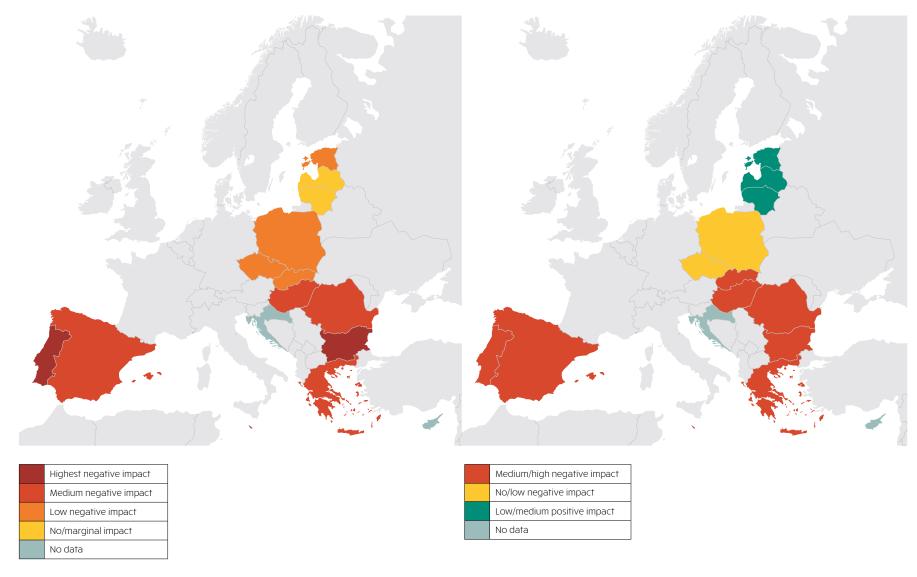
The reports from the United Nations' Intergovernmental Panel on Climate Change and the European Environmental Agency are clear: climate change is already happening and is likely to accelerate in the near future. Temperatures are rising, rainfall patterns are shifting, glaciers and snow are melting, and the global sea level is rising. The potential environmental and economic impact is

not evenly distributed in Europe; the expected impact is higher in Southeastern Europe and the Mediterranean region compared to Northern and Western Europe.

Adaptation and mitigation measures must therefore be based on regional and local conditions and needs.

POTENTIAL ENVIRONMENTAL IMPACT OF CLIMATE CHANGE

POTENTIAL ECONOMIC IMPACT OF CLIMATE CHANGE



Reducing the impact of climate change is a key priority for the European Union. The Union's key target for 2030 is to cut greenhouse gas emissions by 40% compared with 1990. The EU also aims to increase the share of renewable energy and energy efficiency by the same percentage. Source: European Environment Agency.

In our beneficiary countries climate change is perceived to be the

3rd

most serious issue facing the world. Only poverty, hunger and lack of drinking water as well as worries about the economic situation are considered graver.

of all Europeans think that climate change is one of the world's most serious challenges and around

1/6

of all Europeans think it is the single most critical problem.

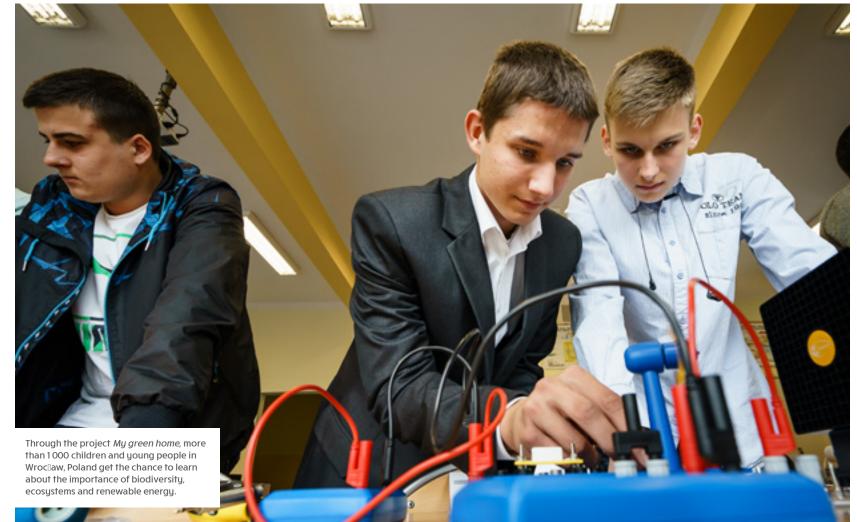
GREENHOUSE GAS EMISSIONS IN EU-28

GIVEEIN 1003E GAS EMISSIONS IN EO ZO					
Geo/time	1990	2014	Share in EU-28*		
European Union (28 countries)	5,734,618	4,419,289	100.00%		
Bulgaria	104,761	57,714	1.31%		
Czech Republic	199,790	126,768	2.87%		
Estonia	40,074	21,186	0.48%		
Greece	107,289	104,265	2.36%		
Spain	291,561	342,698	7.75%		
Croatia	31,703	23,269	0.53%		
Cyprus	6,377	9,177	0.21%		
Latvia	26,523	11,710	0.26%		
Lithuania	47,612	19,375	0.44%		
Hungary	94,619	57,741	1.31%		
Malta	2,198	3,317	0.08%		
Poland	473,622	381,745	8.64%		
Portugal	62,125	67,522	1.53%		
Romania	255,617	112,130	2.54%		
Slovenia	18,665	16,656	0.38%		
Slovakia	74,568	40,780	0.92%		

*Share in EU-28 total in year 2014

In 2014, greenhouse gas emissions in the EU-28 were down by 22.9 % compared with 1990 levels, representing an absolute reduction of 1 136 million tonnes of CO2-equivalents. This puts the EU on track to surpass its 2020 target, which is to reduce GHG emissions by 20 % by 2020 and by 40 % by 2030 compared with 1990.

The EU aims to cut its emissions by 80-95% compared to 1990 levels by 2050. Similarly to the EU, we believe that a highly resource and energy efficient and low-carbon European economy will boost economic development, create jobs and strengthen Europe's competitiveness, as well as being necessary to halt further change to our climate.



This will demand better public planning on how to adapt to the changes that we already see and how to avoid future consequences. Renewable energy and energy efficiency are part of the solution.

WHAT DO WE DO

Our aim for climate change mitigation and adaptation is reducing our vulnerability to climate change. We are reducing the emissions of greenhouse gases and increasing the share of renewable energy in energy consumption. We are also strengthening the knowledge base on environment and climate change, and are increasing the application of environmental technology. More than €270 million has been set aside to achieve these objectives.

Beneficiary countries	Energy efficiency	Renewable energy	Adaptation to climate change	Environmental and climate change-related research and technology	Carbon capture and storage (CCS)
Bulgaria	•	•			
Czech Republic			•		•
Estonia			•		
Hungary	•	•	•		
Latvia					
Malta			•		
Poland	•	•			
Portugal		•	•		
Romania	•	•	•		
Slovakia			•		
Spain				•	

ADAPTATION TO CLIMATE CHANGE

To prepare for and deal with the challenges, it is important to develop and update strategies and measures for adapting to a changing climate. Some of the most relevant areas to be covered are the planning of land use, roads, water and wastewater infrastructure, buildings and green zones both in urban and rural zones.

Climate change mitigation and adaptation measures need to be planned and put into action through a wide set of stakeholders, at several levels and across a broad range of sectors. The strategies and plans are important to ensure buy-in from decision makers and to enable them to make informed decisions and prioritise investments. We provide support to national level development plans in both Estonia and Latvia, while supporting local plans and measures in Hungary, Portugal and Romania.

The capacity to assess national and local vulnerability to climate change needs to be strengthened. This includes research on regional and local climatic patterns and trends and better information on climate change impacts. In order to utilise the increased knowledge, systems to exchange information on climate change have to be developed or improved. All European countries are required to report on status and trends, for example on greenhouse gas emissions to the EU. With our support, the Latvian Ministry of Environmental Protection and Regional Development has cooperated with the Norwegian Environment Agency on the development of a national system for greenhouse gas inventory and reporting on policies, measures and projections.



While many Europeans recognise the threat posed by a changing climate, much work nonetheless remains on informing, educating and raising awareness on climate change and what we all can do to reduce our carbon footprints. Children and young adults are key focus groups in the awareness-raising projects that we fund.

We actively support increasing the knowledge base through research and development and the piloting of environment and climate change related technologies and solutions. This support does not only take place in the dedicated climate and energy programmes, but in our research and green industry innovation programmes

as well. These areas need continuous attention in order to find lasting, sustainable solutions and to keep abreast with new climate change and energy challenges.

Finally, we are raising awareness on the impact climate change has on our lives, surroundings and our economy. We focus much of our efforts on school children and their teachers - by promoting educational activities, we aim to reach their families and the wider community. Taken together, the intention of our programmes is to inspire action to reduce climate change and promote sustainable energy consumption at all levels in society.

MAKING ESTONIA BETTER PREPARED FOR FLOODS

When a storm hit Western Estonia in January 2005, the country experienced massive damages. Inhabitants were evacuated, nearly 800 houses were damaged and an area of 8 km² was flooded.

change adaptation strategy. In the aftermath of the storm, the relevant authorities recognised a pressing need for an overall plan on how to handle extreme weather situations. In cooperation with the Norwegian Environment Agency and the Norwegian Directorate for Civil Protection, the project Elaboration of Estonia's Draft National Climate Change Adaptation Strategy (NAS) and Action Plan was launched. Three further projects have produced reports and substrategies feeding into the work on the strategy. "Climate change impacts the whole society; we are pioneers by including areas such as economy and industry in the adaptation strategy," says project manager Timo Uustal.

RENEWABLE ENERGY AND ENERGY EFFICIENCY

Renewable energy can be produced from a wide variety of sources including hydro, geothermal, wind, solar, tidal, and biomass. The EU's Renewable energy directive sets a binding target for 20% of final energy consumption to be generated from renewable sources by 2020. All EU countries have adopted national renewable energy action plans; these plans include sectorial targets for electricity, heating and cooling, and transport; planned policy measures; the different mix of renewables technologies they expect to employ; and the planned use of cooperation mechanisms. EU countries have already agreed on a new renewable energy target of at least 27% of final energy consumption in the EU as a whole by 2030 as part of the EU's energy and climate goals for 2030.

We share the EU's overall objectives on a less carbon-dependent economy and the increased use of renewable energy. We support increases in the production of renewable energy, particularly from hydro and geothermal sources where Norway and Iceland have long-standing expertise. We strengthen the capacity at national, regional and local levels on renewable energy solutions. This also extends to increased awareness and education.

REDUCING GREENHOUSE GAS EMISSIONS IN POLAND

Poland generates most of its electricity from coal.

Through the programme Saving energy and promoting renewable energy sources, more than 100 projects aiming to reduce the demand for fossil fuels and expand the use of renewable energy solutions in buildings have received funding.

Siekierki in Warsaw is the largest cogeneration plant in Europe. It serves as a major energy and heat provider for the city, meeting 65% of Warsaw's electricity needs. The project involves the conversion of one boiler from coal-fired generation to a renewable and more sustainable biomass generation. It is estimated that this will reduce greenhouse gas emissions by 227 000 tonnes per year: roughly equivalent to taking nearly 120 000 cars off the road. This represents one third of the total CO2 reductions of 620 000 tonnes per year in the 2009-2014 funding period.

WHAT HAVE WE ACHIEVED

We are supporting 549 projects related to 'Climate change and renewable energy'. Out of these, more than 300 are still on-going. The projects funded span a diverse range of topics within the sector, and the results reflect this diversity. For most of the projects leading to increased production of renewable energy and undertaking energy efficiency and greenhouse gas reduction measures, the results will not be seen until the end or after the implementation period ending in 2017. However, we already see good results within the programmes focusing on enhancing national and local capacity, expanding the knowledge base and raising awareness.

RENEWABLE ENERGY AND ENERGY EFFICIENCY

The immediate effects of the energy efficiency programmes include the more sustainable use of water and materials, and overall economic savings for the individual project promoter. Our renewable energy programmes can assist in reaching the national EU 2020 and 2030 targets on energy. Moreover, replacing fossil fuels with energy from renewable sources contributes to the more long-term impacts. These concentrate on reduced greenhouse gas emissions, particularly CO2, and lower levels of air pollutants. In turn, this contributes to reducing climate change as well as the number of deaths resulting from poor indoor and outdoor air quality.

IMPROVED ENERGY EFFICIENCY IN BUILDINGS AND INDUSTRY

In Poland, a television campaign on energy efficiency and renewable energy reached more than 7 million

viewers. Buildings are responsible for 40% of energy consumption and 36% of CO2 emissions in the EU. While new buildings generally need fewer than three to five litres of heating oil per square meter per year, older buildings consume about 25 litres on average. Some buildings even require up to 60 litres. Currently, about 35% of the EU's buildings are over 50 years old.

To meet this challenge, we support projects to improve energy efficiency in buildings, as well as in the industry and transport sectors. We are improving the capacity at national, regional and local level to undertake energy efficiency measures.

In addition to providing funds for concrete measures, we give financial backing to awareness-raising and education. In Bulgaria, more than 2 600 state and municipal employees have undergone targeted training on how to improve on energy efficiency in buildings and infrastructure either at national level or in their local community.

INCREASED RENEWABLE PRODUCTION

37 269 people in Hungary have benefited from pilot water-related climate change resilience projects.

Measures include the construction of drainage ditches, pressure channels, dikes, sluices and removing silt from rivers.

ADAPTATION TO CLIMATE CHANGE

Our climate change programmes have implemented measures such as creating and managing flood plains, climate proofing electrical cabling, introducing sustainable irrigation systems for agriculture and planting trees in urban areas to provide a short-term benefit to the environment and the people who inhabit and make



UTILISING THE GEOTHERMAL POTENTIAL IN ROMANIA

In Oradea in western Romania, there is great potential to increase the use of geothermal energy. With our support and in cooperation with Iceland Geothermal Engineering, the municipality is replacing fossil fuels for district heating.

"Without the Icelandic partner and their experience on board, we would not have achieved this much. The partner's input and technical knowledge enabled us to go ahead with the geothermal development," saysd Oana Nicula, Counsellor in Oradea municipality.

The municipality is replacing coal with thermal energy produced from geothermal water, contributing to reduced CO2 emissions. In addition, the change from fossil fuels to geothermal energy increases energy security by shifting to local resources and prices remain stable, giving a long term benefit to consumers. Both houses and a school in Oradea will benefit from the change to this renewable energy source. "We have used the experiences from Iceland to inform the public and the local authorities of the benefits of geothermal energy. The project has opened the eyes of the local decision makers," said Arni Gunnarsson from Icelandic Geothermal Engineering, which is also participating in three other projects in Romania, contributing technical support, know-how and machinery.

their living in this environment. Some of these have been pilots that can be replicated in other areas and countries. We are also enabling decision makers at various levels to make informed decisions on local development, infrastructure, area planning and to ensure better prioritisation of investments in these areas. In the long run, our programmes will promote better preparedness and increased resilience against the effects of climate change and extreme weather events through establishing, not only national and local adaptation plans, but the tools and systems to foresee, respond and report on a continuously changing climate.

ACTION PLANS DEVELOPED ON CLIMATE CHANGE

In Portugal, 27 local climate change adaptation action plans have been developed. An Integrated Methodological Guide in 7 volumes has been produced as a way to increase the real impact of this project during and after its completion.

INCREASED AWARENESS OF CLIMATE CHANGE

4 460 persons have received training on climate change and energy related issues. These include courses for 775 local politicians and administrative staff on how to make and implement local adaptation plans in Portugal and Romania, the training of 545 teachers on climate education in Portugal and training courses on energy efficiency audits and measures in Bulgaria.

REDUCED ENERGY CONSUMPTION

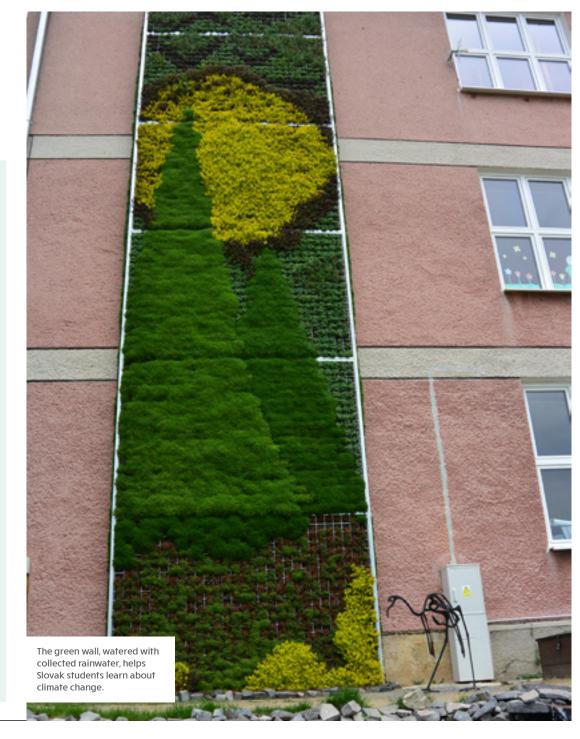
Energy consumption has been reduced in 138 buildings, mainly schools and hospitals, in Bulgaria and Poland. 250 projects are implemented as partnership agreements.

THE BLUE SCHOOL PROJECTS IN SLOVAKIA

In the *Blue School* projects, which have taken place across Slovakia, new rainwater collection systems are used as a starting point for teaching children about climate change and how society can adapt to it.

"Collecting rainwater can reduce the consequences of both flooding and drought. Holding back the water prevents it from flowing into rivers and causing flooding. At the same time, the water can be used for the irrigation of plants in the area when it is dry," says director Pavel Michal at Maximillian Hell School. He is the headmaster of one of the 65 primary schools in Slovakia that have received funding to install rainwater collection and recycling systems, green roofs and rain gardens.

The features installed at the schools also serve as pilot projects for larger projects in this field. For many countries, adaptation to climate change is a new area but when the youngest generation increases its awareness at school, the information is also spread through the families into the general public.





SPANISH ECO-INNOVATION IN PACKAGING

Spain is one of the biggest consumers of seafood products in Europe, with the average person eating more than 40 kg per year. While bulk purchases of whole and fresh fish are still common, pre-portioned and packaged fresh fish is steadily gaining market share. This means more waste. With plastic manufacturing generating twice its weight in CO2 emissions and barely half of fish containers recycled, new packaging solutions are long overdue.

"We estimate huge energy savings of around 125 000 GJ over three years and a reduction of 18 750 tonnes of CO2. That is the equivalent of emissions from 3 750 cars driven for one year," says Felip Vidiella, EMEA and India Packaging R&D Director at Dow Spain.

The EcoFishPack project, an initiative to develop new recyclable packaging, is run by the Spanish companies Dow Chemical and ULMA Packaging. They have collaborated closely with two technological centres: Nofima, in Tromsø, Norway and Ainia, in Paterna, Spain. In total, four packaging solutions have been developed which will reduce greenhouse gas emissions by an estimated 25-50%.

EcoFishPack is one of 162 projects that we finance under an €18 million programme to strengthen the knowledge base on climate change and increase the application of environmental and climate change-related technology in Spain.

JOINING FORCES ON CLIMATE CHANGE

One third of the climate change projects cooperate with partners in Norway. Norwegian institutions and municipalities have contributed with their experience in preparing and carrying out adaptation measures in the beneficiary countries.

The Norwegian Directorate for Civil Protection (DSB) has taken part in the development and implementation of the climate change adaptation programmes in Hungary, Latvia, Portugal and Slovakia. Senior adviser Karl Kerner underlines that "Climate change adaptation measures are mostly done at local and regional levels. It is therefore important to include municipalities in the work we are doing. We have contributed to contact between Hungarian and Norwegian local and regional actors so that they can cooperate and share experiences".



Beneficiary country	Projects with partners from Iceland	Projects with partners from Norway	Projects with partners from fiLiechtenstein	Total projects with donor partners ¹
Bulgaria	-	25	1	26
Czech Republic	1	7	-	8
Estonia	1	3	-	4
Hungary	4	3	-	7
Latvia	-	19	-	19
Malta	-	1	-	1
Poland	-	-	-	-
Portugal	4	4	-	8
Romania	5	3	-	8
Slovakia	1	12	-	12
Spain	1	47	-	48
Total	17	124	1	141

¹ Some projects have more than one project partner

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WHAT IS THE ISSUE

A vibrant civil society constitutes a fundamental building block in any democratic society. Enabling people to take part in policy-shaping and decision-making is key to democratic legitimacy.

Non-governmental organisations (NGOs) play a vital role in mobilising and engaging citizens and raising awareness of key issues and challenges in society, both as partners for the government and as watchdogs.

Civil society has been recognised by the EU in the Lisbon Treaty as key to participatory democracy and as essential to achieve and sustain democracy and protect fundamental human rights.

The existence of NGOs is closely linked to the fundamental right of citizens to form associations at all levels in order to pursue common goals and interests. This right is included in Article 12 of the Charter of Fundamental Rights

of the EU, committing all countries in the European Union to respect and protect the space in which NGOs operate and strengthen the role of civil society.

STATE OF CIVIL SOCIETY

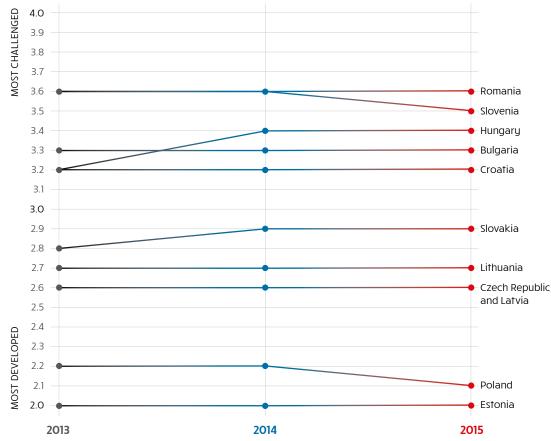
While there are differences across Europe, we have for several years witnessed increasing pressure and efforts to shrink the civic space in some of our beneficiary countries.

Civil society (€ million)				
Beneficiary country	EEA Grants			
Bulgaria	11.8			
Croatia	1.3			
Cyprus	1.3			
Czech Republic	11.4			
Estonia	2.3			
Greece	7.3			
Hungary	13.5			
Latvia	10.4			
Lithuania	5.5			
Malta	0.5			
Poland	37.0			
Portugal	8.7			
Romania	36.3			
Slovakia	7.4			
Slovenia	1.9			
Spain	4.6			
Total	161.2			

Parts of the sector have faced attempts by governments to constrain civic space through legislation and administrative burdens, affecting in particular their access to funding and decision-making. A less conducive working environment put the NGOs in a precarious position. There is also the challenge of low level of trust in NGOs and a lack of understanding of the role of civil society in many countries.

At the other end of the spectrum are those countries where the NGOs benefit from a supportive legal environment - resulting in NGOs playing an active role in advocating for reforms and policies that advance democracy and good governance. These NGOs often enjoy a high degree of public trust.

STATE OF CIVIL SOCIETY IN CENTRAL AND EASTERN EUROPE



The sustainability of civil society is measured by 7 dimensions: legal environment, organisational capacity, financial viability, advocacy, service provision, infrastructure and public image. For each dimension, the countries are measured on a score that ranges from 1 (most developed) to 7 (most challenged). Source: USAID (2016)

¹ USAID: The 2015 CSO Sustainability Index for Central and Eastern Europe and Eurasia.

WHAT ARE WE DOING

Through the NGO programmes, we work to strengthen the capacity and sustainability of the civil society sector in our 16 beneficiary countries. This is done through a wide range of activities spanning from strengthening the role of NGOs as advocates of citizens' rights and increasing their watchdog capacity, to supporting NGOs that promote the rights of disadvantaged citizens and increase citizens' involvement in policy and decision-making processes.

Through the programmes we contribute over €160 million to the civil society sector. This makes us one of the main contributors to the civil society in Central and Southern Europe. The support reflects our commitment to safeguarding fundamental European values and freedoms: human rights, democracy, equality and the rule of law, and the importance we attach to civil society as a cornerstone of a fair and transparent democracy.

What have we funded?	Total funding (€ million)	Total number of projects
Strengthening civil society sector and building the capacity of NGOs	22,1	416
Fostering active citizenship	23,0	514
Strengthening the advocacy and 'watchdog' role of civil society	19,3	367
Inclusion of vulnerable groups	38,3	817
Promoting democratic values and human rights	25,6	565
Environment and sustainable development	8,7	209

WHAT HAVE WE ACHIEVED

Organisational support, mentoring and forging partnerships, particularly with local governments, have helped NGOs scale up their work. This is confirmed by an independent evaluation that was published in February 2015. The evaluation found that our NGO programmes have 'strengthened the capacity of civil society in Central and Southern Europe and helped mobilise citizens to voice their concerns and actively engage with government'.

Through the programmes, we've funded almost 3 000 projects. Our support has reached thousands of NGOs. Both small and large projects have received funding, resulting in millions of people being indirectly affected by our programmes.

The strength of the sector is closely linked to financial viability and the NGOs' ability to generate income to cover their activities and operational costs. The Grants are one of the main sources of support to NGOs, often targeting areas of support that are not covered by national or EU funding.



Through the Grants we are a strategic partner of the Council of Europe's No Hate Speech campaign. By raising awareness of hate speech online and the risks it poses to democracy and individual young people, the campaign is working to promote internet literacy and support young people in standing up for human rights, online and offline. Our NGO programmes have made a strong contribution to the campaign which was launched in March 2013 and ran until the end of 2015.

Through the programmes, we've funded almost 3 000 projects

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STRENGTHENING THE CIVIL SOCIETY SECTOR

Much of the focus, as well as the success, of the programmes has been on building the capacity and sustainability of the sector itself, and ensuring that civil society achieves an effective and viable impact. 3 200 NGOs have reported strengthened capacity as a result of the programmes

With our support, over 2 400 NGO representatives in Romania have acquired competence in key areas such as fundraising, management and public relations – all relevant when working to strengthen and enhance the quality of the sector. In Bulgaria, 322 NGOs have reported improved dialogue and greater engagement with local, regional and national authorities. In Hungary, 104 small NGOs have demonstrated increased capacity.

ENGAGING THE PUBLIC IN LOCAL AND NATIONAL BUDGETING

Making local finances and budgets accountable is an important element in any democratic society.

A precondition for accountability is to simultaneously empower citizens. With €65 000 in support, the Funky Citizens Association in Romania has worked to increase citizens' understanding and knowledge about budgeting and public spending in order to increase their capacity to participate in decision-making processes at both local and national level. Through the project, local government budgets from 2007-2015 have been made available on the organisation's website, and tools to simulate and visualise public spending have been developed.

As a result, the budgetary process is more transparent and user-friendly, allowing the citizens to participate in the process through public debates and easier access to data.

"The need to increase citizens' awareness of public spending is already there, but their interest needs to be advocated. We put public spending into a context which they can identify with, and ensure that they understand and can access the budgets easily," explains project manager Elena Calistru.

The project has strengthened the association's capacity to carry out watchdog activities, giving them valuable resources to contribute more actively to policy-making processes.

NETWORKS OF NGOS WORKING TOGETHER

Strong networks and coalitions enable NGOs to cooperate and pursue issues of common interest.

The prevalence of partnerships with local businesses, government and media is of great importance when raising awareness of key issues and challenges in the society. Through our funding, more than 350 coalitions and networks, bringing NGOs within a beneficiary

country together to make common cause, have been developed. These networks are instrumental in uniting and strengthening the sector – and its ability to 'speak with one voice' and put pressure on the authorities. 1 O61 NGOs have participated in partnerships with organisations from other sectors, particularly with government organisations at local, regional and national level.

a50
coalitions and networks,
bringing NGOs within a
beneficiary country together
to make common cause,
have been developed

1061 NGOs have participate

NGOs have participated in partnerships with organisations from other sectors

WORKING TOGETHER TO FIGHT POVERTY HOUSING

Many Roma families in Bulgaria live in substandard housing conditions with inadequate infrastructure that does not meet health and safety requirements.

Through the project *Decent Home*, a coalition of 35 Bulgarian NGOs have worked together to address this issue. As part of the project, the NGOs have organised media campaigns and held regular meetings with the local authorities to promote the coalition and the work set out to do.

By establishing a coalition of NGOs with different areas of expertise, the project has created a valuable tool for both the decision-making bodies and the local communities. The coalition serves as an effective platform of knowledge and expertise sharing, and has increased the individual NGOs' capacity to actively participate in housing-related policy making at both local and national level. The initiator and coordinator of the coalition – Habitat Bulgaria – has become more visible in society, and positioned itself as one of the leading NGOs in the policy area.

"One of the most important achievements of this project has been the unification of NGOs working in the field of housing. We started as a coalition of 16 NGOs. Today, we have 35 members. We realised that we're stronger together, and through the coalition we can introduce changes that positively affect – and improve – the housing situation in Bulgaria. We've introduced over 60 legislative proposals to the Bulgarian authorities, and influenced a number of national strategies and legislative documents," says Mincho Benov from Habitat Bulgaria.

3 200

NGOs have reported strengthened capacity as a result of the programmes

PARTNERING UP

Of the almost 3000 projects supported, nearly 300 are being carried out with a partner from Iceland, Liechtenstein or Norway. A total of 534 bilateral partnership agreements have been signed, meaning that some projects have more than one donor project partner.

Partnerships between NGOs in the donor and beneficiary countries have been widely encouraged. Building on the expertise of NGOs in the donor countries and their role as a watchdog and in promoting active citizenship is of great importance.

The Icelandic Human Rights Centre and the Norwegian Helsinki Committee have facilitated contacts and cooperation between organisations in the beneficiary countries and their counterparts in the donor countries. In addition to the obvious benefits of these partnerships – exchange of knowledge and adoption of new approaches – working together with partners often forges long-lasting ties and cooperation across Europe, and contributes to increase the legitimacy of civil society organisations in the beneficiary countries.

Beneficiary country	Total number of projects	Number of partnership projects	Projects with partners from Iceland	Projects with partners from Liechtenstein	Projects with partners from Norway	Percentage of projects with donor partner
Bulgaria	454	23	2	1	21	5.1
Croatia	47	1	1	-	-	2.1
Cyprus	20	3	1	-	2	15.O
Czech Republic	176	19	4	-	15	10.8
Estonia	102	8	2	-	7	7.8
Greece	76	4	-	-	4	5.3
Hungary	448	15	4	-	11	3.3
Latvia	210	33	3	-	30	15.7
Lithuania	57	18	6	-	12	31.6
Malta	12	-	-	-	-	0.0
Poland	548	81	31	-	51	14.8
Portugal	113	7	1	-	7	6.2
Romania	391	45	7	-	38	11.5
Slovakia	156	21	1	-	20	13.5
Slovenia	38	13	4	-	9	34.2
Spain	40	2	1	-	2	5.0
Total	2888	293	68	1	229	10.1







FOSTERING ACTIVE CITIZENSHIP

A healthy democracy requires active citizens in order to work. Fostering active citizenship is an important part of our support, with over 500 projects working to get citizens more involved in the development of their local communities. Through our funding, 17 800 people in Romania have participated in activities to promote active citizenship. In Poland, 244 educational and practical initiatives have empowered citizens (including youth) and prepared them to actively participate in public life.

In Hungary alone, 42 660 people have become active in NGOs as a result of the programmes. Some of the youth come from the county of Zala in southwestern Hungary, where one of our projects has resulted in the establishment of the Municipal Children and Youth Local Government of Zalaszentgrót. Through elections, the youth have elected 10 representatives and one youth governor to voice their concerns to the local authorities.

93 000

Number of people engaged in public participation action and NGO activities across our beneficiary

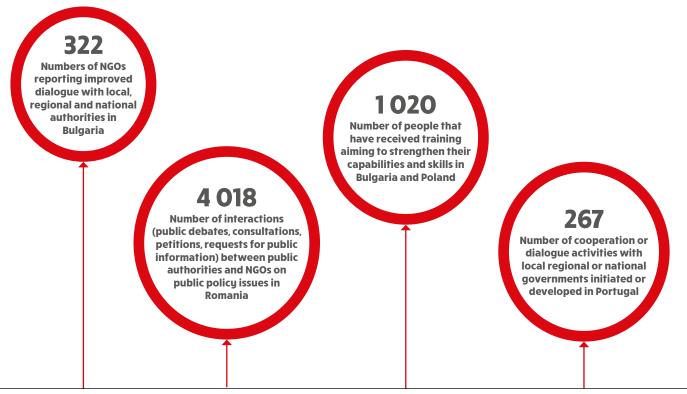
countries

1884
Number of Roma children and youth involved in educational and leisure activities in the Czech Republic

STRENGTHENING THE ADVOCACY AND 'WATCHDOG' ROLE OF CIVIL SOCIETY

Through the NGO programmes, we strengthen the capacity of NGOs and citizens to influence decision-making and hold authorities at both local, regional and national level accountable. By taking active part in decision-making processes, NGOs increase their visibility among citizens. This is vital for their ability to monitor governments and ensure accountability. It also builds people's trust and understanding of the role of civil society.

A total of 4 274 NGOs say that they are now involved in policy and decision-making processes. As a consequence of NGO advocacy activities, there have been changes or improvements to 330 laws, policies or practices. In Bulgaria, 582 people have been trained on monitoring, advocacy and public policy impact. The number of NGOs involving citizens in decision-making processes, consultations and dialogue with public authorities in Poland has reached 668. With our support, 179 Polish NGOs have conducted watchdog and advocacy activities in different areas, mainly addressing local governments.





DRIVING LEGAL CHANGE IN SLOVENIA

LGBT activism in Slovenia dates back to 1984, but it has usually been more focused on the political path to eradicating systemic discrimination than on the use of legal tools and mechanisms.

With our support, the Slovenian NGO Legebitra and its Norwegian partner Foreningen FRI identified systemic discrimination against LGBT people in 70 laws. As a result, they developed and tested a model for monitoring legislative changes and human rights violations in Slovenia. The research material gathered through the project has been used in reinforcing a dialogue with the Slovenian authorities – and served as an important tool for drafting the new Civil Union Act that was adopted in April 2016. The law is a major step forward for LGBT rights in Slovenia.

The project also produced an analysis of legal gender recognition which will be used in future campaigns, as well as awareness raising campaigns on systemic discrimination of transgender persons in the Slovenian society.

"For us to be able to focus on the systemic discrimination targeting LGBT people in the Slovenian law, this funding has been absolutely crucial – allowing us to raise awareness of the situation and resulting in the introduction of important legislative changes for same-sex couples," explains project manager Mitja Blažič from Legebitra.

420 000

people now report improved access to welfare services

INCLUSION OF VULNERABLE GROUPS

Through our programmes, over 800 projects have received support to empower vulnerable groups, including children from poor families, Roma, asylum seekers and people with disabilities and to provide basic welfare services to those who fall through the net. This means that close to 420 000 people now report improved access to welfare services. The support has been instrumental in enabling people to make use of already existing services by providing transportation for people with disabilities or helping people obtain their ID documents, allowing them to access public welfare services.

With our support, 3 298 children and youth have received access to improved services in the Czech Republic. In Slovakia, 717 people benefitted from improved access to work opportunities and initiatives targeting social exclusion, and in Romania, more than 10 900 people have been directly involved in evaluating the available welfare services in order to improve the quality of the services provided.

An important focus has been to support the empowerment and inclusion of Roma communities, and addressing negative attitudes towards them. Faced with rising human rights abuses and threats to freedom of speech, we work to enable NGOs to promote tolerance and combat discrimination and hate speech against minorities.

32 000
People participating in empowerment activities in Estonia and Romania

173 000
People have received support from NGOs in Hungary

A BETTER START TO LIFE FOR ROMA CHILDREN

"The project made it possible for me to work.

I knew Delia was safe because the staff picked her up in the morning and brought her back to me in the afternoon."

These are the words of Maria. Thanks to the project *A Good Start*, her daughter Delia now attends a new day centre for early childhood education in Bucharest in Romania. This gives Maria the opportunity to work and support her own family, which has made her living situation a whole lot easier.

Starting school at an early age increases Roma children's chances of completing their primary and secondary education and potentially continuing on into higher education. The project has received a grant of €75 000, and aims to improve the performance of Roma children in school and close the educational gap between Roma and non-Roma children in the crucial first years of school. 130 children have received support and follow-up, and dialogue has been created with 150 parents on the value of education and the importance of keeping their children in school.

Education is crucial to eradicate poverty. Through the Grants, we support empowering measures that enable Roma to change their own lives through education and training for work, while at the same time enhancing the inclusiveness of institutions. This includes securing rights, improving access to welfare services and participation in decision-making.



To ensure a sustainable civil society sector, it is important that government, the business sector and communities have a positive public image, including a broad understanding and appreciation of the role civil society plays in society. Public awareness affects civil society to perform its role, and the support received by government and media.

In a national survey carried out by the operator of our Bulgarian NGO programme, the Open Society Institute Sofia, only 33% of the respondents indicated that they have confidence in NGOs. One fourth of the respondents (25%) replied that they were not sure whether they could trust non-governmental organisations. The low trust in NGOs can be explained by the respondents' access to information about NGOs and the results of their activities. People with limited access to information are less likely to trust NGOs.

Through the Grants, we are building NGOs' capacity to effectively communicate about their work and the role of the civil society sector in building and strengthening democracy.



people across our beneficiary countries have benefited from human rights support

PROMOTING DEMOCRATIC VALUES AND HUMAN RIGHTS

More than 500 of the supported projects are concentrated on the fields of human rights, democracy and anti-discrimination. The projects span a broad range of initiatives and issues, from protecting victims of hate crime, to driving legal change and promoting transparency in government. This support has been particularly effective in driving legal change to sustain or expand the rights of vulnerable groups.

Through our funding, nearly 25 000 people across our beneficiary countries have benefited from human rights support provided by NGOs. 1112 NGOs are working to promote democratic and human rights. A total of 48 campaigns to raise awareness of human rights have been organised to counteract discrimination and human rights violations. In Poland alone, 55 initiatives to intervene in cases of human rights violations have been designed. Interventions were made in 2 770 cases, including appeals to websites and social media posts that contain hate speech.

58

Journalists educated about human rights protection in Croatia

d

NGOs working with minorities, including Roma people, refugees and asylum seekers, women and homosexual people, in Romania

SUPPORTING SUSTAINABLE DEVELOPMENT

Across our beneficiary countries, more than 70 000 people are engaged in work to promote sustainable development. This includes activities to raise awareness, NGO involvement in national action plans related to climate change, environmental education and training and mobilising local communities.

An example of this is *Greenovation Challenge* project run by Junior Achievement of Romania (JA) together with their Norwegian partner Ungt Entreprenørskap Sogn og Fjordane. The project aims to help young people develop their problem-solving skills and better understand the environmental challenges facing rural

and mountain communities. The students first came together to share ideas on eco-innovation at a camp organised in Sandane in Norway in 2015. This resulted in an initiative called 'EnergyGound', where children's playgrounds are turned into small green energy production plants and environmental education centres.

In Slovenia, an NGO network was created to encourage

the sustainable development of the Dragonja River

basin, an area rich in natural and cultural diversity.

"The future is green. So is future employment. The project facilitates international cooperation between teachers, students and volunteers from Romania and Norway, and lays the foundation for future collaboration on environmental challenges," says Jørn Helgheim from Ungt Entreprenørskap Sogn og Fjordane.

More than

70 000

people are engaged in work to promote sustainable development

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HUMAN AND SOCIAL DEVELOPMENT

WHAT IS THE ISSUE

Despite progress in the recent years, poverty levels in Europe remain too high, with close to one in four Europeans being at risk of poverty or social exclusion. With the Grants, we work towards a more equal Europe where everyone has an opportunity to fully participate in society.

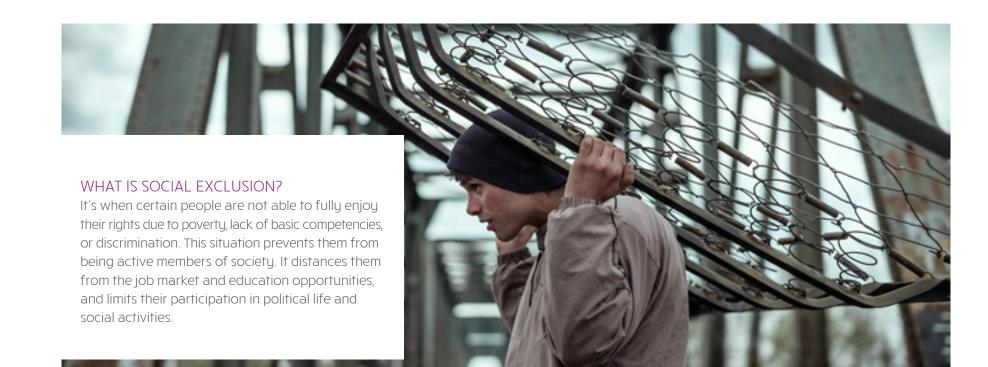
In 2015, 118.7 million people in the EU were at risk of poverty or social exclusion. The EU-wide goal is to lower this number to 96.2 million by 2020. While the number is decreasing, factors such as the economic crisis have slowed progress. Strong public systems that address the root of the problem such as limited job prospects or unequal access to public services, are key for overcoming these challenges.

Children are at a larger risk of poverty than any other group in society. Children of single-parent and low education families, as well as minority groups are at particular risk. Safeguarding their rights and ensuring equal access to education, healthcare and other social services is essential for laying the foundation for an equal and inclusive Europe for future generations.

¹ European Commission, EUROPE 2020: A Strategy for Smart, Sustainable and Inclusive Growth

People at risk of poverty or social exclusion, EU-28	2011	2012	2013	2014	2015
All age groups (% of population)	24.3	24.7	24.6	24.4	23.7
Children under the age of 16 (% of population)	26.9	27.7	27.4	27.4	26.6

Source: Eurostat



WHAT ARE WE DOING

The human and social development sector covers multiple areas – in this chapter we highlight our public health, children and youth at risk, and capacity building programmes.

Through the Grants, we support national healthcare systems in addressing public health challenges of today. We reduce inequalities in health by increasing access to quality health services, particularly among children, the elderly and vulnerable groups such as the Roma. Special focus is also placed on addressing lifestyle related diseases, and on preventing and treating communicable diseases such as HIV/AIDS and tuberculosis.

In our programmes for children and youth, we help vulnerable children and youth and promote their rights in accordance with the United Nations Convention on the Rights of the Child. This includes supporting the effective implementation of international law and policies concerning children's rights, and working towards better health and social care services for children. Particular attention is devoted to tackling and preventing violence and abuse against children.

Through the capacity building programmes, we improve the capacity and quality of the services provided by public institutions and local and regional authorities, while strengthening their relations with their Norwegian counterparts.

Children and Youth at Risk (€ million)				
	EEA Grants			
Bulgaria	8.6			
Cyprus	0.4			
Czech Republic	2.7			
Estonia	6.5			
Lithuania	6.3			
Romania	27.0			
Total funding	51.5			

Public Health Initiatives (€ million)					
	EEA Grants	Norway Grants	Total Funding		
Bulgaria	5.6	7.8	13.4		
Cyprus	-	1.2	1.2		
Czech Republic	-	19.2	19.2		
Estonia	-	8.9	8.9		
Hungary	-	16.6	16.6		
Lithuania	-	6.0	6.0		
Poland	10.0	66.0	76.0		
Portugal	10.0	-	10.0		
Romania	-	22.6	22.6		
Slovenia	-	10.1	10.1		
Total funding	25.6	158.5	184.1		

Capacity Building (€ million)						
	Norway Grants	Number of projects	Projects with partners (%)			
Bulgaria	2.0	2	100			
Czech Republic	1.8	2	50			
Hungary	10.8	12	100			
Latvia	5.0	4	100			
Lithuania	8.0	21	100			
Malta	0.3	1	100			
Romania	6.0	2	100			
Total funding	33.9	44	97.7			

OTHER SUPPORTED AREAS

The human and social development sector also covers funding to support gender equality and promote work/life balance, poverty alleviation, asylum and migration, and cross-border cooperation. Special attention is also devoted to Roma inclusion in relevant programmes in several countries.



WHAT HAVE WE ACHIEVED

PUBLIC HEALTH

IMPROVED ACCESS TO QUALITY HEALTH SERVICES

With the health programmes, we increase access to healthcare, particularly among those most in need, and strengthen the capacity of healthcare providers. Through our funding, vulnerable groups in Bulgaria, such as pregnant women and children below three years of age in deprived areas, have received almost 8 000 home visits from community-based outreach teams. In Estonia, more than 5 700 children with mental health problems have benefitted from better care. In Poland, over 350 000 people have participated in programmes aimed at preventing diseases, such as by using screening examinations.

1.8m

people have benefitted from improved health services

Around

411 000

health professionals have been trained



Mariana Sandu. NGO SASTIPEN

TEAMING UP FOR BETTER ACCESS TO HEALTH

A project in Romania is bringing healthcare closer to those in need through specialised teams.

By creating teams of community nurses and Roma health mediators, a project run by the National Institute of Public Health in Romania has been able to provide healthcare services to 45 communities – many of whom are Roma – in the most deprived parts of the country. So far, the teams have reached around 130 000 people who otherwise would have had limited or no access to healthcare. The teams have been trained to meet the specific needs of the communities and to approach them with respect and empathy. "We pay special attention to the health of mothers and children, reproductive health, prevention of chronic diseases and tuberculosis. The professional teams intervene early and help explain that prevention can save lives," explains Mariana Sandu from the Romanian NGO SASTIPEN, a partner in the project.



PROMOTING ACTIVE LIFESTYLES

Healthy habits such as eating well, regular exercise, and avoiding smoking and excessive drinking have all been found to lead to a healthier and happier life. Through the health programmes, we fight diseases such as obesity, heart disease and diabetes and encourage people to choose a healthy lifestyle.

450 000

people in Poland have been involved in health promotion programmes, for example by participating in local awareness raising events.

411 000

Children and youth in Romania have been taught about the importance of healthy eating and exercising.

CREATING HEALTHIER HABITS

Portuguese authorities are using an innovative approach to teach the elderly and youth about the benefits of healthy diets.

In Portugal, special attention has been given to the elderly and teenagers. The project, run by the Portuguese Society of Rheumatology, uses tailor-made interactive TV and social media channels to increase their knowledge on healthy food choices. "It was fabulous – I lost a few pounds and improved my self-esteem! I became more agile, dancing and climbing the stairs is much easier," says Cândida (71), one of the participants in the project. Together with the Norwegian University of Science and Technology (NTNU) the project has also worked to update the national health registers and health information systems in Portugal, and improve health data management.

CHILDREN AND YOUTH AT RISK

Through our programmes for vulnerable children and youth, 141 services and measures have been established to give them better opportunities in life. This means that close to 14 000 children have gained better access to social services and education, for example by enrolling in new pre-school activities, or attending new open youth centres and educational facilities. Around 7 200 people – many of whom are pre-school teachers and staff – have been trained to improve their skills in working with children and youth.

HELPING ABUSED CHILDREN THROUGH THEIR TRAUMA

Lithuanian authorities are learning from Icelandic experiences in providing integrated services to child victims of sexual abuse.

Children who have been victims of sexual abuse are both traumatised and vulnerable. It is therefore especially important that their journey through the legal system supports their recovery. The first of its kind in Lithuania, the new Support Centre for Child Victims of Sexual Abuse in Vilnius provides a safe space for victims where they receive psychological, medical, legal and social assistance. The centre is based on the Icelandic 'Barnahus' model which aims to prevent the children from being re-traumatised from being questioned by multiple people in different locations. Instead, all necessary proceedings take place in a friendly environment inside the centre, sparing the children from stressful experiences – such as having to appear in a courtroom – which can leave a heavy strain on their wellbeing.

Through the project, national guidelines have been prepared for more efficient child protection and to ensure children's representation in criminal proceedings. "This project has been a success. More importantly, it shows the potential for further improvement of the Lithuanian authorities' response to sexual abuse of minors and how to take preventative measures," says Bragi Gudbrandsson, General Director of the Icelandic Government Agency for Child Protection.

CAPACITY BUILDING

Working together leads to valuable exchange of experience and knowledge between institutions. This knowledge transfer is key to developing new solutions and strengthening human resource development. So far, the connections built through our Capacity-building programmes have resulted in over 4 700 staff receiving training which benefits them in their work.

Among these partnerships is a project run by the Romanian National Commission for Nuclear Activities Control (CNCAN) together with the Norwegian Radiation Protection Authority (NRPA). The project aims to strengthen Romania's capacity in nuclear and radiological safety, emergency preparedness and response. Through the project, several regulations in the field have been updated and 350 people have received training in nuclear safety and security, covering topics such as the transportation of radioactive materials and inspections. The project also resulted in a fullscale national nuclear exercise in Romania. The exercise, organised at the Cernavoda nuclear power plant, simulated several emergency scenarios and involved all relevant national and local authorities, as well as around 500 volunteers.



The project has not only benefitted nuclear safety in Romania. NRPA's participation has brought clear value to the organisation: "Getting to know each other personally is one of the most important benefits of the project. If we want to know something, we know who to call. They know who they're speaking with and they're more open to share information. They can expect the same approach from us; if they have any issue or a problem, they know they can count on us. This kind of trust-building is a long term effect – it's a relationship that will last much longer than the project itself," says Roland Kovacs, Senior Adviser at the Norwegian Radiation Protection Authority.

Over
4700
staff receiving training which benefits them in their work



CULTURAL HERITAGE AND ART COOPERATION

WHAT IS THE ISSUE

Cultural heritage and art are unique and irreplaceable resources: they are vital for Europe's social and economic progress. Europe's cultural diversity demands attention for cultural dialogue as means to strengthen social cohesion.

The historical value of Europe's rich cultural heritage is undisputed. As well as its intrinsic value, the cultural sector is a significant contributor to job creation and smart, sustainable and inclusive growth across the continent. The cultural sector employs 6.7 million people, or 3% of the European workforce.

Revitalising heritage has a direct impact on employment in sectors such as tourism. This brings long-term social and economic benefits, especially to local communities. However, in many of the beneficiary countries, numerous cultural heritage sites are in need of restoration and modernisation and the potential for

cultural exchange of artists and other cultural players is underutilised, according to the European Commission's Communication Towards an integrated approach for cultural heritage.³

Cultural heritage is a key resource for sustainable development and social cohesion. Developing a better understanding of the multicultural history of Europe – particularly in the current context of rising intolerance – is crucial for improving tolerance and countering discrimination. That is why reinforcing intercultural dialogue, diversity and exchange are important priorities in many countries.

In the EU there is a growing recognition that the cultural sectors are vital to economic and social development. The European Commission has decided to mark 2018 as the European Year of Cultural Heritage. The year will highlight activities that raise awareness about European history and strengthen a sense of belonging to Europe. This ties in with our aims and the aims of *The EU 2015 – 18 Work Plan for Culture* to stimulate the cultural and creative sectors, creative economy, innovation and to promote cultural diversity and mobility.

WHAT ARE WE DOING

We contribute to high quality preservation of European history and better access to cultural heritage both now and in the future.

We contribute to increased capacity to manage and restore monuments and sites. When restoring, renovating and protecting heritage buildings, we have emphasised the involvement of local communities in order to increase their sense of ownership. In some projects, local craftsmen have been trained in maintenance and restoration work, and in others local heritage conservation centers have been established.

Innovative reuse of heritage buildings that is useful to the local population, sustains the projects and increases people's appreciation of their cultural heritage.



¹ http://blogs.encatc.org/culturalheritagecountsforeurope//wp-content/uploads/2015/06/CHCfE_REPORT_ExecutiveSummary_v2.pdf

² http://ec.europa.eu/culture/policy/cultural-creative-industries_en

³ http://ec.europa.eu/assets/eac/culture/library/publications/2014heritage-communication_en.pdf.



Beneficiary country	Cultural Heritage - EEA Grants (€ million)	Contemporary Art - EEA Grants (€ million)	Cultural Heritage - Norway Grants (€ million)	Total
Bulgaria	13.3	0.7	-	14
Cyprus	0.6	-	-	0.6
Czech Republic	18.4	3	-	21.4
Estonia	4.5	-	-	4.5
Hungary	9.8	2.8	-	12.6
Latvia	9.5	0.6	-	10.1
Lithuania	9.5	0.6	-	10.1
Malta	0.8	-	-	0.8
Poland	60.2	11	10	81.2
Portugal	4	1	-	5.0
Romania	15.7	6.8	-	22.5
Slovakia	10.6	1.3	-	11.9
Slovenia	4.9	-	-	4.9
Spain	4.1	0.5	-	4.6
Total	165.9	28.3	10	204.2

€200 MILLION TO CULTURAL PROGRAMMES

The supported programmes in 14 countries contribute to greater awareness of cultural diversity and greater appreciation of citizens' cultural identity. Cultural history is documented, local communities are developed through greater access to cultural heritage and targeted reuse of restored heritage buildings. Cooperation is stimulated in the areas of both contemporary art and cultural heritage.

Conservation and Revitalisation of Cultural and Natural Heritage

- Restoration of cultural heritage assets
- Creative reuse of old or abandoned buildings for educational and cultural purposes
- Development and preservation of traditional skills
- Documentation of European cultural history, including that of minorities such as Jewish and Roma communities

Promotion of Diversity in Culture and Arts within European Cultural Heritage

- Promotion of contemporary and live arts, including music, dance, theatre and opera
- Reaching out to broader audiences and promoting cultural diversity
- Encouraging cooperation and dialogue between cultural institutions
- Organisation of film festivals, concerts and artist exchanges
- Collaboration between experts on conservation techniques

WHAT HAVE WE ACHIEVED

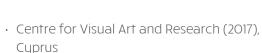
Many of our activities have been high quality cultural projects and we are proud to see that ten of the projects have received the prestigious EU Award for Cultural Heritage, the Europa Nostra Awards, over the past years. Two of these, *Polin - History of Polish Jews* in Warsaw and the Centre for Visual Art and Research in Cyprus were selected in 2017, and the Slovenian project, *In the same Boat - Young Guardians of Heritage* got a special mention (See box)⁴.

CULTURAL HERITAGE PROTECTED AND DOCUMENTED

Fifty-nine buildings of cultural heritage value have been restored or rehabilitated across the beneficiary states.

It is expected that income generated within the projects will be used to cover the costs associated with the sustainability of activities as well as the operational costs of restored monuments. Culture and Cultural Heritage at the Council of Europe⁵ states that renovated monuments usually bring more profit to other local enterprises and services.

TEN EEA AND NORWAY
GRANTS FUNDED WINNERS
OF THE CULTURAL HERITAGE
AWARD EUROPE NOSTRA:



- · Jewish Cultural Heritage project (2017), Poland
- In the same Boat Young Guardians of Heritage (2017), Slovenia (Special mention)
- · Mourela Plateau (2016), Portugal
- · Home for Cooperation (H4C) (2014), Cyprus
- · Linhas de Torres Vedras (2014), Portugal
- · Atjaro (Passage) Project (2014), Hungary
- · Chalet of the Countess Edla (2013), Portugal
- · Kuldiga District Museum (2013), Latvia
- · Liubavas watermill (2012), Lithuania

⁴ http://www.europeanheritageawards.eu/winners/

⁵ http://www.coe.int/en/web/culture-and-heritage/-/the-power-of-culture





1400 volunteers worked on events

LOCAL DEVELOPMENT

The support makes the positive effects of the culture sector visible in the economy, job development, and social cohesion. 6 000 jobs have been created as a result of our programmes in the cultural sector.

According to the Council of Europe, one new position indirectly creates 29 other jobs in the local economy.

These are encouraging numbers.

In Romania, approximately 1 064 people have been employed through the funded cultural projects that were implemented in 66 local communities, out of which 17 were categorised as poor communities. 1400 volunteers have worked on the events, providing them with valuable work experience.

We see greater employment opportunities and sustained jobs in remote areas, for example through cultural tourism. A wide range of activities linked to the renovation projects are now spurring on economic development and leading to long-term social and economic benefits.

14

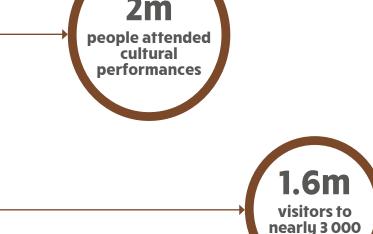
new museums and cultural facilities have been created, financed or developed

CONTEMPORARY ART AND CULTURE REACHING A BROADER AUDIENCE

Nearly 2 million people have attended cultural performances in Lithuania, Latvia, Poland and Portugal. In Poland alone, 2 856 cultural events were carried out with more than 1.6 million visitors.

Fourteen new museums and cultural facilities have been created, financed or developed. In Latvia and Spain, 92 000 individuals visited cultural heritage sites and museums. Over 3 000 cultural performances were held in the Czech Republic, Latvia, Poland and Spain.

In Slovakia, 11 buildings of cultural heritage value have been restored or rehabilitated and 4 cultural buildings and heritage sites have been opened to the public.



events



3 000 cultural performances

CULTURAL DIVERSITY AND INTERCULTURAL DIALOGUE

In line with EU objectives, we believe the cultural sector will contribute to enhancing people's quality of life and ensuring inclusive, sustainable and economic growth in Europe. We recognise that funding programmes which safeguard tangible and intangible cultural heritage and a stronger intercultural dialogue, can open new perspectives on how to define our cultural identity.

139 cultural diversity projects have been organised.
Sixty-two of these are intercultural projects. In Romania,
42 cultural diversity projects have been carried out.
Eleven of these are in the field of fine and visual arts and
19 projects concerned music and stage art. Twelve of
the projects were educational projects in art and culture.

In Hungary, 24 projects stimulating intercultural dialogue have been carried out.

139

cultural diversity projects have been organised

62

of these are intercultural projects

BILATERAL COOPERATION

The cultural and creative sectors flourish on the exchange of ideas and techniques. The Norwegian Directorate for Cultural Heritage and the Arts Council Norway are involved as donor programme partners in many of the cultural programmes.

Our bilateral mid-term evaluation confirms that attitudes and trust have increased, with more than 70% of respondents stating this had improved to a high or very high extent: "Stakeholders from both beneficiary and donor states confirm that they have experienced an increase in knowledge and mutual understanding of the partners' culture and socioeconomic environment (...), from being exposed to different practices and 'another way of doing things'."

The Kuldiga District Council in Latvia cooperated with Frogn municipality in Norway to overhaul the Kuldiga District museum, and to start a training centre for wooden architecture restoration that has spurred invaluable links with Frogn municipality in Norway. The cooperation has increased the District Council's understanding of how small municipalities organise their work and has built trust among the partners.

Programme area	Number of Projects	. , ,	Percentage of projects with partners from the donor countries
Cultural Heritage	211	82	38.9%
Contemporary Art	285	180	63.2%
Total	496	262	52.82%

*Partners include the Council of Europe



DIGITAL RESTORATION OF CZECH FILM HERITAGE

We supported the Czech National Film Archive in the biggest project of digitisation in the history of Czech film. Ten films have been restored, amongst them "Three Wishes for Cinderella", a Czechoslovak/East German fairy tale film from 1973. It is immensely popular in Norway at Christmas and in several other European countries. The Association of Czech Universities and Academy of Sciences "CESNET" and the National Library of Norway are partners of the project.

"It is important to digitise these films for several reasons. Old film material degrades. To ensure film heritage there is no way round digitisation," said Lars Gaustad, Preservation Advisor at the Norwegian National Library



We support efforts combatting antisemitism and protecting Jewish Cultural Heritage in Europe. One of the most successful projects has been the Jewish cultural heritage project at POLIN, the Museum of the History of Polish Jews in Warsaw. So far, 440 000 school children have taken part in educational activities both inside and outside the Museum or online. Other actitivities include student exchange visits, documentaries, seminars and virtual shtetls (small towns with large Jewish populations).

The Jewish cultural heritage project lead to extensive cooperation between Norway and Poland. The Norwegian Centre for Studies of Holocaust and Religious Minorities, the European Wergeland Centre, the Falstad Centre, and the Jewish museums of Oslo and Trondheim have shared best practices and their expertise in the development of this important project.





AN OPEN AIR MUSEUM DISPLAYING A HISTORY OF DIVERSITY

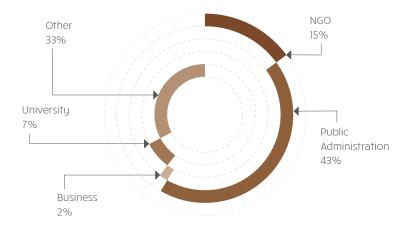
The Open Heritage project promotes educational activities and raises awareness about Romania's multi-ethnic cultural heritage. With support totalling €2.5 million, the ASTRA museum is now an important cultural centre for conserving the historical path of ethnic minorities such as Roma. Its vast open air museum exhibition has become the main arena for the museum's educational programme – Learning diversity. In cooperation with the Museum of South Trøndelag in Norway, it has designed programmes that focus on ethnic diversity, migration and changing traditions.

The open air museum reconstructs historical societies, showcasing the shared traits and influences of different ethnic groups that lived and worked together in Romanian villages. Visitors are granted physical access to history and are able to interact with craftsmen who provide them with hands-on cultural experience.

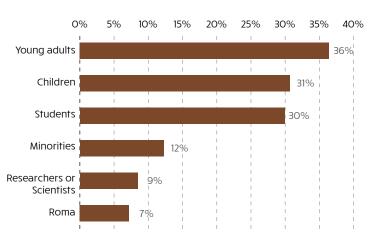
38 new jobs have been created so far, with a majority of academic positions. So far, the museum exhibition has reached 323.600 people, and the number of visitors to the museum increased by 21% from 2015 to 2016.

WHO HAS RECEIVED FUNDING

These organisations and institutions are benefitting from the EEA and Norway Grants:



Funding distributed by project promoter organisations. (Source: FMO)



Various target groups of the funding¹. (Source: FMO)

¹ A project may have 1 to 2 target groups. The accumulated total can therefore exceed 100%.





RESEARCH AND EDUCATION COOPERATION

WHAT IS THE ISSUE

Investment in research, innovation and education is the backbone of a competitive economy. With total funding of € 147.7 million, we help build an innovative and knowledge-driven Europe.

Economic growth is strongly linked to investment in research and development (R&D). This is clearly reflected in the EU-wide target on spending 3% of GDP on R&D by 2020. Despite progress, this goal is still far from being reached in many of the countries we work in. This is a particularly worrisome trend given that public investment in R&D is associated with high quality public research.

Although the current EU framework programme for research and innovation, Horizon 2020, saw an unprecedented increase of funding when it was set up in 2014, many of our beneficiary countries are being outperformed. In 2015, only 7.8% of signed grants under Horizon 2020 went to these countries.

This adds further strain on national budgets. It also denies the research organisations from these countries the opportunity to build international research competence, and join internationally renowned research networks, a key component in successful EU-applications.

Expenditure on research and development in 2015 (% of GDP)							
	2009	2010	2011	2012	2013	2014	2015
Czech Republic	1.3	1.34	1.56	1.78	1.9	1.97	1.95
Estonia	1.4	1.58	2.31	2.12	1.73	1.45	1.5
Greece	0.63	0.6	0.67	0.7	0.81	0.84	0.96
Hungary	1.14	1.15	1.19	1.27	1.39	1.36	1.38
Latvia	0.45	0.61	0.7	0.67	0.61	0.69	0.63
Poland	0.66	0.72	0.75	0.88	0.87	0.94	1
Romania	0.46	0.45	0.49	0.48	0.39	0.38	0.49

Source: Eurostat

A common challenge addressed in the Education and training 2020 strategy is the gap in skills and competence and the rapidly changing needs of a dynamic labour market. This affects both young people and adults, who become excluded from the work force as they do not have the required skills. At the same time, there are many jobs which remain unfilled due to lack of qualified personnel, impacting the growth of businesses and the economy. Making lifelong mobility a reality is also one of the key themes addressed in the strategy. The goal is to have 20% of higher education graduates and 6% of 18-34 year olds with an initial vocational qualification spending some time studying or training abroad by 2020.

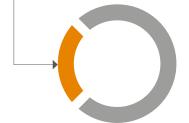
WHAT ARE WE DOING

We help build the research-based knowledge necessary for tackling the various challenges faced by today's society. Through the six research programmes, we support both basic and applied research in fields such as environment and renewable energy, health, and social sciences and humanities. An emphasis is also placed on adapting to the rapidly changing needs of the dynamic labour market. This is evident in the eleven scholarship programmes where we focus on boosting the quality of education at all levels by increasing its relevance for the individual, society and the workplace. This includes activities such as developing joint modernised curricula and teaching methodologies, supporting equal access to education, and building capacity through the exchange of staff and students.

Research	Research Cooperation (€ million)							
	EEA Grants	Norway Grants	Total Funding	Number of projects	Projects with donor partners (% of total)			
Czech Republic	-	14.5	14.5	24	100			
Estonia	-	3.0	3.0	13	100			
Greece	3.0	-	3.0	18	38.9			
Latvia	-	4.5	4.5	11	100			
Poland	-	63.2	63.2	109	68.8			
Romania	20.0	-	20.0	23	100			
Total	22.0	OF 2	100.2	100	77.2			

Spain	3.9	-	3.9	60.1
Slovenia	0.6	1.2	1.8	32.7
Slovakia	1.9	-	1.9	72.5
Romania	4.5	-	4.5	16.7
Poland	5.0	10.0	15.0	56.2
Lithuania	1.4	-	1.4	86.0
Latvia	0.5	0.5	1.0	
Hungary	3.0	-	3.0	33.6
Estonia	0.6	1.0	1.6	30.
Czech Republic	0.3	3.5	3.8	4.
Bulgaria	1.5	-	1.5	42.
	EEA Grants	Norway Grants	Total Funding	Funding to institu tional cooperation (% of total





1/3
of research projects are
devoted to renewable
energy and climate change



¹ European Commission: Horizon 2020 Monitoring Report 2015.



area.

With over

allocated, the Polish-Norwegian research programme is one of the largest bilateral research programmes in the world

WHAT HAVE WE ACHIEVED

RESEARCH

STRENGTHENED COOPERATION: JOINING FORCES FOR A MORE COMPETITIVE EUROPE

Over 1500 researchers in 594 institutions are working together through our research programmes. These partnerships have resulted in 578 internationally refereed scientific publications developed together by institutions from the donor and beneficiary countries. Transnational cooperation such as these is among the key factors for achieving an integrated European Research Area (ERA) - an internal market for research. This is why we place a large emphasis on connecting institutions and enhancing their research competence, in order to address joint challenges. With over €75 million allocated, the Polish-Norwegian research programme is one of the largest bilateral research programmes in the world.

BUILDING LONG-TERM RELATIONS

knowledge and technology developed by

This results in a competitive scientific and

technological basis that benefits the whole

these researchers also circulates freely.

Although the majority of the projects are still running, there is evidence of long term relationships being formed. Of the projects that have been officially completed, 57% have indicated that they plan to continue their cooperation, such as by applying for Horizon 2020 funding.

Location of I in research p	Norwegian partners projects¹	Location of Icela in research proje	•
Oslo	21	Reykjavik	
Trondheim	5	Egilsstadir	
Lillehammer	1		(
Kristiansand	2		
Kjeller	1		
Ås	2		
Bergen	5		
Gjøvik	1		
Svalbard	1		
Stavanger	3		
Hamar	1		
Drammen	1		
Tromsø	6		
Halden	1		
Kongsberg	1		
Porsgrunn	1		
Sogndal	1		
Førde	2		
Bodø	1		
Bø,Telemark	1		
Bærum	1		
Total	59		

RESEARCH PROJECTS WITH PARTNERS FROM ICELAND AND NORWAY

Iceland		
	4" 4"	Norway
5		
3	20	75

Poland

Romania

2 Institutions can be partners in one or more projects.

Environment

- · Lower noise pollution with a new type of tyre
- · A new cost-efficient method for treating wastewater

Energy and climate change

- Development of a small wind turbine optimised for low winds
- Exploration of the effects of climate change on biodiversity in the Arctic

Gender equality

- Exploration of gender equality and work-life balance in the Greek labour market

EXAMPLES OF RESEARCH FUNDED THROUGH THE GRANTS

Health · Discovery of new healthy grains for cereals New patient-friendly cancer examination · Study of the factors behind gender inequality in top academic positions

APPLICATION OF RESEARCH RESULTS

Supporting applied research and creating joint solutions that solve common problems is an essential part of our programmes. Among our projects is a collaboration between Gdansk Technical University and the Norwegian Foundation for Scientific and Industrial Research. The two institutions have worked together to reduce noise pollution from older vehicles by using tyres with lower rolling resistance.

"In addition to creating closer ties between Norwegian and Polish research institutions, the project has also produced important research for projects aiming to make road surfaces more environmental friendly," says Dr Jerzy Ejsmont from Gdansk Technical University who notes that the project findings are already being used in two major EU initiatives aiming to improve road surfaces in Europe.

BRINGING TALENT TO THE JOB MARKET

People with disabilities often face discrimination when applying for jobs. In Hungary, one in five of working-age (15-64 years) people are at risk because of a long-standing health problem or disability, a number significantly higher than the 16% EU average.³ The Corvinus University of Budapest and the Norwegian Federation of Service Industries (NHO) have worked together to increase their employment opportunities and boost awareness of the benefits of diverse workplaces. Through the first extensive mapping exercise of the Hungarian labour market, the team was able to gain valuable knowledge and document best practices. The result is a collection of teaching and training materials for higher education institutions and company training programmes - benefitting universities and businesses in both countries.

"This project is of great interest for us in Norway. Based on this, we are going to make two types of courses, one will be a two-hour course directed at HR managers and top leaders, and the other a one-day course developed together with the Norwegian Business School."

Paal Haavorsen, Project leader at the Norwegian Federation of Service Industries



EDUCATION COOPERATION

STRONGER INSTITUTIONAL COOPERATION

Institutional cooperation in all levels of education between the beneficiary states and the donor states has played a key role in the success of the scholarship programmes. The beneficiary countries have seen higher interest among applicants in institutional cooperation and staff mobility than student mobility. This has resulted in 1090 joint activities, which is almost twice the defined target.



good practice handbooks and guidelines developed

448

joint papers, articles and publications published

summer schools and intensive courses organised

teaching aids and methodologies developed

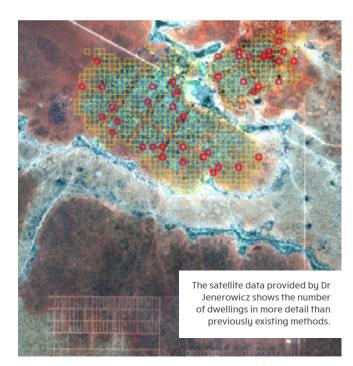
seminars, conferences and workshops organised

3 (CSO, 2012).

494
PhDs and postdoctoral students supported

STRONGER RESEARCH CAPACITY

People are one of the most valuable resources we have. By involving masters students, PhD and postdoctoral students in well-established research networks early on, we give them an opportunity to gain international experience, take on roles of responsibility and widen their networks. All of this helps them build their skills and increases the chances of them staying in the research field in the long term, leading to a strengthened research capacity and knowledge-base in the sector in Europe. So far, 494 PhDs and postdoctoral students have been supported through the programmes.



SAVING LIVES WITH SATELLITES

A PhD student in Poland has developed a new tool helping humanitarian aid agencies in their emergency response

When natural disasters and other emergencies hit, decisions do not only need to be made fast - they also need to be accurate. This is where easy access to high-quality information can make a real difference. Polish researcher Dr Mallgorzata Jenerowicz is using satellite data to provide detailed information about individual dwellings in refugee camps, making it easier to determine the total population of displaced people gathered in the camps. The result will be an application ready to use by the EU and other humanitarian aid agencies in their relief operations.

Dr Jenerowicz completed her PhD in November 2016 and wrote her thesis on the project. She is one of the many PhD students receiving support through the Grants. She is likewise one of the 63 female researchers leading a project under the Polish research cooperation programme.

3 729 students, teachers and staff have gone on exchanges and study visits with the Grants

- The exchange of teachers and staff results in the exchange of knowledge and best practices, publications, and new practices.
- The exchange can be a door opener for further collaboration between institutions, potentially leading to future partnership projects or student exchange.
- With a relatively high grant we offer students to go on exchange to Iceland, Liechtenstein and Norway irrespective of their financial background.
- During the two-years of activity in Spain, one third of all Spanish students going on exchange to the donor countries did so with our funding.
- Students who go on exchange increase their employability through stronger personal and professional skills, and broadened horizons.

	Host country of students and staff														
		Bulgaria	Czech Republic	Estonia	Spain	Hungary	Latvia	Iceland	Liechtenstein	Norway	Poland	Romania	Slovakia	Slovenia	Total
	Bulgaria	-	-	-	-	-	-	49	20	150	-	-	-	-	219
ŧ	Czech Republic	-	-	-	-	-	-	15	7	219	-	-	-	-	241
d staff	Estonia	-	-	-	-	-	-	-	-	228	-	-	-	-	228
s and	Spain	-	-	-	-	-	-	35	1	247	-	-	-	-	283
students	Hungary	-	-	-	-	-	-	33	10	93	-	-	-	-	136
of stu	Latvia	-	-	-	-	-	-	15	-	133	-	-	-	-	148
origin c	Iceland	-	-	-	9	13	6	-	-	-	58	15	16	15	132
of ori	Liechtenstein	-	-	-	-	-	1	-	-	-	6	10	1	-	18
try o	Norway	-	2	44	64	27	27	-	-	-	187	47	21	25	444
Country	Poland	-	-	-	-	-	-	182	13	749	-	-	-	-	944
	Romania	-	-	-	-	-	-	137	22	277	-	-	-	-	436
	Slovakia	-	-	-	-	-	-	14	2	29	-	-	-	-	45
	Slovenia	-	-	-	-	-	-	162	48	245	-	-	-	-	455
	Total	-	2	44	73	40	34	642	123	2370	251	72	38	40	3729



GREEN INDUSTRY INNOVATION

WHAT IS THE ISSUE

To address climate change and foster innovative growth, Europe needs to unite and commit to a greener economy – both locally and through international cooperation.

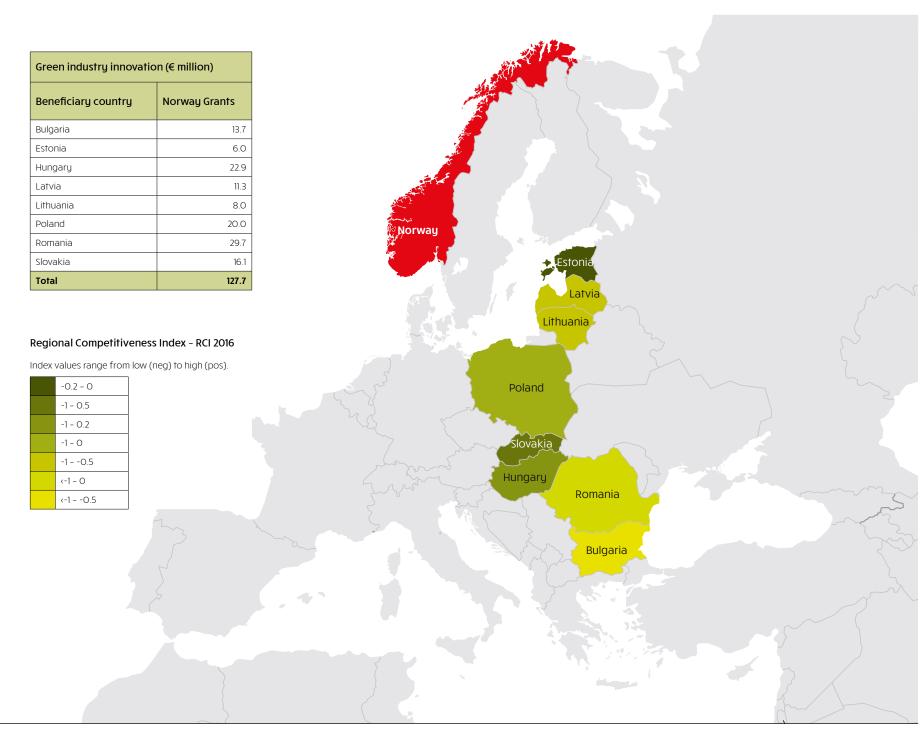
A greener economy introduces a way to generate economic growth that is inclusive and more environmentally sustainable. To achieve this, all European countries need to be on board – introducing policies and creating enabling conditions for companies to innovate and 'go green'.

The need to go green has become widely recognised as a key enabler of competitiveness, productivity and sustainability. However, there is still a general lack of available funding for the private sector to support innovation and enhance the green credentials of businesses.

The European Union highlights the greening of industries and investments in green and innovative technologies as instrumental in moving towards a greener and more competitive economy, and commits all EU

countries to meet ambitious targets on climate, energy efficiency and innovation.

Through the Regional Competitiveness Index, the EU works to assist European regions in measures to further increase their competitiveness. Measured by their ability to offer an attractive and sustainable environment for businesses and citizens to live and work, the 2016 index shows that the strong capital and metropolitan areas – mainly in Northwestern Europe – are the main drivers of competitiveness in Europe. Compared to the two previous editions, competitiveness has mostly remained stable in Eastern Europe, reinforcing the need for efforts to support and boost innovation and economic performance.



76 - Thematic Section

¹ European Commission: Regional Competitiveness Index 2016.

WHAT ARE WE DOING

Norway supports programmes that promote increased competitiveness of green enterprises in eight countries in Europe – Bulgaria, Estonia, Hungary, Latvia, Lithuania, Poland, Romania and Slovakia.

The eight programmes on green industry development, innovation and entrepreneurship provide funding to companies that develop environmentally friendly products, services and technologies, and encourage eco-innovation and develop green business opportunities. The programmes are mainly focused on businesses, but as there are high levels of variation within the countries themselves caused by different

challenges, needs and priorities, the focus of the programmes vary from country to country.

Through the programmes, we support innovation on all levels: at company, regional, national and international level. While some projects support entrepreneurial activities, others fund new ideas and initiatives within already established companies.

The programmes are closely aligned with the objectives of Europe 2020 and the 2030 Climate and Energy Framework.

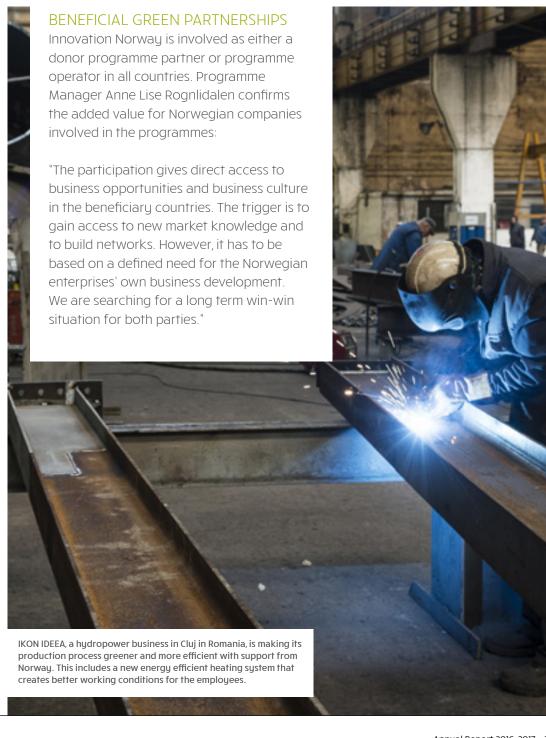
Who are the beneficiaries?	Number of projects	Total funding (€ million)	% of projects	% of project grant
NGO	16	2.6	5.9	2.2
Microenterprise	45	13.6	16.7	11.6
SME	149	69.1	55.4	58.6
Large enterprise	52	27.9	19.3	23.6
Other	7	4.8	2.6	4.1
Total	269	118.0	100	100

WHAT HAVE WE ACHIEVED

The results achieved from the programmes so far come in many forms and in many areas, but they all contribute towards the objective of going green and supporting innovation and business development. We see joint venture setups, better supply chains and improved production processes and income – as well as reductions in production of waste and reduced emissions.

The challenge of going green is that even a good idea only has a limited probability of success. Competition is fierce, margins are low - and the success rate of new innovations is normally as low as 10-40%. Thus, two successfully developed projects out of ten is very good.

The grants provided by us are usually lower than 50% of the project costs, meaning that each euro provided through the Grants normally releases the same amount of private capital to the projects.





TEAMING UP WITH NORWEGIAN COMPANIES

In the efforts to 'go green', our programmes are building on the experience and expertise of private and public bodies from Norway. A substantial part of the funding has been focused on building partnerships between the beneficiary countries and Norway. Out of the 269 projects supported, 115 are being carried out with Norwegian partners.

Mutual benefits of working together

Bringing people and institutions in Norway and the beneficiary countries together contributes to creating improved knowledge, trust and mutual understanding that add value to the cooperation taking place within the programmes and the work laid out to achieve common goals.

The benefits of working together are joint: for entities in the beneficiary countries it means being introduced to knowledge and expertise from their Norwegian counterparts, and gaining direct access to new markets, business opportunities and business culture in Norway. For Norwegian companies, the cooperation is an important door opener to international markets

and supply chains. In addition, it builds important cooperation and cultural understanding between Norway and the beneficiary countries.

The partnerships may lead to further cooperation beyond our programmes. This includes plans for further cooperation within EU programmes like Horizon 2020 and other European funding schemes, as well as concrete plans to continue to work together through joint business ventures. In Estonia, ICD Industries Estonia and LDI Innovation have worked together with the Norwegian partner ICD Software AS to develop a new laser technology that detects oil spills in water. The cooperation resulted in the setting up of a joint venture called 'Ocean Visuals'.

WORKING TOGETHER

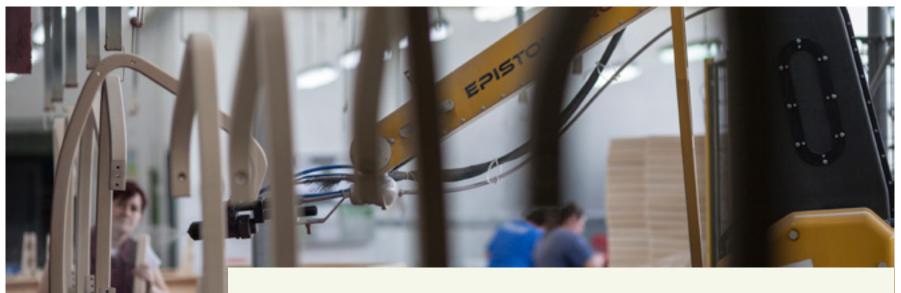
Through the Grants, people and organisations in Norway and the beneficiary countries are given the opportunity to forge ties and work together. 115 of the 269 projects supported are being carried out with a Norwegian partner.

The Norwegian partners come from across Norway, with more than half located in the area of Oslo and Akershus and Sør-Trøndelag. We are working to encourage stronger participation from other parts of Norway in the funding period 2014-2021.

Beneficiary country	Number of projects	Number of projects with a partner from Norway	%
Bulgaria	31	23	74.2
Estonia	55	11	20.0
Hungary	42	21	50.0
Latvia	40	10	25.0
Lithuania	13	5	38.5
Poland	28	8	28.6
Romania	54	32	60
Slovakia	6	5	83.3
Total	269	115	42.7



80 - Thematic Section



The production of the Tripp Trapp[®] chair has now become greener with



DO YOU KNOW THE INGENIOUS TRIPP TRAPP® CHAIR?

The iconic chair was invented by famous Norwegian designer Peter Opsvik and launched by the Norwegian company Stokke in 1972.

It is still as relevant and innovative as it was forty-five years ago. One of the suppliers of Tripp Trapp[®] for Stokke is the furniture production company Sortilemn SA in Romania. With €268 000 in support from us, the company has been able to update the equipment and technology used when producing furniture for Stokke. New and modern machines have improved the finishing line and quality of the chairs, increased the company's production capacity and lowered the utility costs and the amount of manufacturing waste. This has reduced the product defect rate from 7% to 2.86% of the total output. Improved finishing line has reduced the drying time of lacquer from 90 minutes to 52 minutes – enabling up to 42% capacity increase. An additional benefit is the improved working conditions in the production facilities as a result of reduced dust emissions in the air.

The project has drawn on the expertise of Stokke on how to create greener and more sustainable production processes:

"Sortilemn in Romania is a big supplier for Stokke, and it is important for us that they meet the standards for environmental sustainability. With the new technology, this is now the case. This also ensures more predictable production processes – and better quality products," says Olai Storheim, operation manager at Stokke.

REDUCING PRODUCTION OF WASTE AND EMISSIONS

Reducing production of waste and minimising emissions and energy consumption is an important part of our programmes. By supporting greater use of environmentally friendly technologies, we ensure better systems for material and waste management and reduced waste production.

In Hungary, we have supported 27 technologies for hazardous waste management. From January 2015 to July 2016, the Romanian programme contributed to reductions in greenhouse gas emissions equivalent to 110 121 tonnes. This equals emissions from 51 331 Norwegian passenger cars. In Slovakia, the estimated renewable energy production through the programme is expected to be 266 388 MWh/year.

RUNNING MORE EFFICIENTLY WITH LESS WASTE

With support from us, the Bulgarian furniture producer Valiyan has been able to invest in new machinery, contributing to increased production capacity and reduced production of waste.

Located in Sofia, the company designs and produces interior furniture. During the previous years, 80% of their production was sold on the European market. With the new machines, the company has been able to rationalise the production process and reduce the production of waste, energy consumption and emissions:

"In 2014 and 2015 we produced about 6 000 tons of waste. In 2016 this was reduced by almost 50%," explains company owner Yankul Yankov. The reuse of the wood waste has also contributed to reduce the company's energy consumption by about 30%. CO2 emissions have been reduced by 20-25% thanks to the project.

CREATING GREEN JOBS

Through our programmes for green industry innovation, 676 new green jobs have been created. 357 of these jobs are located in Romania. The geographical distribution is balanced, with jobs evenly spread all over the country. 139 of the jobs are located in Bulgaria, with the remaining jobs spread across Hungary, Latvia, Poland and Slovakia.

Generating jobs is beneficial for the local societies. In Poland, the company Motoplast produces plastic parts for buses and trams. With funding from Norway, the company has been able to expand into new markets, including Norway, and create 18 new green jobs. The green industry innovation programme is expected to generate around 100 new jobs in Poland in total.

In Romania and Bulgaria we've worked to create opportunities for people from underrepresented and vulnerable groups, including female entrepreneurs and disabled people that struggle to access the labour market. 202 Bulgarian companies have been trained in corporate social responsibility and how they can contribute to the societies they are located within.

MAKING USE OF E-WASTE

The vast use of personal computers, laptops and tablets creates a great amount of electronic waste containing valuable elements and rare metals that can be recycled.

Unfortunately, this is rarely the case in Romania. Through the Romanian project "W.I.S.E. W.E.E.E", e-waste is now being recycled. Four new jobs have been created for people in vulnerable situations. The work programme fosters sustainable professional integration for the employees and better enables them to re-integrate into society.

"The employees undergoing the work integration programme at Ateliere Fara Frontiere are motivated people who, despite having a disadvantaged start to life, making it difficult for them to find and keep a job, are working to rebuild their lives and overcome obstacles, discrimination and difficulties," says Patrick Ouriaghli, director of Ateliere Fara Frontiere.

The project was carried out in close collaboration with its Norwegian partner, SINTEF Energy Research:

"The work done by the employees – retrieving valuable material – is important and valued, and it is nice to see that they themselves feel more appreciated and that they really make a difference, "says Eivind Johannes Øvrelid, research director at SINTEF.

REALISATION OF BUSINESS OPPORTUNITIES

Searching for partners and suppliers in new markets is both time-consuming and represents a risk. For companies exploring new business markets and partners abroad, our programmes can function as a strategic tool for risk reduction. Shared financial security and access to local knowledge through project evaluations are key for companies seeking new business opportunities. Through our programmes, companies in both Norway and the beneficiary countries have been introduced to new markets and supply chains.

An example of this is the project run by Renergi Sp.z. o.o. in Poland and the Norwegian partner Renergi AS. As a result of the project, the Polish company has adopted a Norwegian-developed technology to be used in Polish coal power stations. The combustion catalyst reduces the consumption of fuel and improves the efficiency of the combustion. Through the project partnership, the Polish company gained direct access to their partner's expertise and knowledge when testing and introducing the new product. For the Norwegian company, this was a good way of introducing and demonstrating their technology to new markets.

MORE USE OF ENVIRONMENTALLY FRIENDLY TECHNOLOGIES

By investing in new, modern and environmentally friendly technologies, companies become more competitive, efficient and profitable. Through our green programmes, we work to encourage more widespread use of environmentally friendly technologies.

With our support, 66 new environmental technologies have been commercialised across the beneficiary countries. 73 green services and products have either been developed or improved. Both entrepreneurs and well-established companies are testing out new ideas. In Estonia alone, we've seen the successful development of 27 new environmental technologies. 31 technologies have been adapted for use in new areas.

In addition to the obvious environmental benefits – reduced pollution to air, water and soil, and energy saved – greater use of environmental friendly technologies ensures better systems for material and waste management and reduced waste production.





ESTONIAN TICKET SALES SYSTEM TO NORWAY

Estonia is recognised as one of the most advanced e-societies in the world.

One of our supported projects has developed a management software system - Public Ticket - for the purchase, sale and management of tickets. The system is a one stop shop system for ticket sales aimed at companies providing public transportation - allowing them to digitally communicate with their customers.

Through partnership with the Norwegian company Nerikska AS, public transportation companies in Norway and Sweden were introduced to the sales system. This resulted in Nettbuss, Scandinavia's biggest coach company, buying 15% of T Solutions – the company behind the project. Nettbuss will introduce the system on all Norwegian express routes by the end of 2018.

"We are very happy with having bought a stake in the company, and we look forward to introducing the system in Norway – first as a pilot project, and then as a full-scale system. With their technical skills and our operational capabilities, we benefit from each other," says Ståle Nistov, the CEO of Nettbuss.

INTRODUCING NEW AND INNOVATIVE TECHNOLOGIES

• Green wallpaper is big business

Most wallpapers are produced from polyvinyl chloride (PVC) – a material that has a negative impact on the environment. Through scientific research, a company in Lithuania has succeeded in creating a new base for wallpaper paint that is 100 % ecological and contains no plastic or plasticiser. The wallpaper is the only environmentally friendly wallpaper in the world, and is so far sold to eight companies in Europe.

New generation of IT solutions

In Estonia, Skeleton Technologies (ST) is developing revolutionary technology which reduces fuel and battery consumption in trucks and saves energy. Two different types of technologies have been developed: an engine starting module (ESM) for trucks and other vehicles and a 160V module to store braking energy to use for later acceleration. While the latter reduces the fuel consumption of trucks by up to 25%, the ESM reduces fuel consumption and extends the lifetime of batteries. The project has drawn on the expertise from their Norwegian partner – NXTech AS.

Innovative software solution

Together with NTNU and Kongsberg Terotech from Norway, InterConsult Bulgaria (ICB), has developed and tested an innovative system – Green Monitor - that monitors the maintenance of industrial machines in a more cost-effective way.

"With better monitoring, machines consume less energy – making the production process more efficient," explains Stoian Boev, Managing Director at ICB and project manager.

With Green Monitor in use, companies can reduce energy consumption, wasted material, consumption of oil and cutting fluids and the number of hours spent on maintenance.

· Oil Spill Detection System

The Green Monitor has been

European IT award in London.

presented at several conferences, and has also been awarded a

In cooperation with the Norwegian company ICD Software AS, ICD Industries Estonia and LDI Innovation have worked to develop an integrated sensor system and software that detects oil spills in water. The laser sensors can efficiently detect oil spills in water, enabling decision-makers to respond quickly. The laser is already in use along the coast of Norway on the vessel Hurtigruta Ms Midnatssol.



JUSTICE AND HOME AFFAIRS

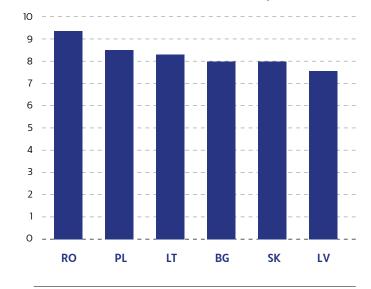
WHAT IS THE ISSUE

Norway contributes €150 million to enforce the justice chain in 11 beneficiary countries. We strengthen the judicial systems and improve conditions in the correctional services. We also support programmes on asylum and migration, Schengen and cross-border crime, and domestic and gender-based violence.

A well-functioning justice system is fundamental in a democratic society based on the rule of law. The police, the judiciary and the correctional services must guarantee basic human rights and basic freedoms, as well as protection from violence and discrimination. A predictable and transparent legal environment also stimulates investment, trade and economic growth. A fair and effective justice system is important for reducing disparities¹.

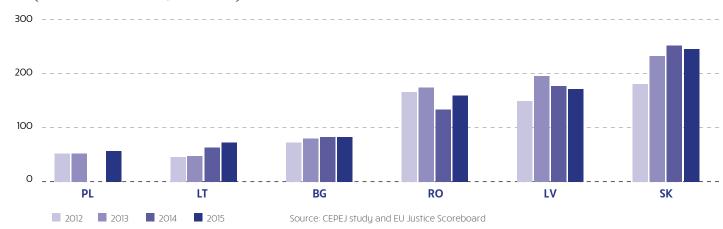
The independence of the courts and the efficiency and quality of the judicial system are crucial in any democracy. The European Commission for the Efficiency of Justice (CEPEJ)² points towards a number of shortcomings and obstacles on the way to more efficient and high-quality European judicial systems. These are challenges faced by all members of the European Union and the Council of Europe – of which all EU/EEA EFTA countries are members.

JUDGES' PERCEPTION OF INDEPENDENCE (HIGHER VALUE MEANS BETTER PERCEPTION)³



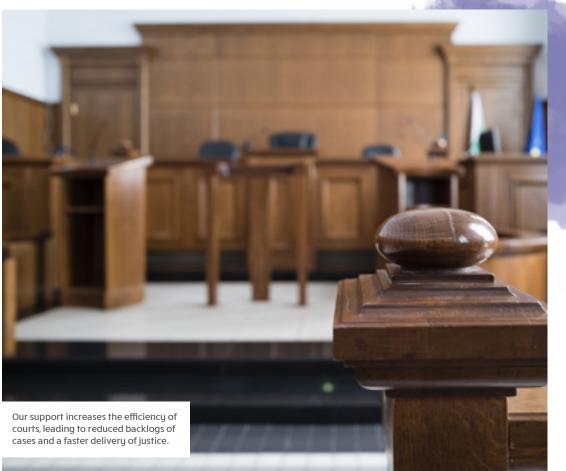


TIME NEEDED TO RESOLVE CIVIL, COMMERCIAL, ADMINISTRATIVE AND OTHER CASES (FIRST INSTANCE/IN DAYS)



^{1 &#}x27;The Economic Impact of civil justice reforms', Economic Papers, DG Ecofin 2 http://www.coe.int/t/dghl/cooperation/cepej/default_en.asp

³ European Network of Councils for the Judiciary's (ENCJ) survey



Judicial capacity-building and cooperation (€ million)Beneficiary countryNorway GrantsBulgaria3.1Croatia3.6Czech Republic2.5Lithuania7.7Poland14.0Romania8.0Total38.8

WHAT ARE WE DOING

JUDICIAL CAPACITY-BUILDING AND COOPERATION

Lack of trust in the judiciary is a widespread phenomenon in many of the countries we work in. Increasing the efficiency of justice can help restore trust in the system. The focus of the programmes in this area is competence building, training of judges, upgrading case-handling systems, and providing legal aid and legal information to vulnerable groups, all with the aim of making the judicial system more efficient and accessible.

We support efforts to make courts more efficient and more accessible through improving court registries and training of legal professionals. Assistance is offered to victims and witnesses during court procedures and systems for resolving disputes out of court.

CORRECTIONAL SERVICES

The Council of Europe has highlighted 'chronic prison overcrowding' and the resulting poor conditions as a major issue of concern. Norway cooperates with some of the countries with the highest prison populations in the EU. We have a strong focus on the rehabilitation of prisoners to help ensure that, once out of prison, they no longer become involved in criminal activity.

We support programmes on correctional services, including alternatives to incarceration in Bulgaria, Czech Republic, Latvia, Lithuania, Malta, Poland and Romania. Each programme, while sharing the same overall objective, is tailor-made to align with national needs and wider EU and donor country priorities. "Increasing the use of alternative sentences does not necessarily lead to higher crime rates but can help to reintegrate offenders and tackle overcrowding," says Council of Europe Secretary General Thorbjørn Jagland.

⁴ http://www.coe.int/en/web/prison/-/latest-council-of-europe-annual-penal-statistics-space-just-published

Correctional services, including non-custodial sanctions (€ million)			
Beneficiary country	Norway Grants		
Bulgaria	8.		
Czech Republic	2.		
Latvia	13		
Lithuania	7.		
Malta	1		
Poland	13.		
Romania	8.0		
Total	53.		

DECREASED PRISON POPULATION

Latvia, Lithuania and Romania have increased the use of alternative sanctions to incarceration and thus reduced overcrowding in prisons.

In Latvia the prison population was reduced by **2 331** persons during 2012-2016 from **6 561** inmates to **4 230** inmates.

In Lithuania the prison population was reduced by **2700** persons (31.3%) during 2013-2016.

In Romania the prison population was reduced by **4 362** persons during 2012-2017 from **31 817** to **27 455**. The rise in the probation population is **120%** since 2014.

Country	Total number of inmates (including pre-trial detainees)	Prison population rate per 100 000 inhabitants	Total capacity of penal institutions	Prison density per 100 places
Bulgaria	7 583	106.0	10 296	73.6
Croatia	3 341	79.7	4 022	83.1
Cyprus	654	77.1	672	97.3
Czech Republic	20 866	197.7	20 782	100.4
Estonia	2 768	210.3	3 322	83.3
Latvia	4 399	223.4	5 852	75.2
Lithuania	8 022	277.7	9 399	85.3
Malta	-	-	-	-
Poland	70 836	186.6	87 395	81.1
Romania	28 642	144.9	28 285	101.3
Slovakia	10 087	185.9	11 184	90.2

WHAT HAVE WE ACHIEVED

JUDICIAL CAPACITY-BUILDING AND COOPERATION

STRENGTHENING THE SKILLS OF PROFESSIONALS

262 000 judges, magistrates, legal professionals, prosecutors, police, prison staff and administrative staff have been trained within the justice sector in Romania, Bulgaria, Poland, Lithuania, Latvia, the Czech Republic, Cyprus and Estonia. This includes training in human rights, management, job and language training for prison guards, training in psychotherapy for professionals providing expertise in prison, training of judges in the use of alternatives to prison, and training of judges on the correct application of human rights in their judgments.

PROVIDING LEGAL AID TO THOSE IN NFFD

More than 36 000 people in Bulgaria, Lithuania and Poland have received assistance or legal advice. In Bulgaria, telephone hotlines have been established offering legal assistance, and two legal aid offices have been established in communities with a significant Roma population. In Poland, 16 legal aid offices have been established, which provide free legal aid to victims of crime. In Lithuania, witnesses and victims are being prepared before court proceedings.

A MORE EFFICIENT JUDICIARY

The quality and efficiency of the Croatian judicial system is being strengthened by bringing its practices in line with European standards.

Key challenges in the Croatian judicial system are long court procedures and a significant backlog of cases. The unreasonable delays in court proceedings violate the right to a fair trial within a reasonable time as protected by Article 6 of the European Convention on Human Rights. The Ministry of Justice of the Republic of Croatia and the European Commission for the Efficiency of Justice (CEPEJ) conducted a project funded by Norway to create a more stable and efficient judicial environment.

The project introduced time-management and other relevant CEPEJ tools for strengthening the judicial system in all 24 newly established municipal courts in Croatia. The tools are designed to improve time management and have been widely used across Europe. This helps ensure a quick and fair sentencing.

"The cooperation and expertise of the CEPEJ has not only led to a greater transparency regarding work results, but also to a more positive atmosphere among judges to achieve the set goals despite obstacles," says President of the Municipal court in Karlovac, Tomislav Maras.

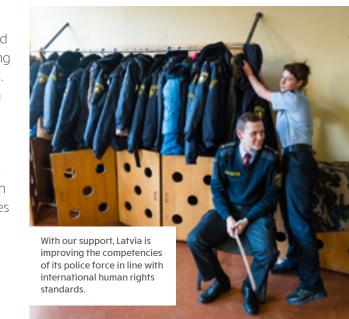
CORRECTIONAL SERVICES

We have reduced overcrowding in prisons, improved prison conditions by renovating prison facilities, trained prison staff and provided education, vocational training and rehabilitation for prisoners and vulnerable groups.

1 113 prison places have been created and renovated in line with international standards. 17 000 inmates have received education and vocational training in prison.

More than 1 000 inmates have benefitted from alternatives to prisons, such as electronic monitoring, community service, courses for drunken drivers and supervision on parole. Training centres for the Correctional Services in three countries were renovated and teaching methods upgraded, offering for instance e-learning courses. As a result, more than 35 000 prison guards received training to improve their competences.

In Bulgaria, more than 1000 magistrates and experts were trained on the correct application of the European Convention on Human Rights. 9 judges were seconded for a term of 8-12 months at the European Court of Human Rights (ECtHR) and 159 experts were seconded for a shorter term. The website, humanrights.bg is the first of its kind and was established so judgements and decisions from the ECtHR can be published in Bulgarian. The competence of Bulgarian judges to apply the European Convention on Human Rights has been increased, resulting in less cases being appealed to the European Court of Human Rights. Training on human rights and anti-discrimination among police officers has led to less cases of reported police abuse.



60 000 people following alternatives

to incarceration in Bulgaria, the Czech Republic, Lithuania, Latvia, Poland and Romania.

In Poland the use of alternative sanctions to incarceration was increased by 22% during the programme implementation period. The number of offenders that were sentenced to alternatives to incarceration was 33% in 2014, while in 2016 the number had risen to 55%. A big factor in this change is training of judges to increase their knowledge of the existence of such measures and how to apply them.





INTRODUCING ALTERNATIVES TO IMPRISONMENT

The Latvian Probation Service are exploring alternatives to prison that can contribute to successful rehabilitation and lower the number of inmates in Latvian prisons.

With one of the highest imprisonment rates in Europe, Latvian prisons are characterised by severe over-crowding and bad conditions. This undermines attempts at rehabilitation and can increase the risk of re-offending.

The Latvian state Probation Service has been working with three Norwegian partners - Ila Detention and Security Prison, Norwegian Mediation Service and Oslo Probation Service - to develop alternatives to imprisonment, introducing new methods of training for prison staff and establish specific programmes for juvenile offenders. In many European countries, the use of electronic monitoring has become an accepted alternative to a custodial sentence. The project is the first of its kind in Latvia.

"We mandate electronic monitoring for inmates who have served most of their prison sentence already, and we consistently use it as a mean to prepare them for release and life after prison," says Imants Jurevičius from the State Probation Service.

84 prisoners have taken part in the electronic monitoring programme.



The core philosophy is to run a prison in a humane manner, with a continuous focus on ensuring dialogue between staff and inmates. With this project, we are writing Romanian prison history. We hope that this project will contribute to a change of culture in Romanian prisons.**

Arne Kvernvik Nilsen, former governor of Bastøy Prison

A MORE HUMANE PRISON

Inspired by the renowned Bastøy Prison in Norway, Romanian authorities have established their own human ecological prison along the same lines. The Norwegian Correctional Services have provided knowledge and best practices.

Former inmates often face challenges like unemployment, lack of housing and social stigma. The reoffending rate during the two first years after prison release in Romania is about 40%.

Romania and Norway have been working together to establish a human ecological prison along the lines of Bastøy in Romania. The Norwegian low-security prison is hailed as the first human ecological prison in the world, and the reoffending rate is at 16%, the lowest in Europe.

Bastøy is based on an ecological detention system.

An objective behind the project in Tulcea Prison is to facilitate the reintegration process, and provide at least 100 prisoners - most of them Roma - with skills that can increase their prospects of a better life after release from prison. An important effect is the humane conditions under which the prisoners live in.

"The core philosophy is to run a prison in a humane manner, with a continuous focus on ensuring dialogue between staff and inmates. With this project, we are writing Romanian prison history. We hope that this project will contribute to a change of culture in Romanian prisons," says former governor of Bastøy Prison, Arne Kvernvik Nilsen.

46 inmates have received certified training in eco-construction methods. 49 inmates have been trained in carpentry, and are mainly involved in furniture making and finishing the interior of five houses.

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STRONGER COOPERATION

Pooling expertise helps tackle shared challenges.
Cooperation among the donor and beneficiary
countries is therefore an important focus of the
programmes. The long-term institutional cooperation
ensures valuable exchange of expertise and knowledge,
and builds trust, networks and mutual exchange of
experiences.

The Directorate of Norwegian Correctional Service (KDI) and the European Funds Team at the Central

Board of the Prison Service in Poland have exchanged information and experience. Both parties have discovered new aspects that have been of added value.

The Directorate of Norwegian Correctional Service Staff Academy (KRUS) has worked together with the Prison Service Training Centre in Kalisz, Poland. The Polish side has established an exemplary training centre, offering modern methods of training, which has set the standard for further developments in Norway.

COUNTRY OVERVIEW: JUSTICE AND HOME AFFAIRS

Country	Domestic and gender-based violence	Schengen and cross-border crime	Judicial capacity building and cooperation	Correctional services, including non-custodial sanctions	Asylum and migration	Partners	Grant amount (€ million)
Bulgaria	•	•	•	•		Council of Europe Norwegian National Police Directorate	19.7
Croatia			•			· Council of Europe	3.6
Cyprus	•	•				Council of Europe Secretariat of the Shelter Movement	1.7
Czech Republic	•	•	•	•		· Council of Europe	15.5
Estonia	•					Norwegian Directorate of Health	2.0
Greece					•	The Norwegian Directorate of Immigration International Organisation of Migration The UN Refugee Agency Norwegian Refugee Council	24.2
Latvia				•		Directorate of Norwegian Correctional Service	13.1
Lithuania	•	•	•	•		Norwegian National Police Directorate Norwegian Courts Administration Directorate of Norwegian Correctional Service	18.8
Malta				•			1.1
Poland	•	•	•	•		Council of Europe Norwegian Courts Administration Directorate of Norwegian Correctional Service	40.6
Romania	•	•	•	•		Council of Europe Norwegian National Police Directorate Norwegian Courts Administration Directorate of Norwegian Correctional Service	25.3
Slovakia	•					Council of Europe Norwegian Directorate of Health	8.4
Total							149.8



98 - Country Section

BULGARIA



COUNTRY FACTS

	Bulgaria	EU-28
GDP per capita in PPS (EU=100)	47	100
Economic growth (% change on previous year)	3.6	2.2
Unemployment rate (%)*	7.7	8.5
Youth unemployment rate (%)	21.6	20.3
Public debt (% of GDP)	26.0	85.0
Gender pay gap (%)	15.4	16.3
At-risk-of-poverty rate (%)	41.3	23.7
Human development index	28	(EU-28 ranking)
Corruption perception index*	28	(EU-28 ranking)

■ EEA Grants *Programme Operator

Sources: Eurostat/UNDP/Transparency International All data is from 2015 except where * indicates 2016 See notes to tables in Annex 2.

€48m €78.8m Norway Grants ■ EEA Grants €126.6m

IMPLEMENTATION STATUS







Number of partnership projects

PROGRAMME OVERVIEW

Programme	Partner(s)	Grant (€ m)	
Green industry innovation	Innovation Norway	13.7	
Integrated marine and inland water management	Norwegian Environment Agency	8.0	
Biodiversity and ecosystem services	Norwegian Environment Agency	8.0	
Energy efficiency and renewable energy	Norwegian Water Resource and Energy Directorate	13.3	
NGO Fund	-	11.8	
Public health initiatives	-	13.4	
Children and youth at risk	Council of Europe	8.6	
Capacity building and Institutional Co-operation	Norwegian Association of Local and Regional Authorities, Norwegian Barents Secretariat	2.0	
Cultural heritage and contemporary arts	-	14.0	
Scholarships	Icelandic Centre for Research, Agency for International Education Affairs (Liechtenstein), Norwegian Centre for International Cooperation in Education	1.5	
Decent work and tripartite dialogue	Innovation Norway*	0.5	
Schengen cooperation and combatting cross-border and organised crime	National Police Directorate (Norway), Council of Europe	6.0	
Correctional services	Council of Europe	8.6	
Judicial capacity building	Council of Europe	3.1	
Domestic and gender-based violence	Council of Europe	2.0	

· Strengthening the justice sector through

Norway Grants

 Combating organised crime, including trafficking

PRIORITY AREAS

OF SUPPORT

reforms

· Improving the situation for vulnerable groups, including children, youth and Roma

· Protecting biodiversity and improving the monitoring of marine and inland waters

Promoting green industry innovation

Read more about programmes and projects in Bulgaria: www.eeagrants.org/bulgaria

CROATIA



COUNTRY FACTS

	Croatia	EU-28
GDP per capita in PPS (EU=100)	58	100
Economic growth (% change on previous year)**	2.9	1.9
Unemployment rate (%)**	12.8	8.5
Youth unemployment rate (%)	43.0	20.3
Public debt (% of GDP)	86.7	85.0
Gender pay gap (%)*	10.4	16.7
At-risk-of-poverty rate (%)	29.1	23.7
Human development index	26	(EU-28 ranking)
Corruption perception index **	23	(EU-28 ranking)

Sources: Eurostat/UNDP/Transparency International All data is from 2015 except where * indicates 2014 and ** indicates 2016 See notes to tables in Annex 2



IMPLEMENTATION STATUS





projects



PRIORITY AREAS **OF SUPPORT**

- Promote green business, education and research education in cooperation with Norwegian partners
- Improve the infrastructure and efficiency of court systems Promote increased understanding between
- ethnic groups in post-conflict communities Enhance the contribution of civil society to justice, democracy and sustainable

PROGRAMME OVERVIEW

Programme	Partner(s)	Grant (€ m)				
NGO Fund	-	1.3				
iNavis Local and regional initiatives	-	3.41				
Judicial capacity building	Council of Europe	3.65				
Decent work and tripartite dialogue	Innovation Norway*	0.1				
- North						

Read more about programmes and projects in Croatia: www.eeagrants.org/croatia

development

riogramme	rainer(3)	Grain (Cili)	1			
NGO Fund	-	1.3				
iNavis Local and regional initiatives	-	3.41				
Judicial capacity building	Council of Europe	3.65				
Decent work and tripartite dialogue	Innovation Norway*	0.1				
■ Norway Grants ■ EEA Grants *Programme Operator						

CYPRUS

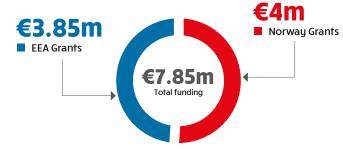


COUNTRY FACTS

	Cyprus	EU-28
GDP per capita in PPS (EU=100)	82	100
Economic growth (% change on previous year)	1.7	2.2
Unemployment rate (%)*	13.3	8.5
Youth unemployment rate (%)	32.8	20.3
Public debt (% of GDP)	107.5	85.0
Gender pay gap (%)	14.0	16.3
At-risk-of-poverty rate (%)	28.9	23.7
Human development index	18	(EU-28 ranking)
Corruption perception index *	19	(EU-28 ranking)

EEA Grants *Programme Operator

Sources: Eurostat/UNDP/Transparency International All data is from 2015 except where * indicates 2016 See notes to tables in Annex 2



IMPLEMENTATION STATUS







PRIORITY AREAS **OF SUPPORT**

- Strengthening civil society
- · Facilitating dialogue and bi-communal cooperation
- Improving services for and protection of victims of domestic violence
- Improving health diagnostics and capacity

PROGRAMME OVERVIEW

Programme	Partner(s)	Grant (€ m)	
Biodiversity and ecosystem services	-	1.2	
Civil society support	Council of Europe	0.7	
NGO Fund	-	1.3	
Children and youth at risk	-	0.4	
Public health initiatives	-	1.2	
Cultural and natural heritage	-	0.6	
Decent work and tripartite dialogue	Innovation Norway*	0.04	
Justice and home affairs	-	0.95	
Domestic and gender-based violence	Norwegian Secretariat of the Shelter Movement	0.75	

Read more about programmes and projects in Cyprus:

www.eeagrants.org/cyprus

Norway Grants

Programme	Partner(s)	Grant (€ m)
Biodiversity and ecosystem services	-	1.2
Civil society support	Council of Europe	0.7
NGO Fund	-	1.3
Children and youth at risk	-	0.4
Public health initiatives	-	1.2
Cultural and natural heritage	-	0.6
Decent work and tripartite dialogue	Innovation Norway*	0.04
Justice and home affairs	-	0.95
Domestic and gender-based violence	Norwegian Secretariat of the Shelter Movement	0.75

Read more about programmes and projects in Czech Republic: www.eeagrants.org/czech-republic

CZECH REPUBLIC



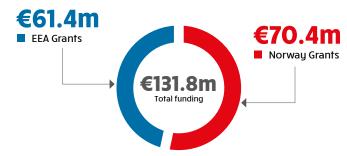
PRIORITY AREAS **OF SUPPORT**

- Improving mental health services and reducing health inequalities
- Protecting biodiversity and reducing vulnerability to climate change
- Enhancing cooperation on research with Norway
- Strengthening cooperation and educational exchange with the donor countries
- Strengthening civil society
- Revitalising important European cultural

COUNTRY FACTS

	Czech Republic	EU-28
GDP per capita in PPS (EU=100)	87	100
Economic growth (% change on previous year)*	2.4	1.9
Unemployment rate (%)*	4.0	8.5
Youth unemployment rate (%)	12.6	20.3
Public debt (% of GDP)	40.3	85.0
Gender pay gap (%)	22.5	16.3
At-risk-of-poverty rate (%)	14.0	23.7
Human development index	15	(EU-28 ranking)
Corruption perception index *	19	(EU-28 ranking)

Sources: Eurostat/UNDP/Transparency International All data is from 2015 except where * indicates 2016 See notes to tables in Annex 2



IMPLEMENTATION STATUS







Number of projects

Number of partnership projects

PROGRAMME OVERVIEW

Programme	Partner(s)	Grant (€ m)	
Environment and climate change	Norwegian Environment Agency	18.4	
Carbon capture and storage	-	5.0	
NGO Fund	-	11.4	
Children and youth at risk	-	2.7	
Local and regional initiatives to reduce inequalities and promote social inclusion	-	1.2	
Capacity building and institutional cooperation	-	1.8	
Public health initiatives	Norwegian Institute of Public Health	19.2	
Gender equality and work-life balance	-	3.4	
Cultural heritage and cultural diversity	Arts Council Norway	21.5	
Scholarships	Icelandic Centre for Research, Agency for International Education Affairs (Liechtenstein), Norwegian Centre for International Cooperation in Education	3.8	
Research cooperation	Research Council of Norway	14.5	
Domestic and gender-based violence	-	4.2	
Schengen and cross-border crime	-	6.3	
Judicial capacity-building and correctional services	Council of Europe	4.9	
Decent work and tripartite dialogue	Innovation Norway*	0.7	
Norwall Grants FEA Grants *Drogramme (Dogrator	•	

Norway Grants

■ EEA Grants *Programme Operator

ESTONIA



COUNTRY FACTS

	Estonia	EU-28
GDP per capita in PPS (EU=100)	75	100
Economic growth (% change on previous year)*	1.6	1.9
Unemployment rate (%)*	6.8	8.5
Youth unemployment rate (%)	13.1	20.3
Public debt (% of GDP)	10.1	85.0
Gender pay gap (%)	26.9	16.3
At-risk-of-poverty rate (%)	24.2	23.7
Human development index	17	(EU-28 ranking)
Corruption perception index*	11	(EU-28 ranking)

Sources: Eurostat/UNDP/Transparency International All data is from 2015 except where * indicates 2016 See notes to tables in Annex 2



IMPLEMENTATION STATUS







PRIORITY AREAS **OF SUPPORT**

- · Developing and increasing the use of eco-friendly technologies
- Improving healthcare services and reducing health inequalities
- · Assisting vulnerable children and youth at risk
- Improving the environmental standard of marine and inland waters
- Increasing intercultural awareness and dialogue and supporting integration of the Russian-speaking minority

Read more about programmes and projects in Estonia: www.eeagrants.org/estonia

PROGRAMME OVERVIEW

Programme	Partner(s)	Grant (€ m)	
Integrated marine and inland water management	Norwegian Environment Agency	6.9	
Green industry innovation	Innovation Norway	6.0	
NGO Fund	-	2.3	
Children and youth at risk	Norwegian Association of Local and Regional Authorities	6.5	
Public health initiatives	Norwegian Institute of Public Health	8.9	
Gender equality and work-life balance	Norwegian Directorate for Children, Youth and Family Affairs	2.0	
Cultural heritage and contemporary arts	Norwegian Directorate of Cultural Heritage	4.5	
Scholarships	Icelandic Centre for Research, Agency for International Education Affairs (Liechtenstein), Norwegian Centre for International Education Cooperation in Education	1.6	
Norwegian-Estonian research cooperation	Research Council Norway	3.0	
Decent work and tripartite dialogue	Innovation Norway*	0.3	
Domestic and gender-based violence	Norwegian Directorate of Health	2.0	

Norwau Grants EEA Grants *Programme Operator

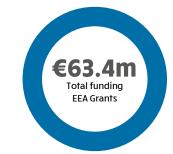
GREECE



COUNTRY FACTS

	Greece	EU-28
GDP per capita in PPS (EU=100)	68	100
Economic growth (% change on previous year)	-0.2	2.2
Unemployment rate (%)**	23.5	8.5
Youth unemployment rate (%)	49.8	20.3
Public debt (% of GDP)	177.4	85.0
Gender pay gap (%)*	15.0	16.3
At-risk-of-poverty rate (%)	35.7	23.7
Human development index	16	(EU-28 ranking)
Corruption perception index **	27	(EU-28 ranking)

Sources: Eurostat/UNDP/Transparency International All data is from 2015 except where * indicates 2010 and ** indicates 2016 See notes to tables in Annex 2



IMPLEMENTATION STATUS





projects



PRIORITY AREAS **OF SUPPORT**

- · Safeguarding the right to seek asylum and improving the reception conditions, in particular of unaccompanied asylum-seeking minors
- Capacity building of Greek NGOs in policy and decision-making processes
- Improving the environmental standard of marine and inland waters and promoting renewable energy and research
- Alleviating the adverse social effects of the economic crisis

PROGRAMME OVERVIEW

Programme	Partner(s)	Grant (€ m)	
Integrated marine and inland water management	-	6.5	
Renewable energy	-	9.5	
NGO Fund	-	7.3	
Asylum and migration	Norwegian Directorate of Immigration	24.2	
Solidarity and social inclusion	-	4.3	
Research	-	3.0	

EEA Grants

Read more about programmes and projects in Greece: www.eeagrants.org/greece

HUNGARY



COUNTRY FACTS

	Hungary	EU-28
GDP per capita in PPS (EU=100)	68	100
Economic growth (% change on previous year)*	2.0	1.9
Unemployment rate (%)*	5.1	8.5
Youth unemployment rate (%)	17.3	20.3
Public debt (% of GDP)	74.7	85.0
Gender pay gap (%)	14.0	16.3
At-risk-of-poverty rate (%)	28.2	23.7
Human development index	24	(EU-28 ranking)
Corruption perception index *	24	(EU-28 ranking)

■ EEA Grants *Programme Operator

Sources: Eurostat/UNDP/Transparency International All data is from 2015 except where * indicates 2016 See notes to tables in Annex 2

PROGRAMME OVERVIEW



IMPLEMENTATION STATUS







Number of partnership projects

PRIORITY AREAS **OF SUPPORT**

- · Increasing competitiveness of green enterprises

Strengthening civil society

· Adapting to climate change

Read more about programmes and projects in Hungary: www.eeagrants.org/hungary

Programme	Partner(s)	Grant (€ m)	
Green Innovation	Innovation Norway	22.9	
Energy efficiency	-	8.4	
Renewable energy	National Energy Authority (Iceland)	7.7	
Adaptation to climate change	Norwegian Directorate for Civil Protection	7.0	
Bilateral research cooperation ¹	Research Council of Norway	24.1	
NGO Fund	-	13.5	
Children and youth at risk ¹	Council of Europe	11.2	
Cultural and natural heritage	Norwegian Directorate of Cultural Heritage	12.6	
Capacity building and institutional cooperation	Norwegian Association of Local and Regional Authorities, Norwegian Agency for Lifelong Learning	10.8	
Public health initiatives	Norwegian Institute of Public Health	16.6	
Scholarships	Icelandic Centre for Research, Agency for International Education Affairs (Liechtenstein), Norwegian Centre for International Cooperation in Education	3.0	
Decent work and tripartite dialogue	Innovation Norway*	0.8	

1 Programme not implemented

Norway Grants

LATVIA



COUNTRY FACTS

	Latvia	EU-28
GDP per capita in PPS (EU=100)	64	100
Economic growth (% change on previous year)*	2.0	1.9
Unemployment rate (%)	9.6	8.5
Youth unemployment rate (%)	16.3	20.3
Public debt (% of GDP)	36.3	85.0
Gender pay gap (%)	17.0	16.3
At-risk-of-poverty rate (%)	30.9	23.7
Human development index	25	(EU-28 ranking)
Corruption perception index *	18	(EU-28 ranking)

Sources: Eurostat/UNDP/Transparency International All data is from 2015 except where * indicates 2016 See notes to tables in Annex 2



IMPLEMENTATION STATUS







PRIORITY AREAS **OF SUPPORT**

- Modernising the public sector through cooperation between local and regional authorities in Latvia and Norway
- Supporting the reform of correctional services, including improving rehabilitation
- Realising green innovation business opportunities
- Strengthening civil society
- Improving environmental monitoring systems
- Increasing intercultural awareness and dialogue with the Russian-speaking minority

PROGRAMME OVERVIEW

Programme	Partner(s)	Grant (€ m)	
Green industry innovation	Innovation Norway	11.3	
Adaption to climate change	Norwegian Environment Agency, Norwegian Directorate for Civil Protection	10.4	
NGO Fund	-	10.4	
Capacity building and institutional cooperation	Norwegian Association of Local and Regional Authorities	5.0	
Cultural heritage and contemporary arts	Norwegian Directorate for Cultural Heritage, Arts Council Norway	10.0	
Research and Scholarships	Research Council of Norway, Norwegian Centre for International Cooperation in Education	5.5	
Decent work and tripartite dialogue	Innovation Norway*	0.4	
Correctional services	Directorate of Norwegian Correctional Service	13.1	

Read more about programmes and projects in Latvia: www.eeagrants.org/latvia

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LITHUANIA



COUNTRY FACTS

	Lithuania	EU-28
GDP per capita in PPS (EU=100)	75	100
Economic growth (% change on previous year)*	2.3	1.9
Unemployment rate (%)*	7.9	8.5
Youth unemployment rate (%)	16.3	20.3
Public debt (% of GDP)	42.7	85.0
Gender pay gap (%)	14.2	16.3
At-risk-of-poverty rate (%)	29.3	23.7
Human development index	21	(EU-28 ranking)
Corruption perception index *	16	(EU-28 ranking)

■ EEA Grants *Programme Operator

Sources: Eurostat/UNDP/Transparency International All data is from 2015 except where * indicates 2016 See notes to tables in Annex 2

€45.6m €38.4m Norway Grants ■ EEA Grants €84m Total funding

IMPLEMENTATION STATUS







partnership projects

PRIORITY AREAS **OF SUPPORT**

- Modernising the public sector through cooperation between local authorities and public institutions in Lithuania and Norway
- Strengthening judicial reform including the wider use of alternatives to prison
- Fighting cross-border and organised crime
- Promoting green industry innovation and entrepreneurship
- Halting the loss of biodiversity and protection of ecosystems

Read more about programmes and projects in Lithuania: www.eeagrants.org/lithuania

PROGRAMME OVERVIEW

Norway Grants

Programme	Partner(s)	Grant (€ m)	
Integrated marine and inland water management	Norwegian Environment Agency	4.7	
Biodiversity and ecosystem services	Norwegian Environment Agency	6.8	
Green industry innovation	Innovation Norway	8.0	
NGO Fund	-	5.5	
Children and youth at risk	-	6.3	
Public health initiatives	-	6.0	
Capacity building and institutional cooperation	Norwegian Association of Local and Regional Authorities, Norwegian Environment Agency, Norwegian Police Directorate	8.0	
Cultural heritage and natural heritage	Norwegian Directorate of Cultural Heritage	9.0	
Diversity in culture and arts	Arts Council Norway	1.0	
Scholarships	Norwegian Centre for International Cooperation in Education	1.4	
Decent work and tripartite dialogue	Innovation Norway*	0.5	
Schengen cooperation and cross-border crime	-	3.4	
Correctional services	Directorate of Norwegian Correctional Service	7.7	
Judicial capacity building	Norwegian Courts Administration	7.7	

MALTA



COUNTRY FACTS

	Malta	EU-28
GDP per capita in PPS (EU=100)	88	100
Economic growth (% change on previous year)**	5.0	1.9
Unemployment rate (%)**	4.8	8.5
Youth unemployment rate (%)	11.8	20.3
Public debt (% of GDP)	64	85.0
Gender pay gap (%)*	10.6	16.7
At-risk-of-poverty rate (%)	22.4	23.7
Human development index	22	(EU-28 ranking)
Corruption perception index **	19	(EU-28 ranking)

Sources: Eurostat/UNDP/Transparency International All data is from 2015 except where * indicates 2014 and ** indicates 2016 See notes to tables in Annex 2



IMPLEMENTATION STATUS







PRIORITY AREAS **OF SUPPORT**

- Strengthening oil spill prevention and response
- Restoration of cultural heritage
- Improving correctional services for young offenders
- Strengthening civil society

PROGRAMME OVERVIEW

- TROOM MINIE OVERVIEW			
Programme	Partner(s)	Grant (€ m)	
Correctional services	Directorate of Norwegian Correctional Service	1.1	
Integrated marine and inland water management	-	0.9	
Adaptation to climate change	Norwegian Coastal Administration	0.5	
NGO Fund	-	0.5	
Capacity building and institutional cooperation	Norwegian Association of Local and Regional Authorities, Council of Europe	0.3	
Decent work and tripartite dialogue	Innovation Norway*	0.02	
Cultural and natural heritage	-	0.8	
■ Norway Grants ■ EEA Grants *Programme Op	erator		

Read more about programmes www.eeagrants.org/malta

and projects in Malta:

POLAND



PRIORITY AREAS OF SUPPORT

- · Increasing energy efficiency
- Promoting green innovation in cooperation with Norwegian enterprises
- Improving environmental monitoring and protecting biodiversity
- Improving access to public health services
- Increasing research cooperation between Norway and Poland
- Contributing to a more efficient judicial system

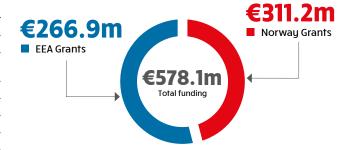
Read more about programmes and projects in Poland: www.eeagrants.org/poland

COUNTRY FACTS

	Poland	EU-28
GDP per capita in PPS (EU=100)	69	100
Economic growth (% change on previous year)	3.9	2.2
Unemployment rate (%)**	6.2	8.5
Youth unemployment rate (%)	20.8	20.3
Public debt (% of GDP)	51.1	85.0
Gender pay gap (%)*	7.7	16.7
At-risk-of-poverty rate (%)	23.4	23.7
Human development index	20	(EU-28 ranking)
Corruption perception index **	13	(EU-28 ranking)

Sources: Eurostat/UNDP/Transparency International All data is from 2015 except where * indicates 2014 and ** indicates 2016 See notes to tables in Annex 2

EEA Grants *Programme Operator



IMPLEMENTATION STATUS







PROGRAMME OVERVIEW

Norway Grants

Programme	Partner(s)	Grant (€ m)	
Green industry innovation	Innovation Norway*	20.0	
Biodiversity and ecosystem services	-	21.1	
Environmental monitoring and integrated planning and control	Norwegian Environment Agency	15.0	
Energy efficiency and renewable energy	-	144.2	
NGO Fund	-	37.O	
Local and regional initiatives	-	9.8	
Public health initiatives	Norwegian Directorate of Health	76.0	
Cultural and natural heritage	-	70.2	
Diversity in culture and arts	Arts Council Norway	11.0	
Scholarships	Icelandic Centre for Research, Agency for International Education Affairs (Liechtenstein), Norwegian Centre for International Cooperation in Education	15.0	
Research cooperation	Research Council of Norway	63.2	
Decent work and tripartite dialogue	Innovation Norway*	3.1	
Schengen and cross-border crime	-	10.0	
Correctional services	Directorate of Norwegian Correctional Service	13.0	
Judicial capacity-building	Norwegian Courts Administration	14.0	
Domestic and gender-based violence	-	3.6	

PORTUGAL

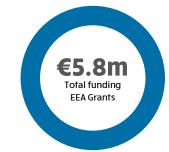


COUNTRY FACTS

	Portugal	EU-28
GDP per capita in PPS (EU=100)	77	100
Economic growth (% change on previous year)**	1.4e	1.9
Unemployment rate (%)**	11.2	8.5
Youth unemployment rate (%)	32.0	20.3
Public debt (% of GDP)	129.0	85.0
Gender pay gap (%)	17.8	16.3
At-risk-of-poverty rate (%)	26.6	23.7
Human development index	23	(EU-28 ranking)
Corruption perception index **	13	(EU-28 ranking)

Sources: Eurostat/UNDP/Transparency International All data is from 2015 except where * indicates 2014 and ** indicates 2016 e= estimated See notes to tables in Annex 2

■ EEA Grants *Programme Operator



IMPLEMENTATION STATUS







PRIORITY AREAS OF SUPPORT

- · Reducing vulnerability to climate change
- Improving the management and protection of marine resources
- Increasing the use and development of renewable energy
- Improving public health and reducing health inequalities
- · Strengthening civil society

PROGRAMME OVERVIEW

Norway Grants

Programme	Partner(s)	Grant (€ m)	
Integrated marine and inland water management	-	19.2	
Renewable energy	National Energy Authority (Iceland)	4.0	
Adaptation to climate change	Norwegian Directorate for Civil Protection	3.0	
NGO Fund	-	8.7	
Public health initiatives	Norwegian Institute of Public Health	10.0	
Gender equality and work-life balance	-	2.5	
Cultural and natural heritage	-	4.0	
Diversity in culture and arts	Arts Council Norway	1.0	

Read more about programmes and projects in Portugal:

www.eeagrants.org/portugal

110 - Country Section

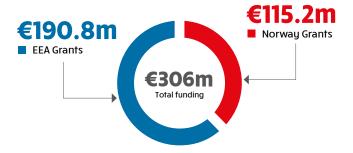
ROMANIA



COUNTRY FACTS

	Romania	EU-28
GDP per capita in PPS (EU=100)	57	100
Economic growth (% change on previous year)*	4.8	1.9
Unemployment rate (%)*	5.9	8.5
Youth unemployment rate (%)	21.7	20.3
Public debt (% of GDP)	37.9	85.0
Gender pay gap (%)*	5.8e	16.3
At-risk-of-poverty rate (%)	37.4	23.7
Human development index	27	(EU-28 ranking)
Corruption perception index *	25	(EU-28 ranking)

Sources: Eurostat/UNDP/Transparency International All data is from 2015 except where * indicates 2016 e= estimated See notes to tables in Annex 2



IMPLEMENTATION STATUS



Number of

projects



Number of partnership projects

PRIORITY AREAS OF SUPPORT

- · Supporting judicial reform, tackling cross-border and organised crime
- · Improving the situation of vulnerable groups, including the Roma population
- · Boosting green innovation and entrepreneurship
- · Strengthening civil society to promote social justice, democracy and sustainable development

PROGRAMME OVERVIEW

Programme	Partner(s)	Grant (€ million)	
Biodiversity and ecosystem services	Norwegian Environment Agency	15.0	
Environmental monitoring and integrated planning and control	-	8.2	
Reduction of hazardous substances	Norwegian Environment Agency	10.0	
Energy efficiency and renewable energy	-	9.3	
Renewable energy	National Energy Authority (Iceland), Norwegian Water Resources and Energy Directorate	12.3	
Adaption to climate change	-	3.0	
Green industry innovation	Innovation Norway*	29.7	
NGO Fund	-	36.3	
Children and youth at risk	Council of Europe	27.0	
Gender equality and work-life balance	-	4.5	
Cultural heritage and contemporary arts	Directorate of Cultural Heritage (Norway)	15.7	
Diversity in culture and arts	Arts Council Norway	6.8	
Research cooperation	Research Council of Norway, Icelandic Centre for Research	20.0	
Scholarships	Icelandic Centre for Research, Agency for International Education Affairs (Liechtenstein), Norwegian Centre for International Cooperation in Education	4.5	
Decent work and tripartite dialogue	Innovation Norway*	1.2	
Capacity building and institutional cooperation	Norwegian Radiation Protection Authority	6.0	
Public health initiatives	-	22.6	
Domestic and gender-based violence	Council of Europe, National Police Directorate (Norway)	4.0	
Schengen and cross-border crime	National Police Directorate (Norway)	5.3	
Judicial capacity building	Council of Europe, National Courts Administration	8.0	
Correctional services	Directorate of Norwegian Correctional services	8.0	
Poverty alleviation	-	20.0	

Norway Grants

■ EEA Grants *Programme Operator

Read more about programmes and projects in Romania: www.eeagrants.org/romania

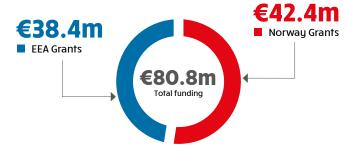
SLOVAKIA



COUNTRY FACTS

	Slovakia	EU-28
GDP per capita in PPS (EU=100)	77	100
Economic growth (% change on previous year)*	3.3	1.9
Unemployment rate (%)*	9.7	8.5
Youth unemployment rate (%)	26.5	20.3
Public debt (% of GDP)	52.5	85.0
Gender pay gap (%)	19.6	16.3
At-risk-of-poverty rate (%)	18.4	23.7
Human development index	19	(EU-28 ranking)
Corruption perception index *	22	(EU-28 ranking)

Sources: Eurostat/UNDP/Transparency International All data is from 2015 except where * indicates 2016 See notes to tables in Annex 2



IMPLEMENTATION STATUS







partnership projects

PRIORITY AREAS **OF SUPPORT**

- · Increasing competitiveness of green enterprises and green job creation
- · Preventing and tackling domestic violence
- · Improving flood resilience and raising public awareness of flood prevention
- · Strengthening cross-border cooperation with
- Promoting social inclusion of Roma

PROGRAMME OVERVIEW

Programme	Partner(s)	Grant (€ m)	
Adaptation to climate change	Norwegian Directorate for Civil Protection, Norwegian Water Resources and Energy Directorate	12.5	
Green Industry Innovation	Innovation Norway	16.1	
NGO Fund	-	7.4	
Local and regional initiatives	Council of Europe	1.0	
Cross-border cooperation	Norwegian Barents Secretariat	13.4	
Cultural and natural heritage	-	11.9	
Scholarships	Icelandic Centre for Research, Agency for International Education Affairs (Liechtenstein), Norwegian Centre for International Cooperation in Education	1.9	
Decent work and tripartite dialogue	Innovation Norway*	0.4	
Domestic and gender-based violence	Norwegian Directorate of Health, Council of Europe	8.4	

Read more about programmes and projects in Slovakia: www.eeagrants.org/slovakia

Programme	Partner(s)	Grant (€ m)	
Adaptation to climate change	Norwegian Directorate for Civil Protection, Norwegian Water Resources and Energy Directorate	12.5	
Green Industry Innovation	Innovation Norway	16.1	
NGO Fund	-	7.4	
Local and regional initiatives	Council of Europe	1.0	
Cross-border cooperation	Norwegian Barents Secretariat	13.4	
Cultural and natural heritage	-	11.9	
Scholarships	Icelandic Centre for Research, Agency for International Education Affairs (Liechtenstein), Norwegian Centre for International Cooperation in Education	1.9	
Decent work and tripartite dialogue	Innovation Norway*	0.4	
Domestic and gender-based violence	Norwegian Directorate of Health, Council of Europe	8.4	

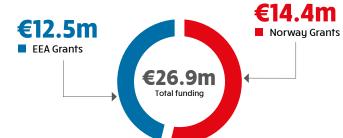
SLOVENIA



COUNTRY FACTS

	Slovenia	EU-28
GDP per capita in PPS (EU=100)	83	100
Economic growth (% change on previous year)*	2.5	1.9
Unemployment rate (%)*	7.9	8.5
Youth unemployment rate (%)	16.3	20.3
Public debt (% of GDP)	83.1	85.0
Gender pay gap (%)	8.1	16.3
At-risk-of-poverty rate (%)	19.2	23.7
Human development index	12	(EU-28 ranking)
Corruption perception index *	15	(EU-28 ranking)

Sources: Eurostat/UNDP/Transparency International All data is from 2015 except where * indicates 2016 See notes to tables in Annex 2



IMPLEMENTATION STATUS





projects



PRIORITY AREAS **OF SUPPORT**

- Reducing health inequalities and improving mental health services
- Protecting biodiversity and improving environmental monitoring and control
- Increasing educational mobility between Slovenia and Iceland, Liechtenstein and Norway
- Promoting gender equality and work-life balance

PROGRAMME OVERVIEW

Programme	Partner(s)	Grant (€ m)	
Biodiversity and ecosystem services	-	1.9	
Environmental monitoring and integrated planning and control	Norwegian Mapping Authority, National Land Survey of Iceland	2.0	
NGO Fund	-	1.9	
Public health initiatives	Norwegian Institute of Public Health	10.1	
Gender equality and work-life balance	-	1.5	
Cultural and natural heritage	Norwegian Directorate for Cultural Heritage, Arts Council Norway	4.9	
Scholarships	Icelandic Centre for Research, Agency for International Education Affairs (Liechtenstein), Norwegian Centre for International Cooperation in Education	1.8	
Decent work and tripartite dialogue	Innovation Norway*	0.1	

Read more about programmes www.eeagrants.org/slovenia

and projects in Slovenia:

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SPAIN



COUNTRY FACTS

	Spain	EU-28
GDP per capita in PPS (EU=100)	90	100
Economic growth (% change on previous year)	3.2	2.2
Unemployment rate (%)**	19.6	8.5
Youth unemployment rate (%)	48.3	20.3
Public debt (% of GDP)	99.8	85.0
Gender pay gap (%)*	14.9	16.7
At-risk-of-poverty rate (%)	28.6	23.7
Human development index	13	(EU-28 ranking)
Corruption perception index **	17	(EU-28 ranking)

Sources: Eurostat/UNDP/Transparency International All data is from 2015 except where * indicates 2014 and ** indicates 2016 See notes to tables in Annex 2



IMPLEMENTATION STATUS







Number of partnership projects

PRIORITY AREAS **OF SUPPORT**

- · Increasing environmental research and development of eco-innovation technologies
- Promoting gender equality and work-life balance
- Increasing educational cooperation and exchange

PROGRAMME OVERVIEW

Programme	Partner(s)	Grant (€ m)	
Environmental and climate change-related research and technology	Innovation Norway	18.2	
NGO Fund	-	4.6	
Gender equality and work-life balance	Norwegian Equality and Anti-Discrimination Ombud	10.2	
Cultural and natural heritage	-	4.1	
Diversity in culture and arts	Norwegian Embassy*	0.5	
Scholarships	Icelandic Centre for Research, Agency for International Education Affairs (Liechtenstein), Norwegian Centre for International Cooperation in Education	3.9	

■ EEA Grants *Programme Operator

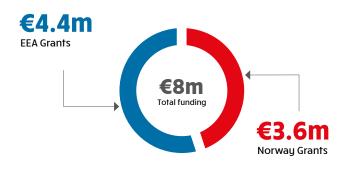
Read more about programmes and projects in Spain: www.eeagrants.org/spain

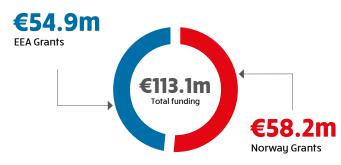


EEA AND NORWAY GRANTS 2014-2021

MALTA

SLOVAKIA





PROGRAMME OVERVIEW

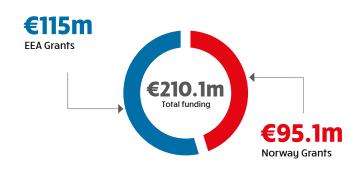
I KOGKAMINIL OVEKVIEW		
Programme	Grant (€ m)	
Global Fund for Decent Work and Tripartite Dialgoue	0.02	
Integrated Marine and Inland Water Management	0.9	
Adaptation to Climate Change	0.5	
Funds for Non-governmental Organisations	0.5	
Conservation and Revitalisation of Cultural and Natural Heritage	0.8	
Capacity-building and Institutional Cooperation	0.3	
Correctional Services, including Non-custodial Sanctions	1.1	
■ Norway Grants ■ EEA Grants *Programm	ne Operator	

PROGRAMME OVERVIEW

Grant (€ m)	
d for Decent Work and Tripartite Dialgoue 0.02	
Marine and Inland Water Management 0.9	
to Climate Change 0.5	
Ion-governmental Organisations 0.5	
on and Revitalisation of Cultural 0.8	
uilding and Institutional Cooperation 0.3	
al Services, including Non-custodial 1.1	
al Services, including Non-custodial 1.1 Grants ■ EEA Grants 'Programme C	

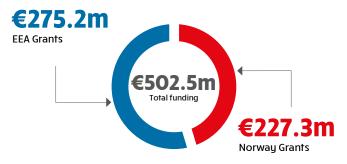
ROMANIA

BULGARIA



PROGRAMME OVERVIEW

Programme	Grant (€ m)
Business Development, Innovation and SMEs	28.5
Environment protection and climate change	13.0
Renewable Energy, Energy Efficiency, Energy Security	28.0
Local Development, Poverty Reduction and Enhanced Inclusion of Vulnerable Groups	35.0
Social Dialogue - Decent Work	0.9
Cultural Entrepreneurship, Cultural Heritage and Cultural Exchange	10.0
Civil Society	15.5
Justice	30.0
Home Affairs	21.5
■ Norway Grants ■ EEA Grants *Programm	e Operator



PROGRAMME OVERVIEW

Programme	Grant (€ m)	
Business Development, Innovation and SMEs	45.0	
Research	40.0	
Education, Scholarships, Apprenticeships and Youth Entrepreneurship	12.0	
Social Dialogue - Decent Work	2.3	
European Public Health Challenges	40.0	
Local Development, and Poverty Reduction, Enhanced Roma Inclusion	70.0	
Renewable Energy, Energy Efficiency, Energy Security	63.0	
Environment, Climate Change Adaptation and Ecosystems	20.0	
Cultural Entrepreneurship, Cultural Heritage and Cultural Exchange	25.0	
Civil Society	46.0	
Justice	45.0	
Home Affairs	24.0	
Norway Grants FFA Grants *Programm	e Operator	



MANAGING THE GRANTS

These pages provide an overview of the organisational structure and governance of the EEA and Norway Grants.

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ORGANISATIONAL STRUCTURE

Public institutions in the donor and beneficiary countries share responsibilities for managing the EEA and Norway Grants.

The **Financial Mechanism Committee (FMC)** is the decision-making body for the EEA Grants. The committee consists of representatives from the Ministries of Foreign Affairs of Iceland, Liechtenstein and Norway. The FMC draws up and passes policy, regulations and guidelines, approves all programmes and ensures monitoring, control and evaluations.

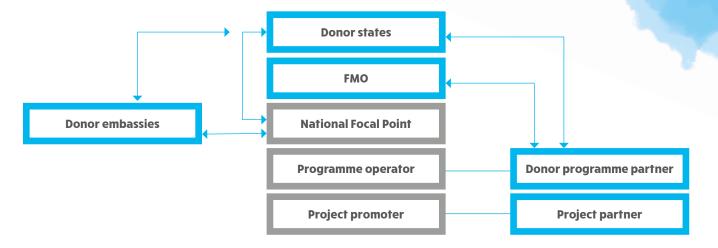
The **Norwegian Ministry of Foreign Affairs** is the decision-making body for the Norway Grants.

The **Financial Mechanism Office (FMO)** is the Brussels-based secretariat for the Grants. The FMO is affiliated with the European Free Trade Association (EFTA) and reports to the Foreign Ministries of Iceland,

Liechtenstein and Norway. The FMO also serves as a contact point for the beneficiary countries. As of 30 March 2017, the FMO had 61 fixed-term staff positions, encompassing 18 different nationalities.

Each beneficiary country has a **National Focal Point** (NFP), responsible overall for achieving the objectives of the Grants, as well as overall management and control of their programmes. Most of the NFPs are located within relevant ministries, or public agencies that also have responsibility for managing EU funds. The NFP represents the beneficiary country in its relations with the FMC and the Norwegian Ministry of Foreign Affairs regarding the Grants.

ORGANISATIONS IN MANAGEMENT OF THE GRANTS



See Annex xx for a list of Donor Programme Partners involved in each beneficiary country

Each **Programme Operator (PO)** is responsible for awarding funding to projects according to agreed criteria, monitoring project implementation and achieving results. In most cases the PO is a public institution.

Programme Operators often work in close cooperation with a **Donor Programme Partner (DPP)**. DPPs are public bodies from Iceland, Liechtenstein and Norway with national mandates in their respective fields. They work with their counterparts in beneficiary countries to:

- provide expertise and strategic advice on programme planning and implementation
- facilitate networking and help project promoters find project partners in donor countries

The donor **Embassies** in the beneficiary countries, in particular those of Norway, take part in the dialogue between the donor and beneficiary countries and play an important role in communicating the results of the Grants.

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Cooperation through bilateral programmes and projects provides an arena for exchange of knowledge, mutual learning from best practice and developing joint policies.

We have **24** DPPs in the 2009-2014 funding period.







In addition, the Council of Europe² is counted as a DPP in a number of programmes.

We have **889 project partners** from the donor countries:



7 Liechtenstein **730**Norway

EXTERNAL PARTNERS

organisations include the Council of Europe, the EU Agency for Fundamental Rights (FRA) and the Open Society Foundations. These partnerships bring added expertise, results and value, and aim to ensure that funding is allocated with maximum efficiency and transparency.

- The Council of Europe is involved in 20 programmes in nine beneficiary countries, providing strategic advice as well as technical input in its areas of expertise
 human rights, democracy and the rule of law.
- FRA provides expert advice on the protection of fundamental rights and engages with the EEA and Norway Grants on issues of mutual interest.
- The Open Society Foundations give strategic advice on Roma issues in the non-governmental organisation (NGO) programmes.

MANAGING FOR RESULTS

Results-based management helps to ensure that programmes are more focused on what they will achieve and take an evidence-based approach to what works well and what could be improved.

Evaluation is a key tool to demonstrate the achievement of results. In 2016/17, reviews and evaluations were conducted in several areas:

- A rapid assessment of the Asylum and Migration programmes in Greece from April 2016 found that several of the projects have had significant added value and some are highly innovative (open reception centers to asylum seekers, the support to Asylum Service and the project concerning guardianship to minors). The main lesson learned is that outsourcing is highly complex and therefore a high risk activity for public agencies.
- A mid-term evaluation of bilateral relations under the Grants from June 2016 found that that bilateral ties and cooperation between the donor and beneficiary countries have been strengthened.
 Important measures to ensure the success include the involvement of donor institutions in programme partnerships (DPP model), as well as facilitating matchmaking between potential project partners

- and other bilateral activities through dedicated bilateral funds.
- A communication review of the EEA and Norway Grants 2009-14 from August 2016 showed that all the beneficiary countries have dedicated websites in national languages and in English, and that several beneficiary countries perceive the communications requirements laid out in the Regulations / Annex 4 as finite and intentionally do not carry out activities other than those explicitly required. There is scope to enhance the Regulations / Annex 4 by adding a clear explanation that the communications requirements are not intended to set limits to activities and that additional activities are encouraged. There is also very faint evidence (if any) of defined implementation structures in the Communications Plans on programme level.

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¹ Mobility projects are excluded from the number of donor project partnerships.

² Partnerships with the Council of Europe are excluded in the numbers for Donor Programme Partners and for numbers for donor programme partners.

- A rapid assessment of the Council of Europe's involvement in programmes and projects from October 2016 concluded that the organisation provides a clear added value, particularly in programmes where it can provide a "full cycle" of support, making available both reference standards (conventions, court judgments etc.), monitoring mechanisms (such as expert groups which issue recommendations) and capacity building tools.
- · A rapid assessment of Renewable Energy and Energy Efficiency from October 2016 points to the overall situation and potential as regards renewable energy in nine of the beneficiary states. While Romania will reach its 2020 renewable target, the administrative capacity for energy management is not good. The Bulgarian energy production is still predominantly carbon-based (more than 70%). The share of renewable energy is still modest, just a little bit over 10%. Poland's energy consumption is based mainly on solid fuels. Gross inland consumption mix in 2014 was based 90% on carbon. The importance of renewables has grown substantially, but is still very low compared to most EU countries. Croatia, the Czech Republic, Hungary and Lithuania rely heavily on imports of solid fuels as well as gas, oil
- product, in addition to importing electricity. Slovakia and Slovenia, though being net exporters of electricity, both still rely on imports of coal as well as uranium for nuclear power production. The rapid assessment found that there is political will to implement EE changes in Romania, however, the fragmented institutional landscape complicates continuity and adherence to stipulated EU and national timelines, goals and objectives. For Bulgaria, the rapid assessment identified areas within energy efficiency, biomass fuel production and street lighting where there is considerable potential. Future priorities suggested by Polish industry representatives in the new financing perspective are: co-generation, support for industrial installations, smaller projects with CO2 reduction below 100 000 tonnes/annum), micro and mini grants for heat panels and heat pumps.
- A rapid assessment of Gender Programmes from October 2016 shows that the interventions' relevance is high and the levels of effectiveness depend on how project interventions are combined. The bilateral dimension is highly valuable, but has been at times underutilised due to an unclear understanding of its potential. The model of working with donor programme partners and donor project partners is a

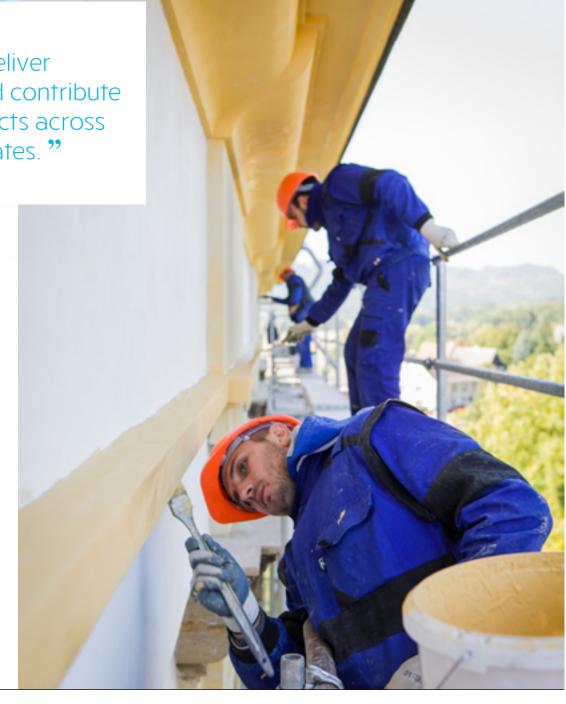
The funding will deliver agreed results and contribute to long-term impacts across the Beneficiary States. ***

In to importing electricity, Slovakia to being net exporters of electricity, ports of coal as well as uranium production. The rapid assessment colitical will to implement EE changes

clear asset to the programmes and projects, even when its potential is not fully realised. Partnerships were generally highly regarded by all parties involved.

 A mid-term review of the EEA and Norway Grants 2009-14 from October 2016 concludes that the EEA and Norway Grants' support constitutes an important and successful investment of funds with the objective of reducing disparities and strengthening ties and cooperation between the donor and beneficiary countries. The funding will deliver agreed results and contribute to long-term impacts across the Beneficiary States.

In 2016/17, implemention has progressed steadily. By 30 March 2017, the disbursement rate stood at 82.12%. A total of 6 620 projects had been contracted, of which 2 150 (32 %) had a donor project partner.



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GOOD GOVERNANCE

All programmes and activities funded by Iceland, Liechtenstein and Norway shall be based on the common values of respect for human dignity, freedom, democracy, equality, the rule of law and the respect for human rights including the rights of persons belonging to minorities.

Each beneficiary country is obliged to establish a certifying authority and a separate auditing authority. These organisations are independent of the National Focal Point and must be established at the outset, before any funds are committed.

The management and control systems established in the beneficiary countries ensure reliable accounting, monitoring and financial reporting systems.

The auditing responsibility lies firstly with the beneficiary countries. The designated audit authority submits an audit strategy for each programme and reports annually on audits carried out. In addition, the FMO arranges audits and on-the-spot inspections of programmes and projects to verify the effective functioning of the management and control systems.

IRREGULARITIES

The donors have a zero-tolerance policy towards corruption and mismanagement. In line with the public access and transparency policy, a quarterly irregularities report is made accessible to the public. If any resources are unduly paid or lost owing to corruption, fraud or mismanagement, the beneficiary country is responsible for refunding the donor countries either by reclaiming the money from the project promoter or from their own national funds.

RISK MANAGEMENT

Risk management is an integral part of the management framework of the EEA and Norway Grants and a tool which can help to achieve goals and expected results. Close monitoring of programme risks is continuous, ensuring that adequate risk mitigation action is taken when necessary.

Transparency International (TI) was a strategic partner of the Grants during the period 2011-2016, focussing on corruption prevention. TI offered tailored advice to the FMO and the National Focal Points, following an assessment of the potential exposure to corruption risk in the Grants.

TRAINING AND CAPACITY BUILDING

In order to ensure a full understanding of roles, responsibilities and the regulation for the funding period 2009-2014, many seminars and training workshops have been organised for those involved in the management of programmes including: Focal Points, Programme Operators, Donor Programme Partners, donor country embassies, potential beneficiaries and partners.

From May 2016, expert meetings, kick-off meetings and stakeholder conferences have been organised for NFPs, stakeholders and others involved in the management of the EEA and Norway Grants 2014-2021.

DONOR MANAGEMENT COSTS

The ceiling for donor management costs and donor technical assistance is 7.5%. Donor technical assistance includes participation costs of donor programme partners, international partner organisations, management of the funds for regional cooperation and youth employment, appraisal, monitoring, evaluation, audit and costs linked to the functions of the Financial Mechanism Committee.



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ANNEX 1

ALLOCATIONS BY PRIORITY SECTOR AND COUNTRY (€ MILLION)

					110 0		1111	(,							
Priority Sector	BG	HR	CY	CZ	EE	GR	HU	LV	LT	MT	PL	PT	RO	SK	SL	ES	Total
Environmental Protection and Management	16.00		1.16	15.35	5.93	6.50		2.07	11.34	0.86	36.08	19.25	33.18		3.86		151.59
Climate Change	13.26			3.07	0.97	9.51	23.13	8.29	0.18	0.47	75.00	7.00	24.59	12.46		18.22	196.15
Civil Society	11.79	0.95	1.32	11.37	2.30	7.34	13.50	10.37	5.50	0.50	37.00	8.70	36.33	7.40	1.88	4.59	160.82
Human and Social Development	14.28	3.40	0.39	3.98	6.51	28.45	11.22		6.31		19.84	12.50	31.52	1.00		10.19	149.58
Protecting Cultural Heritage	14.00		0.62	21.49	4.51		12.62	10.02	10.00	0.80	71.20	5.00	22.50	11.92	4.95	4.59	194.22
Research and Scholarship	1.50			0.31	0.60	3.00	2.98	0.52	1.42		5.00		24.50	1.92	0.63	3.92	46.28
Technical assistance	0.98	0.08	0.06	0.92	0.24	0.45	1.05	0.52	0.58	0.03	1.63	0.87	1.36	0.58	0.19	0.69	10.32
Fund for bilateral relations at national level	0.39	0.20	0.02	O.31	0.22	0.32	0.35	0.17	0.19	0.01	1.13	0.29	0.95	0.19	0.06	0.23	4.94
Reserve for projects under 2004-09 period	0.50	-	-	-	-	3.08	-	-	-	-	-	-	1.51	-	-	-	5.09
Net allocation: EEA Grants	72.71	4.63	3.56	56.80	21.28	58.65	64.84	31.96	35.52	2.68	246.88	53.60	176.44	35.47	11.56	42.41	918.99
Carbon Capture and Storage				5.02													5.02
Green Industry Innovation	13.70				6.00		22.88	11.33	8.00		89.15*		29.70	16.07			196.83
Decent Work and Tripartite Dialogue	0.48	0.10	0.04	0.70	0.26		0.83	0.38	0.46	0.02	3.11		1.15	0.42	0.14		8.10
Research and Scholarship				18.04	4.00		24.13	4.99			73.18				1.22		125.57
Human and Social Development	9.78	0.35	1.88	24.35	10.91		27.46	4.99	14.00	0.29	66.00		48.60	13.37	11.67		233.65
Justice and Home Affairs	19.70	3.65	1.70	15.37	2.00			13.06	18.81	1.15	40.63		25.30	8.44			149.80
Protecting cultural heritage											10.00						10.00
Technical assistance	0.42	0.07	0.06	1.06	0.26	-	1.25	0.58	0.68	0.02	4.24	-	1.23	0.64	0.22	-	10.83
Fund for bilateral relations	0.24	0.08	0.02	0.58	0.25	-	0.42	0.19	0.23	0.01	1.56	-	0.58	0.28	0.07	-	4.38
Reserve for projects under 2004-09 period	0.08	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.08
Net Allocation: Norway Grants	44.40	4.26	3.70	65.12	23.68	-	76.96	35.52	42.18	1.48	287.86	-	106.56	39.22	13.32	-	744.26
Donor management costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	98.90
Donor programme partner technical assistance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	35.96
TOTAL	126.60	9.60	7.85	131.80	48.60	63.40	153.30	72.95	84.00	4.50	578.10	57.95	305.95	80.75	26.90	45.85	1798.1

*Includes €70 000 for the Polish energy efficiency programme which contributes towards the objectives of the climate change priority.

ANNEX 2

EXPLANATORY NOTES ON THE INDICATORS IN THE COUNTRY OVERVIEWS

Indicator	Description ¹
GPD per capita (in PPS)	Gross domestic product (GDP) reflects a country's economic situation: the total value of all goods and services produced less the value of goods and services used for intermediate consumption in their production. Expressing GDP in purchasing power standards (PPS) eliminates differences in price levels between countries while calculations on a per head basis allow for the comparison of economies significantly different in absolute size.
Economic growth (% change on previous year)	The calculation of the annual growth rate of GDP volume is intended to allow comparisons of the dynamics of economic development both over time and between economies of different sizes.
Unemployment rate (%)	Unemployment rates represent unemployed people as a percentage of the labour force. The labour force is the total number of people employed and unemployed.
Youth unemployment rate (%)	Unemployment rates represent unemployed persons aged 15-24 as a percentage of the labour force of the same age.
Public Debt (% GDP)	Consolidated general government gross debt at nominal value, outstanding at the end of the year in the following categories of government liabilities: currency and deposits; securities other than shares excluding financial derivatives; and loans. General government sector comprises the sub-sectors: central government; state government; local government; and social security funds.
Gender pay gap (%)	The unadjusted gender pay gap (GPG) represents the difference between average gross hourly earnings of male paid employees and of female paid employees as a percentage of average gross hourly earnings of male paid employees.
At-risk-of-poverty rate (%)	At risk of poverty or social exclusion is the percentage of the population who are at risk of poverty or who are severely materially deprived or living in households with very low work intensity.
Human development index	0.39
(EU-28 ranking)	A composite index measuring average achievement in three basic dimensions of human development – a long and healthy life, knowledge and a decent standard of living.
Corruption perception index (EU-28 ranking)	The corruption perception index (CPI) is an aggregate indicator that brings together a number of different sources that capture perceptions of corruption within the past two years.

Sources: Eurostat for all indicators except Human Development Index (UNDP) and Corruption Perception Index (Transparency International)

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ANNEX 3

DONOR PROGRAMME PARTNERS BY BENEFICIARY COUNTRY

Donor Programme Partner	Country	Bulgaria	Croatia	Cyprus	Czech Republic	Estonia	Greece	Hungary	Latvia	Lithuania	Malta	Poland	Portugal	Romania	Slovakia	Slovenia	Spain
National Energy Authority	Iceland							•					•	•			
Icelandic Centre for Research	Iceland	•			•	•		•				•		•	•	•	•
National Agency for International Education Affairs	Liech- ten-stein	•			•	•		•				•		•	•	•	•
Arts Council Norway	Norway				•				•	•		•	•	•			
Norwegian Barents Secretariat	Norway	•													•		
Norwegian Directorate for Children, Youth and Family Affairs	Norway					•											
Norwegian Courts Administration	Norway									•		•		•			
Norwegian Directorate for Civil Protection	Norway							•	•				•		•		
Norwegian Institute of Public Health	Norway				•	•		•					•			•	
Norwegian Directorate of Health	Norway					•						•			•		
Innovation Norway	Norway					•		•	•	•					•		•
Directorate of Norwegian Correctional Service	Norway								•	•		•		•			
Norwegian Association of Local and Regional Authorities	Norway	•				•		•	•	•							
Secretariat of the Shelter Movement	Norway			•													
Equality and Anti-Discrimination Ombud	Norway																•
Norwegian Environment Agency	Norway	•			•	•			•	•		•		•			
Research Council of Norway	Norway				•	•		•	•			•		•			
Norwegian Water Resources and Energy Directorate	Norway	•												•	•		
National Police Directorate	Norway	•								•				•			
Directorate of Cultural Heritage	Norway					•		•	•	•				•			
Norwegian Centre for International Cooperation in Education	Norway	•			•	•		•	•	•		•		•	•	•	•
Norwegian Radiation Protection Authority	Norway													•			
Norwegian Directorate of Immigration	Norway						•										
Norwegian Agency for Lifelong Learning	Norway							•									
Council of Europe		•	•	•	•			•	•		•	•		•	•		

'Includes €70 000 for the Polish energy efficiency programme which contributes towards the objectives of the climate change priority.

ANNEX 4

TOTAL ALLOCATION FOR 2014-2021 FINANCIAL MECHANISMS (€ MILLION)

Financial Mechanism 2014-2021 allocation (€ million)	Regional Fund	BG	HR	CY	CZ	EE	GR	HU	LV	LT	МТ	PL	PT	RO	SK	SL	Total
Total allocation: EEA Grants	55.2	115	56.8	6.4	95.5	32.3	116.7	108.9	50.2	56.2	4.4	397.8	102.7	275.2	54.9	19.9	1548.1
Total allocation: Norway Grants	44.8	95.1	46.6	5.1	89	35.7	-	105.7	51.9	61.4	3.6	411.5		227.3	58.2	17.8	1253.7
Total allocation to Financial Mechanism 2014-2021	100	210.1	103.4	11.5	184.5	68	116.7	214.6	102.1	117.6	8	809.3	102.7	502.5	113.1	37.7	2801.8

*Includes €70 000 for the Polish energy efficiency programme which contributes towards the objectives of the climate change priority.

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– Investment and Development Agency of Latvia – Yayo
Pino – The Government Office of the Slovak Republic
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Control

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