

**2015 Annual Programme Report  
EEA Financial Mechanism 2009-2014**

**National Authority for Scientific Research and Innovation**

**15<sup>th</sup> of February 2016**

Beneficiary State	<b>Romania</b>
Programme title	<b>Research within Priority Sectors</b>
Programme number	<b>RO 14</b>
Planned total expenditure (euro)	<b>23.529.412</b>
Planned total eligible expenditure (euro)	<b>23.529.412</b>
Grant rate awarded	<b>85%</b>
Grant awarded (euro)	<b>20.000.000</b>
Date of donor decision	<b>05/08/2013</b>
Programme planned completion date	<b>31/12/2017</b>

**1. Executive summary**

The Programme “Research within Priority Sectors” has been run by the Ministry of National Education and since January 23<sup>rd</sup>, 2015 by the National Authority for Scientific Research and Innovation as the Programme Operator. Under this reporting period, the Programme Operator has continued the implementation of the 23 joint research projects financed under the four scientific fields: “Renewable energy to fight climate change”, “Health and food safety”, “Environmental protection and management” and “Social sciences and humanities”.

At the beginning of February and of March 2015, the interim payments for the projects (related to annual contract values for 2015) were paid by the PO, amounting to 6 million euro (representing 90% of the 2015 budget for all contracts).

The Annual Scientific Reports and Annual Financial Reports for 2014 were evaluated and respectively verified, certified and approved by the Programme Operator. The annual scientific reports were assessed by independent external experts, contracted by PO for scientific and technical evaluation services. The result of the evaluation of the annual scientific reports for 2014 was positive for all projects. The submitted deliverables and implementation were in line with the set planning of the projects and therefore evaluators concluded their reports by giving a final recommendation to continue funding of the projects. The annual financial reporting for projects was successfully completed after verification of reports and proof of expenditure, certification of declared costs, authorisation of due payments, approval of payment requests, transfer of the remaining funds for 2014 due for only 5 contracts and finally, notification sent to all project promoters on the results of the first reporting period.

At the beginning of November, the Financial Interim Reports were received from the Project Promoters and the financial data provided were used in the Program Operators' Interim Financial Report – submitted to the FMO on mid-November.

In order to be better prepared for the next annual reporting on project level, due by the end of January 2016, a technical meeting dedicated to Project Promoters was organized by the PO on 26<sup>th</sup> of November at its headquarters. On this occasion, other issues, in particular related to the projects implementation and financial management, information and publicity requirements and latest preparatory details for the forthcoming international conference of the programme were addressed.

On-the-spot project monitoring visits were performed during October- December 2015 by the project officers, financial officers and public purchase officer nominated by the PO for the contracts. Based on a revised Monitoring Plan, 7 projects were selected to be subject of on-the-spot monitoring visits. The selection criteria used for planning these visits were the following: amount granted to the projects, financial reporting without any proof of expenditure (total grant less than 375.000 euro), financial reporting with audit certificates and risks in project implementation.

Under the bilateral relations fund, one major event took place on December 10, 2015 in Bucharest: the international conference "Achievements and future steps". It brought together more than 100 participants: all the project promoters and also their partners from Romania, Norway and Iceland, representatives of donor programme partners, national entities involved in the implementation of the EEA and Norway Grants, embassies, members of the Programme Committee, other Programme Operators acting at national and EU level, other relevant stakeholders. Within the core conference, a plenary session was dedicated to Roma population related projects (7 projects). The conference took stock on the results achieved after one and a half year of collaboration on projects, facilitated networking and exchange of views and looked into the future for prospects to continue and expand collaboration beyond this Programme.

## ***2. Programme area specific developments***

The Programme contributes to further integrate the scientific community and economic sector to international cooperation networks and fora, exchange of knowledge and know-how in the Programme area. It also strengthens competences in terms of capacity building at Programme, project promoter and project partner level and facilitates a better participation to the European Framework Programme for Research and Innovation Horizon 2020 and other European initiatives and programs.

The Programme is relevant specifically to its four thematic areas selected in consultation with the Donor Programme Partners, namely: "Renewable energy to fight climate change", "Health and food safety", "Environmental protection and management" and "Social sciences and humanities".

The overall objectives for each thematic area reflect potential synergy effects with the national research, development and innovation policies, as set by the National Strategy for Research, Development and Innovation 2014-2020. This policy document has been built on the following four smart specialisations areas: bio-economy; information and communication technologies, space and security; energy, environment and climate change; eco-nano technologies and advanced materials.

The national strategy is being implemented by two main instruments: the Operational Program for Competitiveness, Axis 1 "Research, development and innovation for the support of economic competitiveness and business development" and the 3<sup>rd</sup> National Plan for Research, Development and Innovation, which was adopted by a Government Decision in July 2015.

Potential synergies with Horizon 2020 and other European programs and initiatives are likely to appear during the lifetime of this Programme. A possible approach to facilitate synergies between this Programme and the aforementioned programs could be a measure that will provide support from the the bilateral relations fund of the Programme to project promoters, project partners and other programme area relevant entities from Romania and donor states for the preparation and submission of new project applications to Horizon 2020 or European programs and initiatives. This option could be part of a renewed Action Plan for the use of the bilateral relations fund, to be analysed and finalized with the support of the Programme Committee members and observers in the first trimester of 2016.

In respect of legal change of the Programme Operator, the National Authority for Scientific Research and Innovation was set up in January 2015, under the subordination of the newly created Ministry of Education and Scientific Research and representing also the new Programme Operator for the “Research within Priority Sectors” Programme.

Due to this change of legal nature of the PO, some difficulties occurred in the implementation process of the activities undertaken at programme level. Administrative changes of the Program Operator took place as well, causing delays in part of the implementing activities carried out under the Programme. Additional efforts were done by the Programme Operator staff in order to remedy, whenever possible, the bottlenecks generated by all these changes and to minimize, as much as possible, their impact on projects implementation. Close monitoring of projects in as quick and smooth manner was performed by PO staff in order to enable a swift communication and successfully complete the second reporting period.

To conclude, the Programme Operator changes occurred in this reporting period didn't affect the achievement of the Programme objective. There has been progress registered towards the achievement of the Programme outcome and outputs (see next chapters).

Specific developments in the implementation of this Programme for the second reporting period are:

1. Change of the PO (from MEN to National Authority of Scientific Research and Innovation), reflected also in addenda to the contracts concluded with project promoters;
2. Successive reorganizations of the structure of the Programme Operator (April, June, August 2015);
3. Organization of the Programme Committee (PC) meeting in February 2015, approval of Annual Programme Report 2014 and of the Annual Working Programme 2015, the revision of the draft Action Plan on bilateral relations fund, adopted further by remote vote of the PC members and also approval for the reallocation of remaining funds from Measure A to Measure B of the bilateral relations fund;
4. Revision of some of the Programme operational procedures (e.g. risk management, reporting, projects selection, negotiation and contracting, verification of declared costs and payment authorization, payments, intermediary/final financial reports, projects monitoring, irregularities, Programme Committee, verification and control, information and publicity);
5. Preparing the organizational framework for the evaluation process of the annual scientific and technical reports submitted by projects for 2014 (model for the grant agreement for S&T evaluation services, templates for the annual/final evaluation report, list of independent expert evaluators, contracts concluded with evaluators);
6. Scientific evaluation process accomplished, checks and certification of declared costs on project level, payments authorisations, payment requests approved, transfers of remaining funds, notifications sent to project promoters on the results of the first reporting period;
7. Updating the projects financial data in DORIS;
8. Adoption of the Decision establishing the eligible costs and activities categories of the Programme Operator as beneficiary of EEA funds under this Programme;
9. Approval of the Programme annual plan for public procurement;
10. On-the-spot monitoring visits performed for 7 projects, based on a risk analysis, according to the revised Plan for monitoring in 2015;
11. Participation to the Programme Operators seminars organized in Bruxelles (June 2015, dedicated to promotion and communication), respectively in Oslo (October 2015, dedicated to reporting and H2020 synergies);
12. Contracting legal services exclusively dedicated to PO activities developed under the Programme (July- December 2015);

13. Organization of a technical meeting, held in Bucharest on November 26th at PO's headquarters, with the project promoters and dedicated to scientific and financial reporting requirements, signing of the addenda to the contracts, results of the monitoring visits to date, publicity and promotion requirements, preparation of the forthcoming International Conference «Achievements and future steps»;
14. Organization of the International Conference «Achievements and future steps» on December 10th in Bucharest. The initially planned conference dedicated to Roma-related research projects (7 projects), was integrated as a plenary session within the agenda of the International Conference.

### 3. Reporting on outputs

3.1. Towards the expected outcome of the programme, i.e. "Increased research cooperation between the EEA EFTA and Romania", four outputs and related indicators were set through the Programme proposal and endorsed by Annex I – Programme Decision of the Programme Agreement.

The outputs indicators were collected from the projects' annual scientific and technical reports submitted by the Project Promoters by 1<sup>st</sup> of February 2016. During the second reporting period in the implementation of the Programme, most of the output indicators show progress compared with the previous reporting period. The figures for each output indicator achieved in 2014 and separately in 2015 are given in the summary table below.

Output	Output indicator(s)	Baseline	Target	Achieved in 2014	Achieved in 2015	Source of verification
Increasing number of research institutions	Number of research partners involved in joint research projects	0	50	87	<b>0</b>	Contracts
Increasing number of researchers	Number of researchers involved in joint research projects	0	150	356	<b>136</b>	Periodic or final reports of joint research projects
Better use of research results in terms of cooperation between Romania and EFTA States	Number of internationally refereed scientific publications	0	60	14	<b>54</b>	Periodic or final reports of joint research projects
Increased role of postdocs and / or PhD students in R&D field	Number of postdocs and / or PhD students participating in joint research projects	0	50	125	<b>5</b>	Periodic or final reports of joint research projects

To date, there are 87 research partners and 492 researchers involved in the joint research projects, out of which 130 PhDs and/or postdocs, and 68 internationally refereed scientific publications.

In comparison with the previously reported output indicators, there is an upward trend for the indicators except for the first one which remained stable.

As seen in the summary table, for all output indicators the targets were reached and exceeded due to the fact that collaboration between the R&D organizations and SMEs from Romania and Donor States was carried out as planned in projects, without obstacles or major problems, which gives good prospects for achieving the expected Programme outcome.

Another detailed table on the four output indicators achieved so far, by contract and thematic area, is given in **Annex 1**. This table is providing the level of contribution each selected project has on the Programme outputs.

There is an increasing number of postdocs and/or PhDs (in total 130) that were pursuing research activities in 2015 compared to the previous year, which gives evidence to the impact this Programme has on strengthening the research capacity by enhancing the role of the young researchers in the research and development area.

In addition, the number of researchers involved in projects during 2015, in total 492, with minimum 7 researchers/project and maximum of 45 researchers/project, shows also the impact of the Programme in terms of increased collaboration in research between Romania and the donor states. Out of the total figure, 160 researchers are counted for the health area, 97 researchers for the social sciences and humanities area, 171 researchers work in the environment area and 64 researchers are affiliated to energy area.

An important indicator measuring the joint research projects' results is the number of internationally refereed scientific publications. There is also progress achieved in the evolution of this indicator from the previous reporting period. In 2015, the project promoters reported 54 internationally refereed scientific publications, in comparison with 14 in 2014, out of which 21 are internationally refereed joint scientific publications.

3.2 & 3.3. Under this Programme, there are no pre-defined projects, nor small grant schemes.

#### 4. Reporting on Programme outcome(s)

Selected joint research projects are contributing towards the achievement of the expected outcome of the Programme, an increased research cooperation between Romania and EFTA states.

The summary table below is showing the outcome indicators and the values achieved by projects in 2014 and 2015. These indicators are measuring the progress in reaching the Programme objective, namely an enhanced research based knowledge development in Romania.

Outcome	Outcome indicator(s)	Baseline	Target	Achieved in 2014	Achieved in 2015	Source of verification
Increased research cooperation between Romania and EFTA States	Number of internationally referred joint scientific publications	0	20	3	<b>21</b>	Periodic or final reports of joint research projects
	Number of joint research projects between Romania and EFTA States	0	20	23	<b>0</b>	Number of financed joint research projects

	Number of small medium sized enterprises engaged in Research Development and/or Innovative activities under this Programme	0	5	8	0	Contracts
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In **Annex 2**, a detailed table is providing the contribution to date of each project by thematic area to meeting the outcome indicators for the number of internationally referred joint scientific publications and of SMEs involved in projects.

With regard to the eight SMES involved in the selected projects, 5 SMEs are from Romania, 2 SMEs are from Island and 1 SME is from Norway.

When measuring progress in the evolution of outcome indicators, it is to be reported that two out of 3 indicators (number of joint research projects and of SMEs) remained unchanged for obvious reasons, while the other indicator for number of internationally refereed joint scientific publications registered an increase in its total value, as compared with the previous reporting year, from 3 to 21.

Main risks occurred in the implementation of the Programme that are related to the cohesion objective can be summarized in difficulties at project level in implementation and annual reporting , low impact of scientific publications, failure to use projects results, and also delays at Programme Operator level concerning the evaluation process of the annual scientific reports of projects, certification of declared costs, authorisation of due payments, transfer of remaining funds and the delays registered in signing the addenda to the contracts. These risks were mitigated by organizing a technical workshop for scientific and financial reporting requirements at project level, continuous communication at all levels, daily monitoring of projects, assistance and guidance, speeding up the completion of the evaluation process of annual scientific, accelerating all steps in the process of approval of the annual financial reports and of signing of addenda to the contracts.

With regard to the operational issues of the Programme Operator, there were two risks identified: one related to the delayed implementation of some PO activities due to legal and administrative changes in the structure of PO and to internal bureaucratic procedures and the other one to the lack of legal support for the Programme. These risks were mitigated by intensive training of new PO staff, frequent operational meetings with the PO staff, reconfiguration of the PO structure, better communication within the PO, faster and simpler decision-making process and by contracting legal services for the Programme.

Despite all difficulties encountered at the PO level, a positive cash flow was ensured and thereby projects continued to carry out the activities as planned.

### **Progress on horizontal concerns**

In addition to what has been already presented in the previous annual Programme report, the output indicators achieved in 2015 by the projects that are focused on the improvement of the situation of the Roma population are presented in **Annex 3**.

At mid-term period in the implementation of the projects, there are good prerequisites to consider that these projects will also meet the expectations and deliver the expected results as planned and finally bring a positive contribution towards the Roma inclusion.

### **5. Project selection**

Not applicable for the Annual Programme Report.

## 6. Progress of bilateral relations

Within the total budget (352.942 euro) foreseen for the “Fund for Bilateral Relations”, 264.705 euro were set aside for measure A “seeking partners” and 88.237 EUR were to be used under measure B “networking and exchange measures”.

Given the large amount of funds that were still available under this Programme funding line, a draft Action Plan was prepared by the PO based on the Programme proposal and suggestions made by the representatives of DPPs. It was discussed with the Programme Committee members and observers that were convened in Bucharest at their 3<sup>rd</sup> meeting on February 10-11<sup>th</sup>, 2015.

Concrete measures were proposed for the use of bilateral relations funds and ideas for new measures were put forward by the members and observers of the Programme Committee (PC), with a view to facilitate increased cooperation at different levels (institutional and individuals), shared results, improved knowledge transfer and mutual understanding and to generate wider effects in the socio-economic area.

In accordance with the operational rules of the Programme, as set in Annex II of the Programme Agreement and in line with the Rules of procedure for the Programme Committee, section 7 “Remote mode of operation of the Committee”, the Programme Committee has approved the revised Action Plan for bilateral relations in July 2015, as proposed by the Programme Operator on May 28<sup>th</sup> and the reallocation of funds between the two categories of activities, namely the transfer of 240.970 euro from measure A to measure B under the "Funds for bilateral relations" of the Programme.

The concrete measures of the Action plan were the result of close collaboration and support provided by the DPPs (Norwegian Research Council and Icelandic Research Centre) aiming at strengthening the bilateral relations between Norway, Iceland and Romania in the future activities undertaken under the Programme.

The activities undertaken under Measure B “Networking and exchange measures” in 2015 were the following:

- The Projects’ International Conference “Achievements and future steps”, held on December 10<sup>th</sup> in Bucharest. The Conference addressed the promotion of the mid- term results generated by the 23 joint research projects funded by the programme, after one and a half year of collaboration between the project promoters and their project partners from Romania and donors states.

The main goals of the conference were to:

- a) Present the joint research projects and have a stocktaking of the outputs achieved after the first half running period of the projects.
- b) Facilitate exchange of views, networking, sharing knowledge and best practices between project promoters and partners of funded projects.
- c) Strengthen bilateral relations between Romania and Donor States in research and innovation area and stimulate academia and SMEs to plan for future collaborations and projects beyond this Programme.

The invited guests were the project promoters of the funded projects and their partners from Romania, Norway and Iceland, representatives of donor programme partners, national entities involved in the implementation of the EEA and Norway Grants, embassies, members of the Programme Committee, other Programme Operators acting at national and EU level and other relevant stakeholders. More than 100 participants attended the event, from RO, NO, and IS.

The initially planned Roma conference was organized as a plenary session in the framework of the projects’ Conference and it was dedicated to the 7 Roma-related research projects. The plenary

session was followed by two parallel sessions split on thematic areas (social science & humanities, environmental protection & management, respectively health & food safety and renewable energy).

The Conference ended with a panel discussion on partnerships built with the support of this Programme and future perspectives for collaboration beyond the lifetime of the current funding,

moderated by the Research Council of Norway representative. The following topics were discussed: history behind partnerships, challenges to report in the evolution of the project partnership, good

practices to be shared or lessons to be learned, ideas for support measures to facilitate long-term cooperation with the project partners beyond this Programme.

- As for the two activities planned on the Action plan under Measure B, namely “Visits for future institutional cooperation planning” and “Bilateral workshops at projects level”, the PO identified the specific implementation instruments and it is currently elaborating the Information packages/Guides for applicants that will support the launching of the open calls for proposals in 2016.

The Programme has a single bilateral indicator set, as provided by DoRIS (Documentation, Reporting and Information System), that measures strengthening of the bilateral relations. Progress of the bilateral indicator for “number of project partnership agreements in the beneficiary public sector” is shown in the table below.

Indicator	Baseline	Target	Achieved in 2014	Achieved in 2015	Source of verification
Number of project partnership agreements in the beneficiary public sector	0	20	23	0	Number of financed joint research projects (contracts)

### *Complementary action*

Funds amounting to 40.000 euro have been set aside for complementary actions. They were used to strengthen co-operation, exchange experience and best practices related to the implementation of the Programme between the POs, DPPs and similar entities from the concerned countries.

Regularly organized Programme Operators' workshops for the Research Programmes are great occasions for the PO staff to benefit from the exchange of knowledge and experience in implementing of the EEA and NO grants funded programs. These workshops are contributing to strengthening bilateral relations not only with the DPPs but also with other similar research funding organizations in Europe.

On June 10-11<sup>th</sup>, 2015, the 5<sup>th</sup> POs workshop for Research Programmes was held in Brussels. Attendance to the Communication seminar resulted in improved knowledge of the PO on communication in science, in particular on the web and social media, and shared experiences and good practices related to this subject in different beneficiary countries. In addition, the Programme presentation given at the outreach event held at Norway House on June 10<sup>th</sup>, 2015 was an excellent opportunity to promote the programme and its achievements in front of the representatives of the donor states, embassies in Brussels and permanent representations to the EU and other stakeholders.

During October 20-22<sup>nd</sup>, the 6<sup>th</sup> PO Workshop for Bilateral Research Programmes was organized in Oslo at Research Council of Norway premises, respectively Voksenåsen Conference Centre. Topics addressed during the three days seminar were: reporting (DoRIS platform, indicators, reporting practices discussed in working groups); project promoters-partners partnership (communication, capacity building, webbased reporting systems); FMO/POs relation. Furthermore, the implication of the five invited countries and Norway in Horizon 2020 Programme, ERA-Nets and JPIs and other research and innovation activities were a very good opportunity to learn more about the research landscapes and research strenghts of each PO's country.

On October 22nd, the PO participated to the Open Day organized at Research Council of Norway's headquarters and presented the research system in Romania and the „Research within Priority Sectors” Programme, followed by the panel discussion with the RCN staff. Promotion materials of the projects funded under the Programme were made available to participants.

On September 29-30<sup>th</sup>, the PO attended the Regional Conference on Roma and discrimination organized by the NGO Fund Programme in Romania, part of the assistance provided to Romania within EEA Grants and Norway Grants 2009 -2014.

The aim was to get a deeper knowledge in the context of a framework suitable for exchanging views and good practices of Roma and non-Roma organizations which are active in the policy influencing and in addressing community problems, as well as to identify areas towards which policy makers and donors should direct their actions in the upcoming years.

Exchange of experience and lessons learnt shared by other POs have been very useful for our Programme, mostly in terms of diversity of information received on Roma population inclusion issue, a topic of interest for the “Research within Priority Sectors” Programme.

## **7. Monitoring**

Monitoring activity consists of collecting information on projects' implementation, analysing the objectives and progress in achieving the outcomes, identifying problems and deviations from the agreed work plan, identifying, evaluating and adopting measures preventing risks, implementing corrective measures, and providing an evidence-based foundation for decision making process.

Project monitoring was performed by the project officers, financial officers and purchase officer nominated by the PO to take over this responsibility for the contracts. PO was assisted in this task by independent external experts.

The main monitoring instruments are the following:

- Annual Scientific Reports and Annual Financial Reports (according to the contract provisions and given templates) and other documents requested by the PO for reporting purposes;
- On-the-spot visits - organized by the PO, based on the risk assessment, for the verification of the projects' implementation (their compliance with contract provisions, legal framework, checking whether the annual scientific and financial reports correspond with the reality on the ground, etc.);
- Instructions, notifications, and other official communications addressed to PPs concerning rules and procedures to be followed during projects' implementation.
- Assistance and guidance provided to PPs by phone, e-mail, notes, etc.;
- Written answers to PPs on notifications, requests for amendments to the contracts and other requests;
- Examination of the interim financial reports;
- Technical meeting – organized by the PO with the PPs in order to better prepare the next reporting stage especially the annual financial reports, clarify different issues occurred during the implementation and financial management of the projects, remind the publicity and information requirements, present the lessons learned from the on-the-spot monitoring visits, speed up the signing of the addendum to the contracts and prepare the forthcoming international conference of the Programme.

At the beginning of January 2015, PPs sent their requests for the interim payments to the projects, as planned according to the contract earmarked budget for 2015. Almost 6 million euro, representing 90% of the 2015 budget for all contractors, were paid to project promoters. The Project Promoters received the interim payments at the beginning of February, most of them the entire amount, while the rest, due to a clerical error occurred, received the full interim payment in two instalments transferred in February and March.

The Annual Scientific Reports were checked by the project officers and evaluated by the evaluators. The Annual Scientific Reports were assessed by independent external experts, in accordance with the provisions of the service contracts. Evaluators were contracted for a fixed

period of time in order to pursue the scientific monitoring of projects for each reporting period and as well for the final reporting by assessing the annual scientific reports and the final reports.

In order to have the best monitoring process and to follow closely the projects' results, the experts were selected from the pool of experts used in national evaluation processes based on the recommendation of an advisory body, after matching their professional experience and scientific expertise with the projects' theme.

The results of the evaluation of the annual scientific reports for 2014 were positive for all projects. The submitted deliverables and implementation were in line with the set planning of the projects and therefore evaluators concluded their reports by giving a final recommendation to continue funding of the projects.

The Annual Financial Reports were also checked by the project officers, financial officers and public purchase officer, and then certified and approved by the responsible PO staff. Payments requests were approved and the remaining funds for 2014 due for only 5 contracts were transferred. Finally, notifications were sent to project promoters on the results of the first reporting period.

Desk monitoring activities – assistance and guidance by phone, e-mails and different notifications to answer Project Promoters' requests. This activity was the most time-consuming– several notifications and requests for contracts amendments were received (for different issues and changes occurred on projects implementation, like staff changes, budget savings after purchasing, budget reallocation, equipment to be purchased, resetting reporting deadlines in line with Annex 12 of the EEA Regulation, etc.).

Examination of the Financial Interim Reports – at the beginning of November, the Financial Interim Reports for all 23 projects were submitted by the Project Promoters. The financial data provided by these reports were checked and gathered by the financial officers, and then used for filling in the Program Operators' Interim Financial Report – prepared and submitted to the FMO by mid-November.

A technical meeting for the Project Promoters was organized on 26<sup>th</sup> of November, in order to better prepare the 2<sup>nd</sup> annual reporting at project level and clarify some issues occurred in the implementation of the projects, especially related to the financial management

Other aspects discussed with this occasion were: preparing the next amendments to the contracts, presenting the results of the on-the-spot monitoring visits performed, reminding the requirements for publicity and information and preparing the forthcoming international Conference "Achievements and future steps" (held in Bucharest on 10<sup>th</sup> December 2015).

On-the-spot monitoring visits - based on the Monitoring Plan (as revised in December 2015), a number of 7 projects were selected to be subject of on-the-spot monitoring visits, performed during October and December 2015. The selection criteria were the amount granted to the project, the financial reporting without any proof of expenditure (total grant less than 375.000 euro), the financial reporting with audit certificates and risks in project implementation.

The following issues have been assessed for the Project Promoter and the Romanian project partners:

- a) The capacity to implement the project
- b) Eligibility of expenditures from the 1st July to 31 December 2014
- c) Financial and accounting activities of the project
- d) Public Procurements
- e) The progress state of the project implementation
- f) The Communication Plan, the fulfilment of publicity requirements & visual identity; the existence of the good practices of the good governance, sustainable development and equal opportunities
- g) The capacity to keep the tracks and create and maintain the audit trail through collection, preservation and archiving the documents
- h) The risk factors, to capacity to identify and characterize problems that occurred or may occur during implementation. Suggestions/ recommendations for remedial actions.

The Programme Operator monitoring teams have checked:

- Financial and accounting documents;
- Procurement files;

- Working plans for research activities, project achieved results before the on-site monitoring visit output and outcome indicators achieved on project;
- Working programs, agendas, minutes of project board meetings, technical working folders containing e-mails among the project consortia;
- Projects' websites.

Conclusions of on-the-spot monitoring visits are the following:

- The management and research activities were carried out according to the planned project activities, the results are confirming the physical progress and the correlation with the allocated budget expenditures. In some cases, the calendar of research and purchasing activities have been amended due to objective conditions resulting from the project implementation.
- Financial, accounting and the public procurement activities were developed in accordance with to the legislation in force. Minor ineligible expenditures have been identified, in some projects, which consequently were not certified from the amount of declared costs.
- There was a clear need to update the initially planned budgets (annual budgets for the implementation of projects) due to reallocations or necessary corrections. Delays in the achievement of research activities have been identified (postponed purchases of equipment or changes occurred in the research teams). These risks have been mitigated through a re-planning of the research activities, access to and use of the equipment provided by a third party, hiring of doctoral students in research teams or team changes so as to ensure the targeted success.
- Project indicators are nominated in part in the description of the stages and the functioning of the working groups. It is therefore necessary that each project promoter to draw up a list of indicators that are detailed in the working stages and partners. These indicators must consider projects and program indicators.
- The websites/webpages of the projects are in English and Romanian. The information presented is updated, in compliance with the Manual for communication and design. However, there are some websites/webpages that need further improvement.
- In some projects, the implementation team members or the Program Operator staff had access to the webpages based on an authorized administrator account password project. Documents from the project meetings, documents for dissemination (drafts of newsletter, posters, etc.) are uploaded on the webpages and the access is restricted for the public. Thus, the webpage is a project management platform.
- There were some shortcomings in complying with the publicity and information requirements as set in Annex 4 to the EEA Regulation. This issue has been also raised by the PO during the technical meeting held in November 2015 and PPs have been reminded about these obligations.

The Monitoring Plan of projects for 2016 is presented in **Annex 4**.

## **8. Need for adjustments**

Based on the results of the workshop dedicated to indicators for the Research Programmes funded from the Norwegian and EEA Grants and further discussions with the Norwegian Research Council and FMO, which resulted in a table with revised indicators, the PO considered that the output indicator related to the number of patent applications has limited relevance to selected projects and therefore suggested its removal.

The Financial Mechanism Office accepted our proposal and removed this output indicator from the “Outcomes and indicators” section of the Programme in DoRIS.

Up to date, there was no modification brought to the Programme and therefore no new amendment to the Programme Agreement was done.

## **9. Risk management**

The risks identified in the previous reporting period were successfully mitigated due to the measures taken by the PO to smoothly implement the 23 joint research projects during 2015. As such, the PO staff quickly adapted to the new status and conditions generated by the setting up of the new PO (National Authority for Scientific Research and Innovation) on January 23, 2015, in order to mitigate or reduce delays in the Programme implementation (e.g. financial management, interim payments at project level due at the beginning of the current fiscal year, etc.).

Difficulties in implementation at an operational level have been registered, mostly due to internal bureaucratic procedures within the PO organization. Also, at project level there were cases when swift communication involving project promoters, project partners, PO or NFP was necessary, including close monitoring and mediation between PPs and partners done by the PO’s staff.

With reference to the risks identified under the second reporting period, the analysis of the situation and the mitigating actions carried out or planned are presented briefly in the table presented in **Annex 5**. The added column “Measures taken to minimize or mitigate the risk” presents the actions taken or planned by PO to mitigate or minimize the risks occurred in 2015. The risks identified did not affect the achievement of the planned Programme outcome.

## **10. Information and publicity**

In line with the Communication Plan provided by the Programme proposal, several activities were carried out during the second reporting period. The PO webpage <http://www.research.ro/ro/articol/3551/program-see-eea-grants-was-constantly-updated>.

During the seminar organized in Oslo by the Research Council of Norway, the Romanian representative of the PO had the opportunity to distribute the materials made available by the project promoters (leaflets, brochures) and to exchange information with other research programme operators from EU.

During the monitoring visits organized in 2015, the PO’s teams made sure that project promoters and their partners are aware of and comply with the provisions of Annex 4 to the EEA Regulation.

A technical meeting was held for the Project Promoters in Bucharest on November 26th at PO’s headquarters, one of the topic of the agenda being the requirements for publicity and promotion of project’s results.

Furthermore, during the international Conference “Achievements and future steps” held on December 10<sup>th</sup>, the organization team has prepared several promotion materials (roll-ups, brochures with information on the programme, projects’ abstract, budgets and consortia), which were distributed to participants.

## **11. Cross-cutting issues**

### **11.1 Good governance**

In accordance with the provisions of Annex 12 to the Regulation on implementation of the EEA Financial Mechanism 2009-2014, the Programme Operator complied with the good governance rules in the implementation of the Programme for this reporting period as well. Activities were pursued according to the set procedures under the Management and Control System of the Programme, so that principles of good governance at Programme and project level were complied with.

Selected projects were closely monitored and part of them have been subject to on-site inspections, according to the set procedures and practices applicable at PO level and the Monitoring Plan for 2015.

### *11.2 Social sustainability*

Issues concerning social sustainability are taken into account throughout all stages of implementation of the Programme. The Programme will have a long-term benefit for individuals, social group and society at large by ensuring the development of social well-being and social policy. The Programme supports two thematic areas (health and social sciences) that are relevant and will exert a positive impact on the social sustainability in Romania and Donor States.

### *11.3 Gender balance*

Gender equality has been assured for all participants, both at the Programme and project level. Gender balance issues are taken into account during the Programme implementation.

The Programme aims to ensure equality of chances and increased participation of women in research in the selected thematic areas or on levels where they are underrepresented. Provision of information, administrative support and guidance for the team members of the Project Promoters or Project Partners hasn't been affected by the gender.

Under this Programme, there are 8 female principal investigators and 15 male principal investigators involved in selected projects.

## **12. Reporting on sustainability**

Not applicable for the Annual Programme Report.

## **13. Attachments to the Annual Programme Report**

The Annual Programme Report has the following attachments:

Annex 1 – Table on output indicators achieved in 2015

Annex 2 – Table on outcome indicators achieved in 2015

Annex 3 – Table on output indicators achieved in 2015 on the improvement of Roma population

Annex 4 – Monitoring Plan of projects for 2016

Annex 5 – Risk management

### **Signatures for the Programme Operator**

		Optional second signature
Name	Anca Ghinescu	
Position	Programme Coordinator	
Organisation	National Authority for Scientific	

	Research and Innovation						
Signature							
	Day	Month	Year		Day	Month	Year
Date							