



NORWAY GRANTS:
partnership for creation
and preservation of values



MINISTRY OF HEALTH
OF THE REPUBLIC OF LITHUANIA

**NORWEGIAN FINANCIAL MECHANISM 2009-2014
PROGRAMME LT11 “PUBLIC HEALTH INITIATIVES”**

ANNUAL PROGRAMME REPORT No. 2

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Prepared by Programme Operator (Ministry of Health of the Republic of Lithuania)

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Abbreviations

Bilateral Fund	Fund for Bilateral Relations
CPMA	Central Project Management Agency
FMO	Financial Mechanism Office
Government	Government of the Republic of Lithuania
Grants	European Economic Area Financial Mechanism and Norwegian Financial Mechanism
NFP	National Focal Point
MoH	Ministry of Health of the Republic of Lithuania
PO	Programme Operator
Programme	Norwegian Financial Mechanism 2009-2014 Programme LT11 “Public Health Initiatives”
Programme Agreement	Norwegian Financial Mechanism 2009-2014 Programme Agreement between the Norwegian Ministry of Foreign Affairs and the Ministry of Finance of the Republic of Lithuania for the financing of the Programme “Public Health Initiatives”
Regulation	Regulation on the implementation of the Norwegian Financial Mechanism 2009-2014
WHO/Europe	World Health Organisation Regional Office for Europe

1. EXECUTIVE SUMMARY

During the reporting period first open calls were announced, first project contracts were signed and **actual implementation of projects started**.

Programme focus area remains among the priorities on political agenda and is very much in line with the Government programme and MoH policy priorities placing main focus to health inequalities, public/child health promotion and prevention. It should be noted that year 2014 was announced the Year of Child Health with particular emphasis on public health initiatives. This was ensured more political attention and support to Programme area/ related initiatives in general as well as focus to legal acts in this area.

Programme will **contribute to tackling economic and social disparities** as one of the objectives of the 2009-2014 Norwegian Financial Mechanism by supporting child and youth healthcare initiatives, providing assistance in capacity building for identification and reduction of health inequalities through intersectoral approach and promoting exchange of skills and knowledge with Norwegian counterparts. Implementation of concrete projects started in the reporting period will contribute to the cohesion objective with particular attention devoted to problematic areas and regions, as for their participation extra points in evaluations under the open calls are given. Developed and implemented common child health monitoring information system will enable systematic analysis of preventive medical check-up data and health-related factors and provide possibilities for purposeful health policy making on national and municipal level (pre-defined project 1). Modernisation of health offices in schools and pre-schools will improve quality and accessibility of health care service provision in educational institutions. In long-term period, this will result in added value, i.e. creating and fostering healthy environment in schools/pre-schools and respective municipalities, improving physical and mental health of children and youth (Measure 1). The Programme will contribute to prevention and reduction of life-style related diseases of youth as it will increase the accessibility of youth-friendly health care services by creating a model for provision of such services (Measure 2) and implementing it at least in 10 municipalities (Small grant scheme). Implementation of measures for identification, analysis and reduction of health inequalities on national and municipal levels will create prerequisites for improvements in this area, provide valuable insights and serve as a useful evidence for policy makers and practitioners (pre-defined project 2).

Achievement of Programme outcomes and outputs according to established indicators is set in guidelines for applicants and project contracts as a compulsory condition and **no deviation is foreseen** at the moment.

Strengthening **bilateral relations** between Lithuania and Norway is also very important objective of the Programme. To facilitate achievement of this objective several instruments within the Programme are used – Bilateral Fund calls for potential applicants and projects promoters (under measures A and B) as well as initiatives implemented by MoH. During the reporting period preparation for selection of bilateral projects was finalized, ongoing open call for development of cooperation (measure B) targeted at project promoters announced, first applications under the both measures received, bilateral cooperation initiatives implemented, initial contacts established or strengthened. It seems to be high interest in Norwegian experience and best practice as all Project promoters contracted in the reporting period foresees to look into Norwegian experience in the relevant fields and attract Norwegian input in the course of implementation.

During the reporting period internal procedures of Programme **management** and control systems were finalized and updated to ensure transparent and efficient implementation of the Programme and compliance with Regulation.

As a **positive trend** should be singled out a very active participation of municipalities (and their cooperation) in submitting applications under Measure 1. Due to a very large demand (covering 90% of municipalities and requesting more than 2,7 times more funding than available) and exceptionally high quality of applications, MoH has initiated a modification of Programme by proposing reallocation of composed balance to this measure and merge of two calls. This will ensure earlier achievement of results and will benefit the wider circle of target recipients as well as to save administration costs. In total 27 project applications were received (total amount applied for was more than 2,7 times higher than amount available).

One of the **opportunities** and an effective tool for experience exchange proved to be complementary activities providing possibility for networking with colleagues implementing similar programmes in other countries and learning from external experience. Complementary Action funding during the reporting period was used to attract high quality input and expertise from Norway, Slovenia, United Kingdom which was presented in international conference “Working together for health equity” organised in cooperation with WHO/Europe and held in the Office of the Government in November 2014. Health inequality issue addressed in the conference is very much in line national political priorities and at the same time is directly linked to the concreted project of the Programme targeted at enhancing capacities in identifying and reducing inequalities. Such complementary measures support implementation and results through dialogue and sharing experience with other professionals at international level.

During the reporting period MoH has implemented number of information and **publicity** activities which have raised public awareness about the Programme, its projects, results and significance, bilateral dimension of the Programme as well spread information to possible project applicants and promoters. One of the visible measures was a publicity event dedicated to presentation of the measure “Improvement of the provision of health care services in schools and pre-school institutions” organised in May 2014 in Vilnius, which even gathered over 100 participants and was particularly successful in terms of motivation and encouragement for intermunicipal cooperation. It contributed significantly to the success of the open call under the measure, resulting in an exceptionally large amount of applications (mostly submitted on the basis of partnerships). Information on the Programme was constantly updated in websites www.sam.lt and www.norwaygrants.lt as well as in Facebook profile of the Programme created in 2014. According to the analysis of mass media, during the reporting the Programme was among the four most cited programmes under the Grants.

Looking forward the **main challenge** is to stimulate partnerships and develop bilateral dimension of the Programme. The most immediate **tasks of the upcoming year** are directed at mitigating the risks of delays, approval of the remaining guidelines, launch of the remaining open call as well as close monitoring of the projects to ensure smooth implementation and timely achievement of Programme outputs, outcomes and objectives.

2. PROGRAMME AREA SPECIFIC DEVELOPMENTS

All conditions and data presented in Programme proposal for Programme justification are still relevant and up to date. No actual changes or trends that could negatively affect the context within which the Programme is implemented were observed. At the same time during the reporting period there were positive trends which could have beneficial influence on Programme implementation and sustainability.

During reporting period the measures of the Programme were in line with Government programme and national health policy priorities. Furthermore on the national level year 2014 were announced “Year of Child Health” with particular emphasis on public health initiatives. This ensured more political attention and support to Programme area related initiatives in general as well as to drafting of relevant legal acts. During the reporting period were initiated and adopted a number of relevant strategic national legal acts, such as *Lithuanian Health Programme 2014-2025*, adopted by the Parliament of the Republic of Lithuania, endorsing the strategic aim of having a healthier population, increasing life expectancy and reducing health inequalities by 2025, *Inter-institutional action plan under the horizontal priority “Health for all” within the National progress programme 2014–2020*, adopted by the Government of the Republic of Lithuania, with focus for coordinated measures included those aimed at improvement and development child and youth friendly, high quality, accessible and effective healthcare, with particular focus on public health and intersectoral cooperation and *Plan for reduction of health inequalities in Lithuania in 2014-2023*, adopted by the Minister of Health.

All these initiatives show that Programme outcomes addressing child and youth health as well as health inequalities remain on the top of national political agenda.

3. REPORTING ON OUTPUTS

Since the first project contracts were signed only in 2014 it is not yet possible to assess the effect of the Programme to achieving the planned outputs. However it is clear that all Programme measures address relevant challenges, national priorities and local needs. MoH is closely following project implementation to ensure timely and effective achievement of project outputs and their synergy with actual policy developments. During the reporting period regular Programme Steering Committee meetings were organised for discussing the implementation progress of projects. Project promoters are asked to provide regular reports covering developments, progress and risks. All projects activities are implementing according to the timetables provided in the projects contracts. More detailed status overview for projects is presented in the summaries below.

3.1. Open calls

During the reporting period two open calls were announced.

Measure 2 “Development of the model for the provision of youth-friendly health care services”

In August 2014 a contract for project “Development of a Model for the Provision of Youth Friendly Health Care Services” was signed. The project is expected to contribute to the one of the Programme outputs set out in the Programme proposal, i. e. youth-friendly health care service provision model developed. Achievement of this Programme output is included in project contract as a compulsory condition. Project activities during the reporting period were implemented

according to the work plan. The progress towards the defined output will be achieved in 2015, final results will be presented in the project promoter's reports.

Measure 1 “Improvement of the provision of healthcare services in schools and pre-school institutions”

In December 2014 four projects under the measure were selected for funding and 21 project was included in the reserve list (with high probability of six projects from the reserve list being funded). Selected projects are expected to contribute to two Programme outputs “number of repaired/equipped student health offices in schools meeting the criteria set in the course of the project” (target – 90) and “number of repaired/equipped student health offices in schools meeting the criteria set in the course of the project” (target 60). In case the contracts with four selected project promoters are signed 190 schools and 127 pre-school offices will be repaired/ equipped, thus already more than twice exceeding the expected output indicators. The actual achievement of defined outputs will be achieved at the end of the projects implementation and be presented in the project promoters reports.

3.2. Pre-defined projects

In June 2014 contract for implementation of the project “*Development and Implementation of the Child Health Monitoring Information System for Systematic Monitoring of the Children’s Health Condition and Purposeful Health Policy Making*” was signed and actual implementation started. Pre-defined project 1 is expected to contribute to two Programme outputs set out in the Programme proposal: development and implementation of child health monitoring information and development of users’ guides on this system. Achievement of these Programme outputs was included in project contract. Project activities during the reporting period were implemented according to the work plan. Foreseen outputs will be achieved at the end of the project implementation and described in the project promoter’s reports. During 2014 no deviation was identified.

In June 2014 contract for implementation of the project “*Development of the Model for the Strengthening of the Capacities to Identify and Reduce Health Inequalities*” was signed and actual implementation started. Pre-defined project 2 is expected to contribute to the two of the Programme outputs set out in the Programme proposal: development of methodological recommendations/guidelines and training programmes for identification, evaluation and reduction of health inequalities and organisation of capacity building events/training courses for the strengthening of the capacities to identify and reduce health inequalities. Achievement of these Programme outputs was included in project contract. Project activities during the reporting period were implemented according to the work plan. Foreseen outputs will be achieved at the end of the project implementation and described in the project promoter’s reports. During 2014 no deviation was identified.

3.3 Small grant schemes

During the reporting period call for small grant scheme was not planned.

4. REPORTING ON PROGRAMME OUTCOME

4.1 Expected Programme outcomes

During the reporting period no deviations from contribution of projects to planned Programme outcomes were identified. In 2014 three project contracts were signed and projects’

implementation has started. Contribution to the Programme outcomes is expected to be achieved at the end of the projects implementation (achievement of first project outcomes is expected in 2015) and presented in the projects promoters' reports.

4.2. Main risks related to Programme outcomes

The main risks that may affect the achievement of the expected Programme outcomes remain the same with one new risk (related to public/private interest conflict) identified in the reporting period. All risks are summarized in the table below:

Risk	Risk mitigation plan
Small number of project applicants	<ul style="list-style-type: none"> • Information/publicity measures • Trainings for applicants on how to submit applications • Meetings with officials of municipal administrations and other specialist working in this field (where relevant)
Disrespect of the agreed schedule and budget	<ul style="list-style-type: none"> • Respective conditions and sanctions in the project contract • Control by MoH and CPMA
Time delays in procurement of works, services, etc.	<ul style="list-style-type: none"> • Reasonable time planning • Qualified staff of project promoter • Control by CPMA • Ex-ante control of procurement documents
Small number of eligible contractors	<ul style="list-style-type: none"> • Dissemination of information in several web pages • Announcements of technical specifications before public procurements
Insufficient quality of work of contractors	<ul style="list-style-type: none"> • Requirements for qualification of the contractors • Control by project promoter and CPMA • Public procurement evaluation of cost effectiveness (in the case of specific services)
Information system design errors	<ul style="list-style-type: none"> • Requirements for qualification of the contractors • Testing of the developed information system • Technical supervision services
Unwillingness of potential beneficiaries to become users of project results	<ul style="list-style-type: none"> • Information/publicity measures • Training of information system users (where relevant) • Meetings with the municipal administrations, physicians and other specialists (where relevant) • Involvement of youth in planning, provision, evaluation and promotion of the services (where relevant)
Public – private interest conflict	<ul style="list-style-type: none"> • Clear and transparent selection procedures • Declaration of private interests • Publication of all relevant information (decisions, procedures, etc.)

4.3. Relevant horizontal concerns

No specific relevant horizontal concerns are addressed by the Programme.

5. PROJECT SELECTION

During the reporting period Project Selection Committee and its working regulations were approved. Two open calls were announced, both open for 2 months.

Call for applicants under the Measure 2 “Development of the model for the provision of youth-friendly health care services”

The Guidelines for applicants were approved and the call was announced in Q1, 2014. During this period there was a training-discussion organized for 10 participants. Two project applications were received and assessment of the administrative compliance, eligibility for the financing as well a benefit and quality assessment was conducted. None of the projects included donor partners. Both applicants were eligible for funding. In June 2014 Project Selection Committee meeting was held and project submitted by Limited liability Company “Sveikatos ekonomikos centras” (together with partners Budgetary Institution Health Education and Disease Prevention Centre, Public Institution Rokiškis primary health care center and Public Health Bureau of Rokiškis District Municipality) was selected for funding (there were no deviations from the ranked list of projects). The other proposal (submitted by Public institution Centro polyclinic) was put on the reserve list and recommended for financing in case the 1st project promoter would refuse to sign project contract.

Selected project is in line with expected Programme outcome “Life-style related diseases prevented or reduced” and will result in youth-friendly healthcare service provision model (hereinafter – Model) developed. The main function of the model is through service delivery protocols (pathways) to combine into a single network existing health care services and improve cooperation among these to provide effective youth-friendly health services and ensure the reduction of inequalities in health. Project promoter will carry out development, validation, adaptation and implementation of a complex adaptive Model in the pilot area (Rokiškis municipality) and further consultation of municipalities on its implementation. The model includes establishment of Coordinating Centre in the municipal health bureau and employment of active, motivated and trained coordinator for low threshold, case management and human rights principles-based health care services. It also foresees establishment of national internet portal via which youth and specialists can obtain reliable, systematic, easily accessible information in a clear and attractive form, coordinated by project partner Budgetary Institution Health Education and Disease Prevention Centre. Model encompasses also establishment of institutional and functional network for youth-friendly health care services based on principle of case management. Complex cross-sectorial and inter-institutional activity network of health care services will be described in 4 protocols (formalized performance algorithms for mental health, nutrition, reproductive health, and external causes of death prevention). Project promoter also will elaborate methodical guidance for Model implementation and provision of youth-friendly health services. The projects is expected to contribute to the improvement of youth health and quality of life, reduction of mortality and health inequality as well as improvement of social and economic well-being in Lithuania.

Call for applicants under the Measure 1 “Improvement of the provision of health care services in schools and pre-school institutions”

The Guidelines for applicants for measure were approved and the call was announced in Q2, 2014. During this period two trainings were organized for 75 participants. In total 27 project applications were received (total amount applied for was more than 2,7 times higher than amount available). In most cases applications were submitted by several municipalities acting on the basis of partnerships with only few cases of individual/ independent applications. Applications submitted covered even 54 Lithuanian municipalities (out of 60). During the assessment of the administrative compliance and eligibility for the financing application 2 project applications were

rejected. It is worth noting that all other applications were of a very high quality: 32 % of applications were evaluated as excellent (90-100 points out of 100), 60 % of applications evaluated as good (70-89 points out of 100), 8 % of applications evaluated as average (60-69 points out of 100). In the end of Q4 2014 project selection committee meeting was held. Four projects (submitted by Vilnius city municipal public health bureau, Marijampolės municipal public health bureau, Pasvalys district municipal public health bureau, Jonava district municipality administration) were selected for funding and remaining 21 put on the reserve list (six of them are very likely to be funded if two calls are merged and additional funding is allocated). There were no deviations from the ranked list of projects. No application included donor project partners.

As interest and demand in funding under the Measure 1 was very high and applications covered 54 out of 60 municipalities Project Selection Committee and Steering Committee recommended to merge two calls and reallocate to this measure additional funding available.

Selected projects are very much in line with expected Programme outcome “Improved access to and quality of health services including reproductive and preventive child health care”. When implemented project result in more than 50 percent of schools/ pre-school education institutions participating in the project, fully equipped according to the list of necessary measures for the provision of school health services. Projects will significantly improve the quality of public health care services provision in educational institutions by arranging health offices and equipping it with needed materials/tools. Better working conditions for specialists will improve health care service provision and accessibility in educational institutions in selected municipalities. In long-term period, this will result in added value, i.e. creating and fostering healthy environment in schools/pre-schools and respective municipalities, improving physical and mental health of children/youth/parents (beneficiaries of the projects), promoting healthy lifestyle. Parents/teachers/other visitors will be an example to children/youth by promoting healthy lifestyle, responsible attitude to health. Arranged health offices will provide benefit to educational institutions by emphasizing importance and attractiveness of healthy lifestyle, etc. The fascinating working tools will allow more effective health training, will intrigue young people, promote the culture of a healthy lifestyle and reduce the likelihood of risky behavior. Healthier and happier children/youth will higher potential for successful education, entry to the labor market, business, this way provided added value to their municipalities and the state. All this will contribute to reduction of social and health disparities, especially in problematic areas (as all 4 projects selected for funding, as well as most of the reserve list projects, include problematic areas/ regional centres). Health offices will be arranged in rural and urban areas, thus contributing to reduction of the differences between the urban and rural municipalities in Lithuania. The skills of healthy lifestyle acquired in childhood will be applied in future, thus leading to better general health condition of the population and positive social-economic developments.

6. PROGRESS OF BILATERAL RELATIONS

6.1. Bilateral relations

Strengthening bilateral relations between Lithuania and Norway is one of the essential objectives of the Programme. Main activities of Bilateral Fund under the Programme include open calls for potential applicants and projects promoters (under measures A and B) for developing bilateral contacts with Norwegian partners and boosting cooperation related to Programme area, as well as initiatives implemented by MoH.

During the reporting period preparation for the use of Bilateral Fund was finalized (ongoing call under measure B announced, Bilateral Fund selection committee approved), the first applications for bilateral activities were received under the both (A and B) measures, first bilateral cooperation initiatives implemented, initial contacts established or strengthened.

Aiming for more and better quality applications MoH in February 2014 extended the application deadline for call under the Bilateral Fund measure A so that it would overlap with the open call for projects under Measure 2 “Development of a model for provision youth friendly health care services” thus giving possibility for applicants and their potential partners to get acquainted with the requirements set in the guidelines for applicants. One bilateral initiative application was received submitted by Vilnius University Hospital Santariškių Clinics for implementation of activity ”Meeting of potential partners for implementation of youth telecare centre project”, to be implemented with Oslo University Hospital. Although the application was approved, the applicant due to time constraints and availability of partners cancelled the bilateral activity.

As the Programme is implemented without donor partners, developing bilateral element and timely attracting quality input is a significant challenge. Even though there was a funding allocated under measure A for partner search and extra points were foreseen for applications submitted with Norwegian partners in the open call announced under the Measure 2, no applications included Norwegian project partner. Taking into account timing and clear focus more successful proved to be activities within the measure B.

In June 2014 open call for Bilateral Fund measure B (amounting to 73% of the BRF, allocated for networking, exchange, sharing and transfer of experience and best practice between Project Promoters and entities in Norway) was announced. Applications under this call are accepted on continuous basis and it is expected that namely from this measure to yield expected bilateral results and contribution to the indicators. It seems to be high interest in Norwegian experience and best practice as all Project promoters contracted in the reporting period foresees to look into Norwegian experience in the relevant field and attract Norwegian input in the course of implementation.

In Q3 2014 one application under the measure B was received, approved and a study visit to Oslo organised in October 2014. During the study visit representatives of project “Development and Implementation of the Child Health Monitoring Information System for Systematic Monitoring of the Children’s Health Condition and Purposeful Health Policy Making“ promoter Institute of Hygiene and MoH acquainted with child health monitoring practice in Norway, established contacts and identified the areas of interest. Meetings with representatives of the Norwegian Institute of Public Health, Norwegian Directorate of Health and NOVA research institute proved to be useful and informative in terms of contacts and information, mainly focusing on child health monitoring, routine health check-ups for children, information on child health submitted to

schools on routine basis, child health monitoring programmes, research on healthy lifestyle as well as child health related information systems and registers. This was the first initiative under the measure B financed by Bilateral Fund in developing the bilateral contacts and exchanging professional experience with Norwegian counterparts in the field. Contacts established during the visit and willingness of Norwegian partners for cooperation will serve as start for bilateral initiatives in child health monitoring as well as in other related fields of the Programme.

Norwegian experience is very actual and relevant also for the other pre-defined project 2 targeting health inequalities, which has chosen to analyse Norwegian experience in the field while conducting international context analysis. First meeting of representatives of Lithuanian University of Health Science (promoter of the project “Development of the Model for the Strengthening of the Capacities to Identify and Reduce Health Inequalities”) and Norwegian expert was organized following the international conference “Working together for health equity“ organised in Vilnius in framework of Complementary Action. During this meeting essential issues of relevant experience, expectations as well as and possibilities for future cooperation and meeting in Norway were discussed.

As during the reporting period the use of Bilateral fund has only started there are no expected results and bilateral indicators to be reported. Nevertheless bilateral element was visible and activities implemented contributed to closer cooperation, in establishing contacts and laying foundations for partnerships and later activities. Bilateral indicator stated in the Programme proposal is two articles on the experience of Lithuania/Norway in the relevant field published in the other country, thus contributing to the result of improved knowledge and mutual understanding between Lithuania and Norway. Selected indicator remains valid and reasonable, it should demonstrate the accumulated experience during the project implementation, and thus there is no need for its revision.

Following implementation of bilateral activities it was noted that Norwegian counterparts have valuable practical experience in the fields which are relevant and essential and could contribute to achievement of Programme objectives, particularly in the field of health inequalities as well as child and youth health care initiatives. At the same time the need for further visits, discussions and experience exchange and intention to apply for available bilateral funding was expressed.

As the Programme has no donor partners the key bilateral cooperation challenge is difficulty within a short timing to find relevant Norwegian partners willing and able actively engage in project activities. This proved to be the case with the open call for Measure 2, where none of the projects included donor partners. Sometimes it proved to be difficult to find suitable times for both sides to meet despite the positive cooperative attitude of Norwegian partners and very valuable assistance Norwegian Public Health Institute. Taking into account this challenge, in 2015 more proactive measure – match making event, organised by MoH is foreseen before the open call for Measure 2.

6.2. Complementary action

Complementary Action funding proved to be a very beneficial tool contributing to strengthening of the Programme. It provided for possibility to attract high quality input and expertise as well as to accumulate best practice from other, share and enrich knowledge by organising and participating in international events. All this stipulates the overspill of experience between the similar Programme activities in different countries and contributes to the achievement Programme objectives.

During the reporting period MoH has used Complementary Action funding for several activities, implemented according to Complementary Action plan. First of all, for **networking with other Programme Operators**, i. e. participation of MoH representatives in PO network meetings in Lisbon and Tallinn (June and December 2014), which could be pointed out as a an excellent initiative helping to ensure synergy between public health programmes implemented in different countries and a very good possibility to use the visits for further exchange of information and best practices in the relevant fields. Also Complementary Action funding was used for exchange of experience and best practice by participating in international events (conferences on relevant public health issues in Warsaw and Tallinn (November and December 2014) which provided not only with knowledge, but also with contacts and new insights.

As one of the examples of effective transfer of best practice and complementarity, could be cited the **study visit to Slovenia** and meetings with Slovenian counterparts and relevant institutions in Ljubljana and Celje. During the meetings representatives of the MoH learnt about the Slovenian experience in the Programme projects areas (health care services in schools / pre-school education institutions, child's health strengthening. health education and health promotion, child's health monitoring). Furthermore, MoH representatives were introduced to an online counselling project for youth called "To sem jaz" (This is me) successfully implemented on national scale for more than 15 years, the role of the Celje regional office in the field of children's and adolescent's health, e-counselling principles and expert team, website attendance, etc. This solution and related measures proved to be very relevant and potentially practically applicable to the activities of Programme's project "Development of a model for provision of youth friendly health care services", under which internet portal targeting the youth is foreseen. Thus this and other relevant Slovenian best practice was very timely transferred to project promoter which was in the course of development of the similar portal solution under the Programme.

The largest and the **most visible Complementary Action measure was International conference "Working together for health equity"** held in November 2014 in Vilnius in the Office of the Government of Republic of Lithuania with the aim to analyse experience in reducing health inequalities and strengthen cross-sectorial collaboration as well as engagement in action for reducing health inequalities of other social partners in action for reducing social inequalities in health thus contributing to the sustainable development of the country as a whole. The conference was organised by MoH in cooperation with the WHO regional Office for Europe and gathered numerous audience with over 400 participants, among which were representatives of WHO European office, Royal Norwegian Embassy, foreign experts and guests from United Kingdom, Norway, Slovenia, Poland and as well as Lithuanian state and municipal level policy makers from health and other policy sectors, health specialists, academic society, representatives of business and non-governmental sector. One of the most cited presentations was made Prof Sir Michael Marmot, Director of Institute of Health Equity (UK), who as chairing WHO commission on social determinants of health, prepared the report "Closing the gap in a generation. Health equity through action on the social determinants of health". Very relevant and useful proved to be information on Norwegian experience in tackling social inequalities in health presented by the leading Norwegian expert in the field Tone Poulsson Torgersen (Norwegian Directorate of Public Health), which will be used and further analysed while implementing Programme's project "Development of the Model for the Strengthening of the Capacities to Identify and Reduce Health Inequalities". Conference was particularly successful as the issue of health inequities was addressed from the perspectives of different sectors, with particular focus on intersectoral governance and partnership for public health and health equity. This event provided possibility to discuss the needs, expectations, challenges/opportunities and ways to build constructive cooperation, building on successful intersectoral cooperation examples of other countries in confronting similar challenges. Many participants expressed the demand for organising similar events regularly to discuss challenges arising in different public health related fields and join together the efforts for

addressing concrete problems. The conference addressed the issue which is very much in line with national political priorities and at the same time is directly linked to the concreted project of the Programme targeted at enhancing capacities in monitoring and reducing inequalities. Conference also had a wider effects going beyond the scope of the Programme as it was followed by informal meetings of the key speakers with professionals working in the field and specialists, who at the time were preparing the draft of National public health development programme 2015-2023.

7. MONITORING

Monitoring of the Programme and projects was conducted by CPMA according to the Monitoring plan for 2014 and consisted of the following actions: risk assessment, payment claims reviews and on the spot checks. Risk assessment for projects selected under Measure 1 was not conducted in Q4 2014 (as planned) due to fact that project contracts will be signed in Q1 2015.

During 2014 two pre-defined projects and one selected project (under measure 2) were being implemented. After signing each contract *risk assessments* were made for every project (in Q3 2014 for open call project and in Q4 2014 for pre-defined projects) and all projects were assessed as “small risk” projects. Therefore no other additional measures were required and *on the spot checks* were not conducted.

Payment claims were reviewed at least once every third month, no irregularities were identified. In Q3-Q4 2014 payment claim review for the project “Development of a model for the provision of youth friendly healthcare services” was suspended due to investigation of a suspected irregularity (for more detail see chapter 9). Since no violation was identified, payment claim review was renewed.

Monitoring plan for the next reporting period is provided in the Annex 1.

8. NEED FOR ADJUSTMENTS

During the reporting period MoH has made use of a possibility to modify the Programme in line with Article 5.9 of the Regulation and the Article 2.9 of the Programme Agreement.

Following the completion of the first call for proposals for Measure 1, MoH has initiated the modification of Annexes I and II of Programme Agreement asking for reallocation of balance of funds comprised in Measure 2 and pre-defined project 2 to Measure 1 and merge of two calls for proposals under the Measure 1.

Such reallocation and merge were asked for due to the fact that demand for Measure 1 was very high, i. e. large number of high quality applications received however the amount of funds designated for the call was too low considering the need (only 4 out of 25 applications were recommended for financing and the rest was added to the reserve list). Furthermore taking into account the timing and number of applications received it was estimated to be very likely that most of applications included in the reserve list would be submitted for the second call under the Measure 1. Therefore Project Selection Committee and Programme Steering Committee recommended applying to NFP and FMO for reallocation of the remaining funding from Measure 2 and pre-defined project 2 to Measure 1 and for the merge of the two calls for proposals. This would allow to save time needed for administrative procedures as well as to save funds by avoiding repeated evaluation of the same applications.

This modification (FMO approval received in January 2015) will have positive effect for the successful implementation of the Programme by saving time and funds and contributing to better achievement of Programme objectives.

9. RISK MANAGEMENT

Main risks (cohesion, operational, bilateral) identified on the Programme level are listed in the Risk Management plan (Annex 2 of this Report). All risks identified in Risk Management plan 2014 remain relevant, although likelihood of bilateral risk “insufficient use of Bilateral Fund” was updated (to more likely) and during the reporting period a new risk, related to potential private / public conflict was identified.

In Q4 2014 a case of irregularity due to possible public and private interest conflict in allocating funding to the project “Development of the Model for the Provision Youth Friendly Health Care Services” was suspected. Immediately after information about possible irregularity was asserted publicly the MoH itself performed an internal audit. The internal audit proved that no irregularities in allocating funding to the project “Development of the Model for the Provision Youth Friendly Health Care Services” (neither in evaluation of applications nor in award decision making) was identified. Also, another investigation was carried out by the Chief Official Ethics Commission (hereinafter – COEC) which is in charge for the supervision of adherence to the standards of institutional ethics and regulation of public and private interests in civil service. Due to the initiated investigation the payments for respective project promoter were suspended until the decision was taken. During the investigation all requested information and documents were provided to COEC by the Programme Operator (MoH). FMO was also informed about the situation. Upon the COEC decision (adopted in December 2014), under which no infringement of the Law of Public and Private Interests were determined, CPMA confirmed that no irregularity was established and renewed the payout according to project promoters payments requests, therefore no risk mitigation actions were taken additionally. Taking into account above mentioned case, this type of risk and relevant mitigation measures were included in the Risk Management plan.

10. INFORMATION AND PUBLICITY

The main objectives of the information and publicity activities were to ensure the dispersion of the information about the Norwegian financial mechanism support and to inform projects applicants and promoters about funding opportunities.

Several information and publicity activities were carried out by MoH during the 2014. One of the most visible measures was a publicity event dedicated to presentation of the measure “Improvement of the provision of health care services in schools and pre-school institutions” organised in May 2014 in Vilnius, which received wide attention of target audience and gathered together over 100 specialists from municipal public health bureaus and municipality administrations. Besides a very good informative dimension of the event (presentation of key Programme objectives and requirements for open call projects under the measure), it served as a very good platform for informal discussions, exchange of plans, ideas and initial negotiations for planning joint applications under the measure. This even was particularly successful in terms of motivation and encouragement for intermunicipal cooperation and it contributed significantly to the success of the call, which of received such a large amount of applications covering 90% off all municipalities (mostly submitted on the basis of bilateral, tripartite and even multilateral partnerships).

Another very successful in terms of information and publicity activity was the above mentioned large scale international conference organised by MoH in November 2014 in Vilnius which gathered in the Office of Government over 400 participants and was followed by press releases and articles devoted in national and specialised magazines, as well as websites. The conference called attention of policy makers from different sectors, scientists, non-governmental organizations and other social partners as well as public to the importance of health equity issues and to the need for close collaboration in order to reduce social inequalities in health. Useful contacts made during the conference are being used for further cooperation on international, national and local levels as well as by implementing the Programme project “Development of the Model for the Strengthening of the Capacities to Identify and Reduce Health Inequalities”. The conference was also highly valued by the international society: experts from the Organization for Economic Co-operation and Development (OECD), who performed review of the public governance, open government and stakeholders engagement in Lithuania have considered the conference as a valuable initiative promoting open government and bringing together wide range of stakeholders (including society) into policy making.

During the reporting period information about Programme objectives, funding opportunities, planned projects, past and future events, presentations delivered in the events, possibilities for the use of the Fund for Bilateral Relations in the search for partners, contacts, useful links was constantly published and updated on MoH website *www.sam.lt*, as well as in the main website of Norwegian Financial Mechanism *www.norwaygrants.lt*. Also in 2014 a Facebook profile for Programme related information was created, which increased visibility of the Programme in social networks. The main objectives of this information and publicity activity were to inform the project promoters and potential projects applicants about the funding opportunities, raise public awareness about the Programme, projects objectives, results, and their significance.

11. CROSS CUTTING ISSUES

11.1. Good governance at the Programme level

Management of the Programme is based on principles of openness, transparency and accountability. The principles of good governance were followed during the reporting period of Programme implementation. During the reporting period MoH internal documents (internal administration procedures, selection committee regulations (for project level and bilateral fund)) were approved and updated thus ensuring transparent and efficient procedures for project selection, monitoring and risk management and contributing to better governance at the Programme level.

Internal procedures of the CPMA (relating to project risk management, irregularities, application evaluation, etc.) were updated according to the need in the reporting period and will contribute to the indication of irregularities, mismanagement and corruption and their management.

11.2. Cross cutting issues at the project level

All guidelines for applicants prepared in the reporting period included requirement for applicants to describe how issues of good governance, environmental protection, principles of economic sustainability, social sustainability and gender equality will be addressed while planning and implementing the Projects. Specific obligations related to the observance of principles of good governance, sustainable development and gender equality are set in all the projects contracts and have to be followed in all stages of project implementation.

The projects will have a positive or at least neutral effect on environmental protection, principles of economic sustainability, social sustainability and gender equality and will have to report thereof in project reports.

During the formation of project management team and implementation of public procurement procedures project promoters are obliged to observe principles of good governance, do not discriminate individuals and legal persons because of their sex, racial or ethnic origin, religion or belief, age, disability, sexual orientation, and other factors. Furthermore, during and after the implementation of the projects all related beneficiaries regardless of their sex, race or ethnic origin, religion or belief, age, disability, sexual orientation and other factors, will have an equal access to the benefits created by the projects activities.

12. ATTACHMENTS TO THE ANNUAL REPORT

Annex 1 Monitoring Plan

Annex 2 Risk assessment of the programme