



# Annual Programme Report No.1 EEA Grants 2009-2014

## Programme CZ04 – Children and Youth at Risk

Reporting period: 26.4.2013 – 31.12.2013

Programme Operator: Ministry of Finance

Programme Partner: Ministry of Labour and Social Affairs

Donor Programme Partner: N/A

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## 1. Executive summary

The Programme CZ04 – Children and Youth at Risk was approved on 26 April 2013. The Programme agreement was signed on October 31 2013. The administrative procedure related to signing of the Programme Agreement, issuance of national implementation documentation and also the preparation and submission of text for calls and update of pre-defined project, however, did not allow for official launching of the Programme in the monitored period. Thus, no specific results regarding the outputs, outcomes, horizontal concerns or monitoring could be provided in this report. Nonetheless, works on preparation of the texts of calls, risk analysis and publicity continued in this period as well as development is the programme area.

In particular, the National Focal Point prepared and issued Guidelines for Calls – Submission and Evaluation of Applications – Grant Award which set the rules and procedures for the selection of projects. In line with this document the Programme Partner has started preparing a draft of the text of the Open Call. Within the PDP the project partners consulted and updated the content of the PDP in line with approved outputs and indicators. The proposal for the PDP was under preparation and in its finalization phase by the end of the year. The Programme Partner (The Programme Operator of the SGS – Ministry of Labour and Social Affairs) in cooperation with Ministry of Finance – National Focal Point as the Programme Operator also started to prepare the text of the call within the Small Grant Scheme. Both calls shall be announced in March 2014 and the texts will be submitted to the FMO in accordance with the Regulation.

Publicity of the Programme has been fulfilled mainly by web pages of the NFP/Programme Operator. The launch conference will be held in March 2014 shortly after both calls are announced and with the contact seminar. The launch conference shall provide potential applicants, expert public and all relevant subjects involved in Programme realization with abundant information about the Programme.

A risk analysis has been elaborated together with the Programme partner. As the main risks were identified the Setup of the programme implementation system, where not all implementation documents have been issued by the end of the monitored period, and related time delay in the Programme implementation. Other risk related to Programme include: the relatively complex structure of the PRG, absorption capacity of the PRG and Legislative change. Mitigation measures were identified and will be adopted.

Regarding the risk analysis and the overall state of the Programme, there is a common concern to launch the EEA/FM CZ04 program as soon as possible. While all three program parts (PDP, OC and the SGS) as well as the program priorities (new legislation, support to transformation processes at local level and strengthening of participation of children and awareness of children's rights) are well incorporated in the National Strategy, both the central as well as local authorities have been increasingly cautious concerning the program delay and urge its launch as soon as possible.

## 2. Programme area specific developments

By approving the National Strategy to Protect Children's Rights (Gov Resolution of January 2012) as well as the Action Plan to Fulfil the Strategy (February 2012), the Government has committed itself to create a functional system to protect consistently all rights of children and to meet their needs by 2018.

The National Strategy to protect rights sets the basic principles for the system to function and sixteen areas of activities to gradually fulfil this objective. The National Strategy to Protect Children's Rights also stated that the key activities will be achieved, monitored and evaluated on the basis of action plans, which define the activities, the indicators, the indicators, time schedule, both human and financial resources, legislative changes required to achieve the objectives as well as the monitoring mechanism.

Its objective, therefore, is to make the most of current system resources to improve the system to protect children's rights and care of vulnerable children. The individual activities are designed so that they do not put additional demand on public budgets, or that they utilise funding from European Union structural funds, European Economic Area financial mechanisms and other funding from sources beyond public budgets.

In order to set the stage for the roll-out of the complex transformation reform envisaged by the a/m strategic documents, the Parliament passed a substantial amendment to the Act on Social and Legal Protection in late 2012, which came into effect as of the beginning of 2013. The new legislation rules that the social and legal protection is carried out both in view of the best interest of the child as well as in view of the protection of the parenthood, family and the right to family life. While foster care has become of the key priorities of the transformation process, the prevention of placement outside of the family remains to be the very ultimate goal.

The new legislation has focused to enforce the changes in the following areas:

- (i) Re-defined role of the local authorities in charge of children (OSPOD) from repressive bureaucracy to active social work focused on support to families (strengthening OSPOD responsibility for the case management and the overall co-ordination of assistance; introducing standardized assessment for each looked-after child/family; requesting OSPODs to prepare a complex individual protection plan; entrusting OSPODs to arrange for and/or provide the necessary services)
- (ii) For the first time ever, the legislation introduces minimum quality standards requirements for both the OSPOD as well as other stakeholders active in the social and legal protection of the child.
- (iii) The new legislation puts strong emphasis on the child's need to live in a family environment while the institutions are to gradually enter a downtrend: Should placement into an institution be unavoidable, the placement must last the shortest possible period. The court will appoint particular facility where the child should be placed; the facility should be as close to the family/previous carers as possible and the placement needs to be re-assessed each three months.
- (iv) Introduces new strategies to strengthen the foster care by increasing the remuneration of foster parents and establishing welfare scheme for the emergency foster carers, provides guarantee of services for foster parents, such as support services and/or respite care. It also sets new requirements on the training of future foster parents. Aside from that, the new legislation also requires the foster parents to continuously increase their competencies through specialized training.

TABLE 1: Number of children in foster care (years up to 2013)

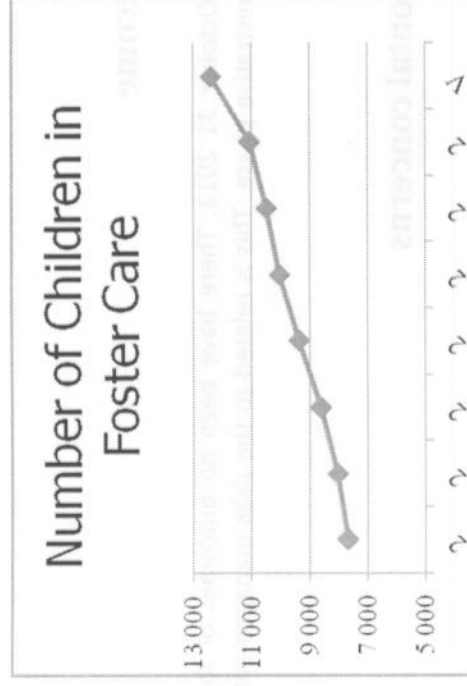
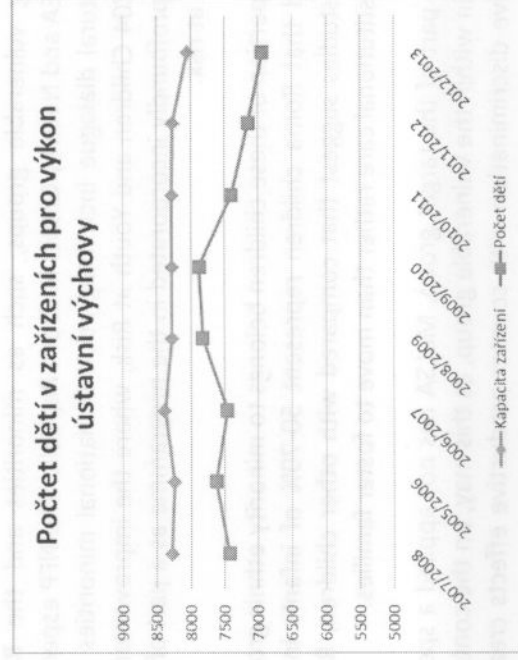


TABLE 2: Number of institutionalized children (capacities of facilities in blue, no of children placed in red)



To summarize, both the National Plan as well as the legislation aims to substantially increase the capacities and competencies of the families as prevention to institutional placement whereas the institutional placement represents the last resort option.

In order to fulfil the strategic documents of the Government as well as to assist the regions and municipalities in implementation of the new legislation, the Ministry of Labor and Social Affairs (MoLSA) prepared a complex individual project, which has been implemented as of summer 2012 with the financial assistance of the European Social Fund. The project entitled „Systematic Support of Transformation of Services for Vulnerable Families and Children“ (hereby the „IP“ or „the project“) pilots the new procedures and strategies in six out of the fourteen regions in the country.

In parallel to the IP, the MoLSA hopes to be able to launch its EEA/FM CZ04 program as soon as possible. While all three program parts (PDP, OC and the SGS) as well as the program priorities (new legislation, support to transformation processes at local level and strengthening of participation of children and awareness of children’s rights) are well incorporated in the National Strategy, both the

central as well as local authorities have been increasingly cautious concerning the program delay and urge its launch as soon as possible.

### **3. Reporting on Programme outcome**

The Programme agreement was signed on October 31 2013. There have been no outcomes of the Programme as it is in its initial, mostly administrative phase. This is related to the risks management, please see chapter 9.

#### **3.1. Progress on horizontal concerns**

##### **Progress towards horizontal concerns**

##### **Respect of human rights, multicultural dialogue incl. integration of national minorities**

Protecting human rights and empowering vulnerable groups, such as minorities and the Roma population, is a horizontal concern for the EEA and Norway Grants in Czech Republic. The NFP especially supports respect of human rights, multicultural dialogue incl. integration of national minorities (e.g. Roma inclusion) through the programme CZ04 Children and Youth at Risk, where the improvement of the situation of Roma children and youth is profoundly incorporated in the programme as a part of one of the major groups – i.e. children and youth at risk.

Despite the lack of statistical data, large proportion of these children belongs to minority ethnic groups, primarily the Roma. It has been estimated that Roma children represent 50-70% of infants in the institutional care. Concurrently, numerous studies suggest that compared with other children, Roma infants are much more likely to stay in the institutional care rather than move to foster families.

Since Roma children already create a major part of the target group, MoLSA has not applied a specific allocations/targets for children of Roma origin within the vulnerable group, as this may, on the contrary, lead to creation of environment with positive discrimination with counter-productive effects creating division within the society rather than inclusion. Outcomes of the programme will definitely benefit the Roma both at institutional as well as individual level, the first by removing barriers which prevent their incorporation in the major society, the latter by increasing life opportunities of the at-risk children and reducing their numbers in all types institutional care for the benefit of other forms services for the children and families.

### **4. Reporting on outputs**

#### **4.1. Selected projects**

In the reporting period, no results or outputs were achieved. The National Focal Point prepared and issued Guidelines for Calls – Submission and Evaluation of Applications – Grant Award which set the rules and procedures for the selection of projects. In line with this document the Programme Partner has started preparing a draft of the text of the Open Call. The selection criteria specified in the Guidelines stress the contribution of the project to the achievement of Programme outputs. Furthermore, eligible activities specified in the text of the call shall be in line with the outputs and its indicators set in the Programme proposal.

## **4.2. Pre-defined project**

In the reporting period were not achieved any results or outputs.

Within the PDP the project partners consulted and updated the content of the PDP in line with approved outputs and indicators. The proposal for the PDP was under preparation and in its finalization phase by the end of the year.

## **4.3. Small grant scheme**

The Programme Partner (The Programme Operator of the SGS – Ministry of Labour and Social Affairs) started to prepare the text of the call within the Small Grant Scheme. Ministry of Finance – National Focal Point as the Programme Operator of the Programme stressed the importance of the selection criterion – contribution of the project to the achievement of Programme outputs.

Furthermore, eligible activities specified in the text of the call shall be in line with the outputs and its indicators set in the Programme proposal.

## **5. Project selection**

Compared to the consolidated version of the Programme proposal, no calls were announced. However, in line with the Programme Proposal two calls are planned within the Programme – an open call and a call within the SGS. The Programme Partner started preparation of the texts of the calls, guidelines for applicants and other supporting documents. These documents shall be in line with Guidelines for Calls – Submission and Evaluation of Applications – Grant Award issued by the National Focal Point and the Regulation. Both calls shall be announced in March 2014 and the texts will be submitted to the FMO in accordance with the Regulation.

## **6. Progress of bilateral relations**

The bilateral indicators have been thoroughly discussed and agreed on with the Programme partner. They include Number of project partnership agreements in the public sector (1), Number of new policies, laws and regulations adapted, as a result of bilateral cooperation, under the grants (1) and Level of satisfaction with the partnership (perceived as stimulating / enriching / enabling).

Due to the initial phase of the Programme, no progress has been made so far.

Since the approval of the Programme, no significant progress was made in terms of bilateral relations – all the parties eagerly await the launch of the programme.

While preparing the Programme the Programme Partner– MoLSA, took use of the Fund for bilateral relations at national level to organize international workshop on 6-8th June 2012. Among other topics the workshop focused on the involvement and participation of children in decision-making processes, child welfare in Norway Norwegian ombudsperson for children and substitute care in Norway. Workshop brought up together Norwegian experts, potential Donor pre-defined project partner, pre-defined project promoter, the PP, the PO and Czech experts from Regional authorities, children's homes, social workers and non-governmental organizations. Except for sharing Norwegian experience in

the field, the workshop also strengthened bilateral cooperation between the pre-defined project promoter and the Donor project partner.

The pre-defined project promoter and the Donor pre-defined project partner took use of the Fund for bilateral relations at national level in November 2012 for a meeting in Oslo to strengthen their mutual cooperation and discuss activities, budget and the PDP setting before signing the Partnership agreement.

## **7. Monitoring**

The Monitoring Plan considered that within the first year of Programme implementation (2013), projects within the Open Call will be only in early implementation phase (if selected). In the 2013, however, the projects were not selected, due to delays in the approval of the Programme. Based on this assumption, all projects will be primarily monitored through the formal monitoring procedures (i.e. Interim, Annual and Completion reports).

The risk analysis for on site monitoring visits for all projects as described in chapter 3.12 Monitoring will be carried out following the submission of the first interim project reports. Following its finalisation, the decision will be taken as to which projects shall be monitored on-the-spot (in 2014).

## **8. Need for adjustments**

The Programme Operator did not modify the Programme in the reporting period. However, after the signature of the Programme Agreement the Programme Operator indicated his interest to change the wording of an indicator, which was altered compared to the approved version of the Programme Agreement in DORIS.

## **9. Risk management**

A risk analysis has been elaborated together with the Programme partner. As the main risks were identified the Setup of the programme implementation system, where not all implementation documents have been issued by the end of the monitored period, and related Time delay in the Programme implementation.

In the first case, Manual of the Intermediary (Programme partner) is being finalized and shall be issued in the early 2014. The cooperation with the Intermediary is satisfactory despite its slightly limited staff capacity. The risk mitigation measures include issuing and regular update of the Manual of the Intermediary, ensuring sufficient staff support at the level of Intermediary, organization of regular meetings, Steering Committee meetings and other meetings.

Secondly, the realization of the programme, and especially the realization of Pre-Defined project (PDP), was significantly endangered by delay in the approval of the Programme at the national level. The modifications of the PDP are eventual; otherwise non-utilization of the whole allocation is imminent. The mitigation measures are accelerated approval procedures and all steps leading to the launch of the Programme.

Other risks related to the Programme are:



The relatively complex structure of the PRG, as it includes the Open call, the small grant scheme as well as the pre-defined project. Clear setup of rules (manuals, guidelines) for all its part is necessary as well as intensive cooperation with the Programme partner.

Absorption capacity of the PRG – the absorption capacity of the Open call and SGS seems sufficient, but might be endangered by further delays in the PRG realization, where the applicant might be discouraged from applying by short time periods available for realization. The mitigation measures include the successful evaluation process, direct and clear manuals and OC guidelines and ensuring sufficient publicity.

Legislative change – the PRG is linked to a proposed legislative and is bound by its process of approval (PDP = change of legislation). It is expected the legislation will be thoroughly discussed at the expert level in all phases of the approval process, it is, however, necessary to regularly monitor the process, ensure sufficient staff capacity and, above all, ensure a political agreement.

## **10. Information and publicity**

The Ministry of Finance created central website [www.eeagrants.cz](http://www.eeagrants.cz) / [www.norwaygrants.cz](http://www.norwaygrants.cz) for the EEA/Norway Grants 2009-2014 to ensure the awareness of potential beneficiaries in a transparent manner and involvement of expert public and all subjects in the Programme implementation. Information is provided in English and Czech.

The website contains, inter alia, the general information about the EEA Grants 2009-2014 and information on the CZ04 Programme, contact information, etc. Furthermore, the website contains web links to social networks (Facebook, Twitter) which also inform about main activities under the Programme – launch conference, match-making seminar etc.

The launch conference will be held in March 2014 shortly after both calls are announced and with the contact seminar. The launch conference shall provide potential applicants, expert public and all relevant subjects involved in Programme realization with abundant information about the Programme.

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

### **Good governance**

Apart from summary information provided in Chapter 3.1 it can be added, that the Ministry of Finance and MoLSA have identified the risks in the Programme and are able to manage them (see the Risk Analysis).

The Programme is still in its initial phase, thus the contribution to Good governance issues has not been significant. Nonetheless, considering the implementation of the Programme, it will be required to ensure that no project is in any way inconsistent with the principles of good governance. The assessment of cross cutting issues will be combined with the other results of evaluation, such as eligibility of the applicant, relevance of the operation, methodology, risks and economic feasibility.

## Economic sustainability

The policy of economic sustainability is an integral part of the grant policy set by the donors. For this reason, the MoLSA is committed (where appropriate) to include the assessment of compliance with the principles of economic sustainability as an important criterion in the decision making process. With regard to actual state of the Programme, no specific progress was recorded.

## Social sustainability

The Programme will contribute to more integrated policy, planning and management, because already in the preparation of a Memorandum of Understanding target groups and their social context for participation in the Programme were precisely defined. Interests of target groups will be taken into consideration and their comments will be continuously taken into account. In case of the primary target group (children, the young, young adults) the principle of best interest of the child will be reflected in all activities. Involvement of children in decision-making processes is one of the core Programme activities. Social sustainability of the projects will be also considered during evaluation.

## 12. Attachments to the Annual Programme Report

### Annex 1: Risk assessment of the programme

### Annex 2: Monitoring plan 2014

## 1.1. Cross-cutting issues



### Good Governance

As part from primary information provided in Chapter 3.3 it can be added that the Ministry of Finance and MoLSA have identified the risks in the Programme and are able to manage them. The risk assessment

The programme will contribute to the implementation of the Memorandum of Understanding (MoU) between MoLSA and the donors. The programme will be implemented in a transparent and accountable manner. The programme will be implemented in a transparent and accountable manner. The programme will be implemented in a transparent and accountable manner.


**SIGNATURE:****For Programme Operator**

*I certify that I am duly authorised to sign this Annual programme report and that I have thoroughly reviewed the progress of the programme, reporting on outcomes and outputs, risk management provided in this report and the information are correct and accurate.*

<b>Name</b>	Zuzana Kudelová			<b>Optional second signature</b>		
<b>Position</b>	Deputy Head of the Department of International Relations			Martina Bečvářová		
<b>Organisation</b>	Ministry of Finance of the Czech Republic			Head of the Monitoring Unit Ministry of Finance of the Czech Republic		
<b>Signature</b>						
<b>Date</b>	Day	Month	Year	Day	Month	Year
	11	2	14	04	02	2014

**For the National Focal Point**

*The National Focal Point certifies that the status of reporting of the programme described above is accurate.*

<b>Name</b>	Eva Anderová			<b>Optional second signature</b>		
<b>Position</b>	Deputy Minister of Finance					
<b>Organisation</b>	Ministry of Finance of the Czech Republic					
<b>Signature</b>						
<b>Date</b>	Day	Month	Year	Day	Month	Year
	13	02	2014			

Annex 1: Risk assessment of the programme

Type of objective <sup>1</sup>	Risk	Description of risk in the reporting period	Likelihood <sup>2</sup>	Impact <sup>3</sup>	Importance <sup>4</sup>	Mitigation planned/done
Cohesion (Programme) outcomes:	Programme absorption capacity	Depends on the Open Call and Small grant scheme. The capacity seems sufficient. The risk lie mainly in further delays in the implementation, where the potential applicants might find the time for realization of their project as too short and not submit or withdraw their applications.	middle	high	middle	The wording of the Open call, smooth evaluation process, correct and accurate Manuals and Guidelines for the Call, ensuring sufficient publicity.
	Legislation changes	The Programme is directly linked to a proposal of a new legislation and is linked to the legislative proceedings. The key activities of the PDP consist of preparation of a new law and its implementation of – the passing of the law is, however, not a condition to the realization of the Programme.	high	middle	middle	The PDP expects the law to be thoroughly discussed at all phases of the legislative process, including discussions with the PRG partner as well as external experts. Regular reporting in the monitoring reports, minutes from meetings, sufficient personnel resources and ensuring a political agreement.
	Time risk - delay in commitment and disbursement of funds	The realization of the PRG is endangered by a considerable delay in its approval phase at a national level. The modifications	high	high	high	Accelerated administration of steps leading to the launch of the PRG realization.

<sup>1</sup> The risks should be categorised in one of 3 ways, depending on whether it poses a risk to the cohesion objective, the bilateral objective, or is more of an operational issue.  
<sup>2</sup> Likelihood is described as Low, Middle or High according to its scoring gained in the risk analysis. (Low: 1-2, Middle:3-4, High:5)  
<sup>3</sup> Impact is described as Low, Middle or High according to its scoring gained in the risk analysis. (Low: 1-2, Middle:3-4, High:5)  
<sup>4</sup> Importance is counted as Likelihood multiplied by Impact and described as Low, Middle or High according to its scoring gained in the risk analysis (Low: 1-8, Middle: 9-15, High: 16-25).

Type of objective <sup>1</sup>	Risk	Description of risk in the reporting period	Likelihood <sup>2</sup>	Impact <sup>3</sup>	Importance <sup>4</sup>	Mitigation planned/done
Operational issues:	Management and control structures, programme elaboration. Cooperation within the PO is sufficient, though its capacity is slightly limited; external consultations are to limited extent.	The Manual of the Programme is in the final phase of its elaboration. Cooperation within Operator has not been issued, but is in the final phase of its	low	high	middle	Regular check and update of PO Manual. Ensuring sufficient personnel capacity of the PO, regular meetings, Steering committee and other meetings.
			low	high	high	Issuance of the PO Manual and other relevant guidelines.
Bilateral outcome(s):	Bilateral relations	Norwegian institution involved. Planning of contact seminar. Cooperation with experts from Norway.	middle	middle	middle	Signing of Partnership agreements with clearly defined responsibilities. Coordination meetings and Steering committee meetings. Consistent verification of expenditures in bilateral relations, sufficient planning within the frame of the PRG.
			middle	middle	middle	Programme partner will regularly and intensively communicate with key stakeholders and will create relevant legal environment for the realization of the programme.
Specific programme risk (risk identified in PP and municipalities in creation of the services for PRG target groups.)	of DP are imminent, possibly also non-utilization of the PRG full allocation.	Insufficient cooperation of regions and municipalities in creation of the services for PRG target groups.	middle	Middl	middle	Programme partner will regularly and intensively communicate with key stakeholders and will create relevant legal environment for the realization of the programme.
			middle	middle	middle	Steering committee meetings and coordination meetings. Consistent verification of expenditures in bilateral relations, sufficient planning within the frame of the PRG.
Reports and irregularities within programme	Programme implementation set up	Some of the Manuals and guidelines are not available at present	low	high	low	Consistent verification of
			low	high	low	monitoring reports, on-the-

Type of objective <sup>1</sup>	Risk	Description of risk in the reporting period	Likelihood <sup>2</sup>	Impact <sup>3</sup>	Importance <sup>4</sup>	Mitigation planned/done
Operational	Programme audits/controls	No audit or control has been performed so far.	high	middle	middle	spot monitoring, audits, regular monitoring, on-the-spot visits and audits.
	Information system	The NFP created information and monitoring system CEDR, which is in the testing phase.	middle	middle	middle	Breakdowns and failures will be minimized by intensive cooperation with the contractor.
	Corruption risk	The NFP system of control is well set. The corruption risk, however, exist due to higher number of participating stakeholders.	low	high	low	Thorough verification of procedures, evaluation, etc.

Bilateral (country)	Bilateral	Cooperation with experts from Norway. Planning of contact seminar. Norwegian institution involved.	middle	low	middle	Consistent verification of expenditure in bilateral projects, sufficient planning.
	Bilateral	insufficient cooperation of regions and municipalities in relation of reporting to PRG concerning the services for PRG report status.	middle	middle	middle	the creation of the relevant legal environment for cooperation with key stakeholders and will create a programme.
Type of objective <sup>1</sup>	Risk	Description of risk in the reporting period	Likelihood <sup>2</sup>	Impact <sup>3</sup>	Importance <sup>4</sup>	Mitigation planned/done