

Brussels, 17 April 2020

FMO position on not reaching final indicator targets

Dear National Focal Points:

With the present letter, the FMO would like to clarify the approach to programme targets at the end of the programme period, notably the achievement of indicator targets set in the Programme Agreements.

The indicator targets set for each programme in the Programme Agreement represent a commonly agreed level of ambition against which implementation progress and final results are to be assessed. This is done through quantitative and qualitative assessment of progress (via the Annual Programme Reports and the September Interim Financial Reports) and final results (Final Programme Report; external evaluation).

This is especially the case for outcome-level indicators. Outcomes, as defined by Chapter 2 of the Results Guideline for EEA and Norway Grants 2014-2021, are “the short and medium-term effects of an intervention’s outputs on the intermediaries or end beneficiaries. Outcomes are not under the direct control of a programme/project.” Programmes and projects can only *influence* the achievement of outcomes via the outputs they deliver – they cannot control or guarantee them. In cases of over- or underachievement of outcome-level indicator targets, Programme Operators should analyse the reasons for this, draw lessons and provide their analysis to the FMO in the Annual or Final Programme Report. In some cases, circumstances beyond the control of Programme Operators (or Project Promoters) can also hinder the achievement of the planned outputs and therefore prevent the achievement of output indicator targets.

For outcomes, the FMO follows a “best effort” approach to achieving targets. This means that we expect Programme Operators (and Project Promoters) to make significant and sustained efforts to achieve the expected outcomes as set out in the Programme Agreements.

However, where Programme Operator/Project Promoter can show that:

1. they have done all that could be reasonably expected to ensure the programme/project was implemented in line with the Programme/Project Agreement, and
2. there has been no breach of any of the principles of implementation outlined in Article 1.3 of the Regulations,

the FMO does not endorse imposing financial or other penalties for not reaching final outcome indicator targets, as this is not in line with our approach to results-based management.

We urge you to share this communication with all Programme Operators and the Audit Authority. We also encourage you to regularly discuss progress of implementation with the Programme Operators in order to make timely adjustments needed to maximise the achievement of results.

Sincerely,

Henning Stirø, Director