The Annual PL13 *Reducing social inequalities in health* Programme Report for the year 2016

Annotated[1] Template Annual Programme Report
EEA and Norwegian Financial Mechanisms 2009-2014

This annotated template is drafted to encourage and guide the Programme Operators to produce **concise, results-based** programme reports that will give an account of progress and results that contribute to the expected outcomes and the programme objective. This template will help to ensure that the requirements of the Programme Operators Manual (POM) are met.

Checklist questions before submitting the Annual Programme Report	YES	NO
Does the executive summary serve as a stand-alone document?	X	
Does this report provide analyses on how activities so far have contributed to progress towards targeted results using agreed output and outcome indicators?	X	
Have successful bilateral achievements been highlighted?	X	
Have all the sections in the Annual Programme Report been addressed, including any relevant horizontal concerns?	X	

The Annual Programme Report is prepared by the Programme Operator and shall give an overview of the implementation of the Programme with direct reference to the information provided in the Programme proposal and the requirements of the Programme Agreement. The information provided in the report shall be limited to the reporting period (the previous calendar year), without repeating what has previously been reported on. The reports shall be submitted as set out in the MoU and the Regulations (ref. Article 5.11 of the *Regulation*). The deadline for submission is 15 February.

The Final Report shall focus on achievement of the Programme objectives, expected outcome(s) and outputs. Only the main elements of the implementation of the Programme shall be included. The reporting period is in the case of the Final Report the same as the entire Programme period (ref. Article 5.12 of the *Regulation*).

The main body of the report should not exceed 20 pages, excluding any attachments. The report shall consist of the sections set out below.

1. Executive summary

This section shall provide a short summary of the principal findings and points of the report.

[1] Annotations, in blue text, accompany the structure and description outlined in the Programme Operators Manual.

Implementation of Programme PL13 constitutes an answer to the main problems resulting from demographic and epidemiological trends in Poland as well as the issues related to diverse health condition of Poles depending on the place of residence. It should be noted that nowadays two main trends can be observed: decrease in population caused by the reduction in births and a longer life longevity (ageing of the society) with simultaneous drop in the number of healthy life years. In Poland, the main causes of death are cardiovascular disease and cancer. They account for over 70% of all deaths. The third group of causes are injuries and poisonings, accounting for 6.2% of all deaths. Additionally, clear diversity of Poles' health condition depending on the voivodship of residence is observed, which has been presented in a report published by the World Health Organization in 2012, entitled *Social inequalities in health in Poland*.
The implementation of PL13 Programme in 2016 consisted of the implementation of a pre-defined project and the implementation of pilot projects, chosen under call conducted in 2014. 156 poviats were eligible to participate in the call. The situation in these poviats was the worst in terms of total mortality and mortality from the five major groups of causes of death. Finally in 2016 26 projects were implemented for the total amount of 68 686 678 PLN.

Within the predefined project so far the preliminary versions of the *Model of assessment of health needs* and the *Model of a health promotion program and/or preventive health care* were elaborated, on the basis of which the call for proposals for the pilot projects was carried out. In addition, two training programs were developed under the sub-activity 3.1 *Concept of training courses and seminars for selected groups of stakeholders in public health*, including a module A for medical staff and module B for those responsible for managing the system of public health at the level of local government. The recruitment for the above trainings is conducted through the platform http://www.kdkevents.pl/nierownosci/ . 3001 people were trained.

Throughout the whole 2016 the Programme Operator conducted intensive information and promotion activities (e.g. information service point, website, trainings for beneficiaries, announcements) and actions for strengthening bilateral relations (e.g. call for proposals to the Fund for Bilateral Relations at the programme level, website, two study visits). Furthermore, the Programme Operator participated twice in the OPs meetings.

In addition, in 2016 there were two meetings of the Co-operation Committee, advising on the preparation and implementation of the programme.
Between the 14th and the 17th of Jun. 2016 a study visit of the Norwegian delegation in Poland was held, organized at the request of the Norwegian Directorate of Health. This was the second edition of this event - the first visit has taken place in January 2015. The main purpose of the stay of the Norwegian delegation was to understand the functioning of the health care system in Poland, with particular emphasis on the different levels of decision-making in the context of the formation and exercise of health policy and public health policy at the level of central and local government.
Where appropriate and necessary, the Programme Operator, in accordance with Article 4.8 of the Regulations, updated the documents developed in 2013: Description of the Management and Control System and the Manual of Procedures and Audit Trails for the Programme.

15 projects have been completed by 30 April 2016, ie. they have been completed in their activities. 11 of them will not have the possibility of applying for an extension of and participate in the call for the implementation of the additional scope of the project (based on Art. 6.9 Regulations), because it does claim for the consent of donors to extend the implementation period beyond 30 April 2016. Others may participate in the procedure reallocation and continue

the project activities, provided that their final reports have not been approved. 4 projects have already been settled and the final payment was paid.
PO made in 2016 the reallocation of savings generated between projects. On 9thNovember 2016 the training for project promoters was held on the reallocation procedure. Selection Committee. accepted 5 projects for funding under the procedure under Article. 6.9 of Regulations.
In 2016 in accordance with the Programme agreement the Audit Authority conduct the control of the predefined project. The control didn't identify any irregularities.
The main challenge facing the Programme Operator in 2017 is to effectively monitor the implementation of pilot projects, predefined projects and Bilateral Relations Fund projects, submitting the expenditures for certification and substantial, as well financial closure and settlement of projects ending in 2016 and in 2017.
In addition, the Operator will take action to increase the visibility of the Programme and disseminate its results, as well as commission an evaluation of the Programme

2. Programme area specific developments

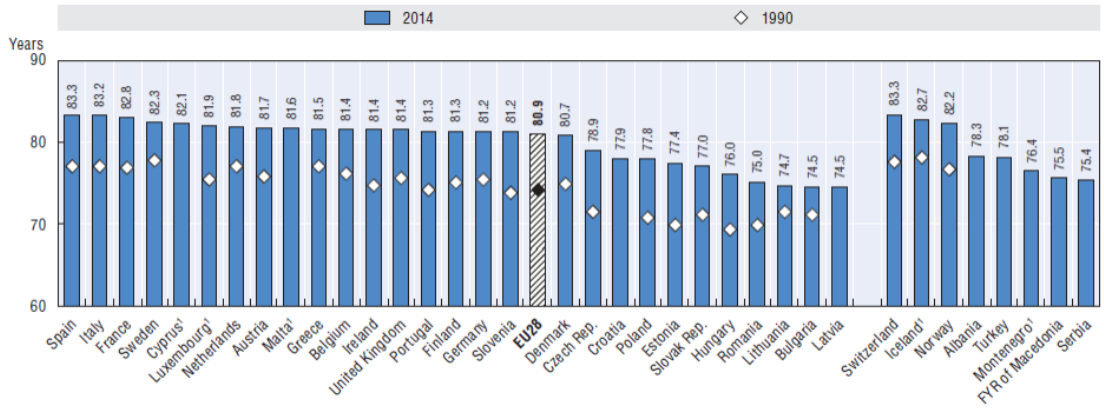
With reference to the information provided in the Programme proposal (in particular chapter 3.3 on the relevance of the programme), describe important developments in the Programme area, also in respect of policy, financial or administrative changes.

Statistics and trends in health care

Life expectancy

According to the report published by the OECD in November of 2016 Health at a Glance: ***Europe 2016. State of Health in the EU Cycle***, life expectancy at birth continues to increase in EU countries, going up on average by 3 months each year and in 2014 reached on average 80,9 years (83,6 years for women and 78,1 years for men), although latest for France and Italy data indicate, that in this countries in 2015 it will be shorten, first time since many years[2]. In Poland life expectancy amounted to 77,8 years (81,7 years for women, 73,7 years for men) what confirms the growing trend. [3] According to Eurostat data, it is expected that by 2080, life expectancy at birth for men and women will rise respectively to 90.4 and 85.7 years in Poland. [4]

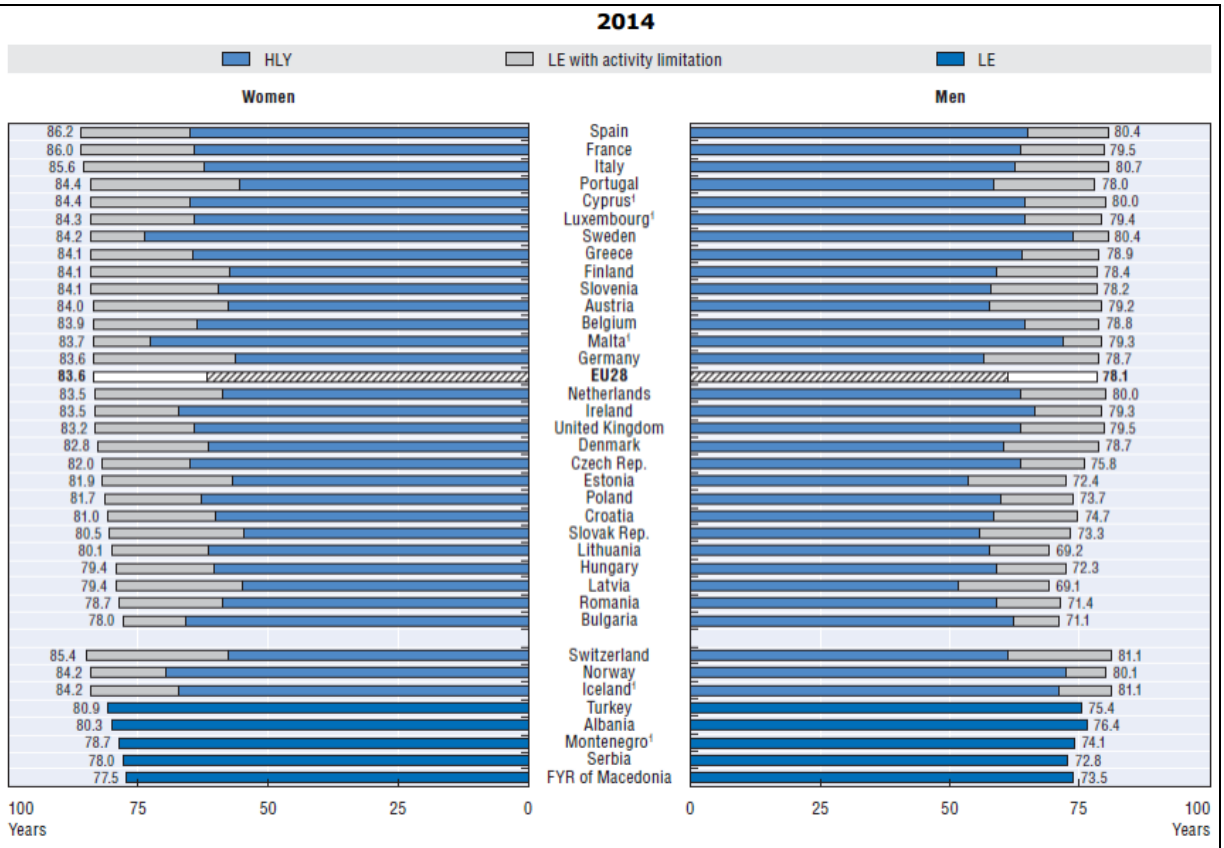
[2] OECD/EU (2016), *Health at a Glance: Europe 2016 – State of Health in the EU Cycle*, OECD Publishing, Paris. *http://dx.doi.org/10.1787/9789264265592-en*
[3] http://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&language=en&pcode=tps00025&plugin=1
[4] http://appsso.eurostat.ec.europa.eu/nui/submitViewTableAction.do



Source: OECD/EU (2016), *Health at a Glance: Europe 2016 – State of Health in the EU Cycle*, OECD Publishing, Paris. *http://dx.doi.org/10.1787/9789264265592-en*

On average in the EU in 2014, women lived 5.5 years longer than men. However, this difference between sexes disappears in relation to the number of healthy life years (defined as the number of years lived without limitation of activity). In 2014 women in the EU could expect to live 61.8 years free from any form of disability, only 0.4 year longer than men (HLY 6.,4 years).[5] In case of Poland, life in good health for women and men was 62.7 and 59.8 respectively[6], what means that comparing to the data from 2013 increase (about 0.6 year) appear only for men, and *expectancy* for women remain without changes. what constitutes 74% of the life expectancy at birth, just 0.1 years more than men. It is noteworthy that the observed values of the length of healthy life account for 81% of the total life expectancy of men and 77% for women and represent the remaining years - respectively 13.9 years in relation to the 19 years for men and for women are experienced in conditions of limitation of activity.

[5] http://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&language=en&pcode=tsdph100&plugin=1
[6] http://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&language=en&pcode=tsdph100&plugin=1



Source: OECD/EU (2016), *Health at a Glance: Europe 2016 – State of Health in the EU Cycle*, OECD Publishing, Paris. *http://dx.doi.org/10.1787/9789264265592-en*

The percentage of the population aged 65 and over, which started to rise sharply from the latter part of the last century, is continuing to rise. On average across EU countries, the share of the population aged over 65 years has increased from 9.8% in 1960 to 18.9% in 2015[7]. It is expected that two thirds of OECD countries, at least one quarter of the population will be over 65 years of age by 2050.[8] In 2014 in the EU average life expectancy at the age of 65 was 20 years: 21.6 years in case of women and 18,2 years in case of men.[9] In the EU this indicator also increased, and was on average 20.5 years for women and 18 years for men. The values of this index increased in all EU countries since 1990, and is expected to increase further by an average of 4.7 years for men and 4.5 years for women between 2013 and 2060.[10]

In Poland, the share of persons aged 65+ in the population has increased from the 5.8% in 1960 to 15.4% in 2015.[11]

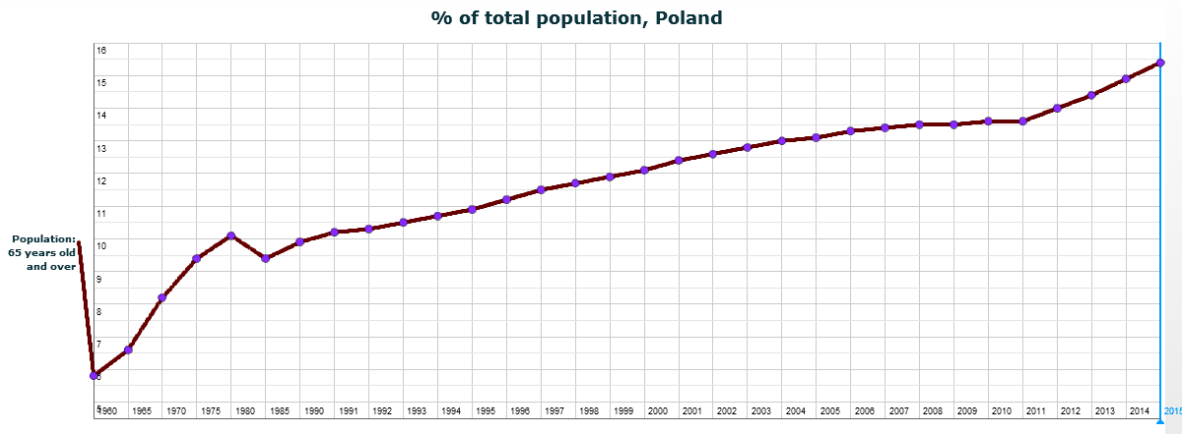
[7] OECD/EU (2016), *Health at a Glance: Europe 2016 – State of Health in the EU Cycle*, OECD Publishing, Paris. *http://dx.doi.org/10.1787/9789264265592-en*

[8] http://www.oecd.org/health/health-systems/health-at-a-glance-19991312.htm

[9] http://ec.europa.eu/eurostat/tgm/refreshTableAction.do?tab=table&plugin=1&pcode=tps00026&language=en

[10] OECD/EU (2016), *Health at a Glance: Europe 2016 – State of Health in the EU Cycle*, OECD Publishing, Paris. *http://dx.doi.org/10.1787/9789264265592-en*

[11] http://stats.oecd.org/index.aspx?DataSetCode=HEALTH_STAT



Source: http://stats.oecd.org

According to the criteria of the UN, it means the phase of advanced age population.[12] In 2014, the average further life expectancy of women at age 65 constitute 20.4 years and of men - 15.9 years.[13]
The estimated value of the coefficient of demographic burden of the elderly in the EU show a significant increase in future years - from 28.8 persons aged 65+ per 100 persons aged 15-64 (working age) in 2015 to 49.4 people 2050. In Poland, a change of this indicator will be even more dynamic, from 21.8 people in 2015. to 51.9 people in 2050.[14]

Demand for nursing and caring services
Increased life expectancy at age 65 does not necessarily mean that the extra years lived are in good health. In Europe, an indicator of disability-free life expectancy known as "healthy life years" is calculated regularly. In 2014 this indicator, measured for persons aged 65 and over in the European Union countries reached on average 8.6 for men as well as for women. In Poland the value of this indicator reached 7.5 years for men and 8.1 for women, what constitutes ca. a half of maximum value annotated in Iceland (respectively 15.1 for men and 14.8 for women) and in Norway (respectively: 15.3 and 15.9).[15]
It is estimated that on average across OECD countries, 4% of the population were 80 years old and over in 2010. By 2050, the percentage will increase to 10%. The speed of population ageing is particularly rapid in In the European Union, where the share of the population aged 80 years and over increased from 1.5% in 1960 to nearly 5% in 2010, and is expected to rise to 11% by 2050. [16] In Poland, since 1990 the percentage of the population over 80 doubled and amounted in 2015 approx. 4%[17].

The above data suggest a significant growth in the demand for nursing and caring services, assuming that the scale of the demand for services for dependent persons is determined by the number of people of 80 years and more. Forecasts for Poland show that in 2035 the

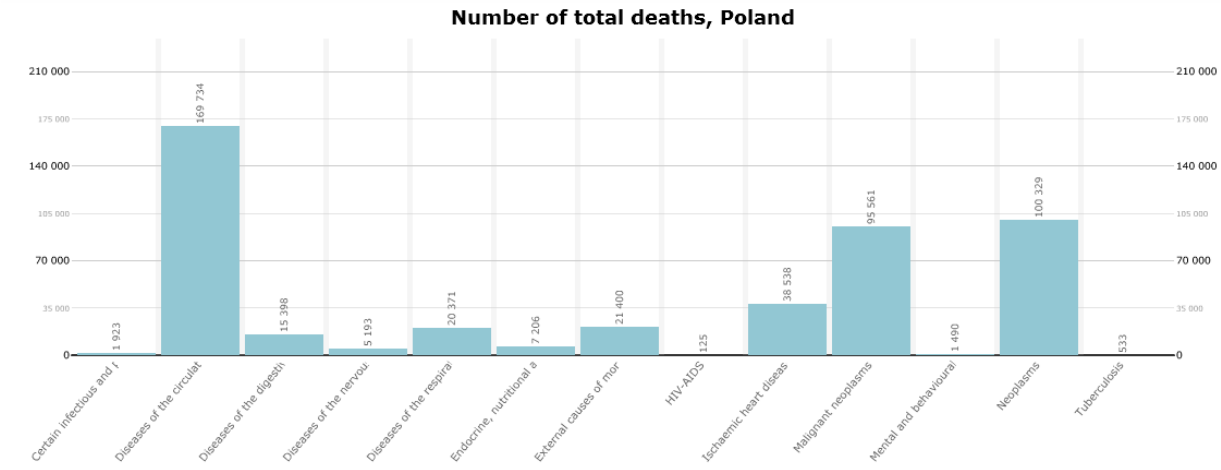
[12] *Prognoza ludności na lata 2014-2050*, Główny Urząd Statystyczny, Warszawa 2014.
[13] http://stats.oecd.org/index.aspx?DataSetCode=HEALTH_STAT
[14] http://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&language=en&pcode=tsdde511&plugin=1
[15] OECD/EU (2016), *Health at a Glance: Europe 2016 – State of Health in the EU Cycle*, OECD Publishing, Paris. *http://dx.doi.org/10.1787/9789264265592-en*
[16] http://www.oecd.org/health/health-systems/health-at-a-glance-19991312.htm
[17] http://stats.oecd.org/index.aspx?DataSetCode=HEALTH_STAT

share of people in so called venerable old age in the population will reach 7.9%, while in 2050 already 10.4%[18].

Causes of death

Despite substantial declines in recent decades, cardiovascular diseases remain the main cause of mortality in most OECD countries, accounting for nearly one-third (32.3%) of all deaths in 2013. Cancer is the second leading cause of mortality in OECD countries after cardiovascular diseases, accounting for 25% of all deaths in 2013, up from 15% in 1960. In a number of countries, cancer is now the most frequent cause of death. The rising share of deaths due to cancer reflects the fact that mortality from other causes, particularly cardiovascular diseases, has been declining more rapidly than mortality from cancer. [19] In the EU, cancer is more common cause of death among men than among women (in 2013 it was accounted respectively for: 30% and approx. 24% of deaths), the opposite situation occurs in the case of cardiovascular diseases, responsible for 40% of deaths among women and 34% deaths among men in 2013. [20]

In Poland, the main causes of death are cardiovascular disease and cancer which account for over 70% of all deaths. The third group of causes are injuries and poisonings, accounting for 6.2% of all deaths.



Source: http://stats.oecd.org

It should be noted that for several years there has been an improvement in the mortality from cardiovascular disease. At the beginning of the 1990s, it was the cause of approx. 52% of all deaths, on the turn of the century – almost 48%, while in 2014 it accounted for approx. 45% of all deaths. As well in Europe as in Poland we observe an increase in the number of cancer deaths, and an increase in the number of new cases (in 1990 malignancies were the cause of almost 19% of deaths, in 2000 – 23%, and in 2012 – nearly 26.6% of deaths[21]).

Number of births

[18] http://demografia.stat.gov.pl/bazademografia/Prognoza.aspx

[19] http://www.oecd.org/health/health-systems/health-at-a-glance-19991312.htm

[20] OECD/EU (2016), *Health at a Glance: Europe 2016 – State of Health in the EU Cycle*, OECD Publishing, Paris. *http://dx.doi.org/10.1787/9789264265592-en*

[21] http://strateg.stat.gov.pl/Home/Strateg, *Podstawowe informacje o rozwoju demograficznym Polski do 2014 roku*, Główny Urząd Statystyczny, Warszawa 27.01.2015

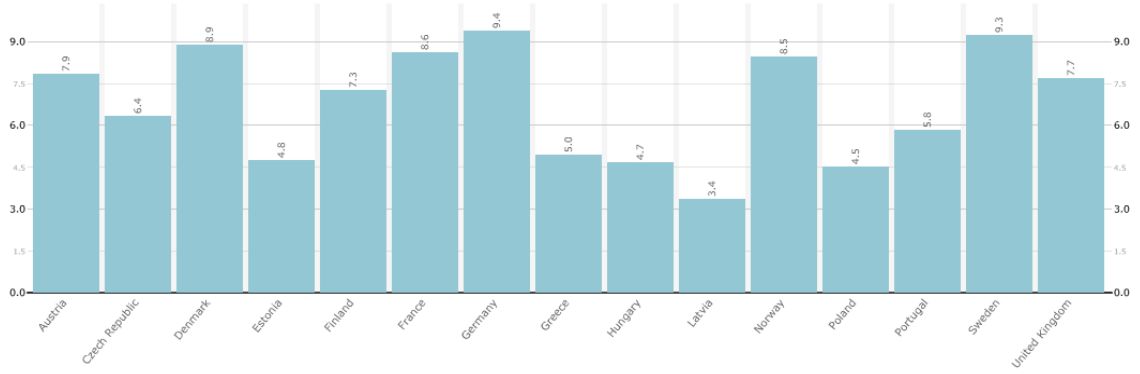
In Poland in the twenty-first century, the highest birth rate was noted in 2009. In 2015 number of live births per 1,000 population decreased compared to the previous year by 0.1 and reached 9.6. From 2013 negative natural increase was observed - its value in 2015 counted on 1000 population reached -0.7[22]

In Poland a decreasing infant mortality observed. The coefficient expressing the number of infant deaths per 1,000 live births in 2015 was 4 (decrease of 0.2 compared to previous year).[23] According to the European Commission report published on 9 September 2013, the significant differences from the past between EU countries in terms of life expectancy and infant mortality are becoming less noticeable.[24] It should be noted, however, that this indicator continues to be one of the highest in Europe (only 6 other EU Member States had higher rates than Poland[25]). The causes of more than half of infant deaths are diseases and conditions of the perinatal period, i.e. arising during pregnancy and during the first 6 days of life of the newborn. The situation for children aged to 14 years was shaped similarly - the mortality rate in Poland in 2014 was located at a higher level than the average for the EU (higher values recorded for 6 countries) [26].

Expenditures on health

In Poland the expenditures on health expressed as a GDP percentage and expenses per capita are among the lowest in comparison with the European Union Member States. According to the National Health Account current expenditure on health amounted in 2014 to 108.7 billion PLN and accounted for 6.33% of Gross Domestic Product[27]. In 2015 the average for EU countries amounted 9.9% of GDP[28].

Government schemes and compulsory contributory health care financing schemes, Current expenditure on health (all functions), All providers, Share of gross domestic product



Source: http://stats.oecd.org

Inequalities in health

[22] *Rocznik demograficzny*, Główny Urząd Statystyczny, Warszawa 2016.
[23] *Rocznik demograficzny*, Główny Urząd Statystyczny, Warszawa 2016.
[24] http://ec.europa.eu/health/social_determinants/policy/index_pl.htm
[25] http://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&language=en&pcode=tps00027&plugin=1
[26] OECD/EU (2016), *Health at a Glance: Europe 2016 – State of Health in the EU Cycle*, OECD Publishing, Paris. *http://dx.doi.org/10.1787/9789264265592-en*
[27] Narodowy Rachunek Zdrowia 2014. Notatka informacyjna, GUS, Warszawa 25.11.2016 r.
[28] OECD/EU (2016), *Health at a Glance: Europe 2016 – State of Health in the EU Cycle*, OECD Publishing, Paris. *http://dx.doi.org/10.1787/9789264265592-en*

The diversity of health condition among Poles with relation to the voivodship (province) was presented in a report published by the World Health Organization in 2012, entitled *Social inequalities in health in Poland*. The objective benchmark for the research on inequalities in health is the analysis of the length of life expectancy and the level of infant mortality, which are characterized by clear diversity among voivodships. The conducted analysis also confirmed substantial diversity, especially in the case of mortality due to digestive and respiratory system diseases as well as external reasons.[29]
In addition, the *Atlas of Polish population mortality in 1999-2001 and 2008-2010*[30] prepared by the National Institute of Public Health – National Institute of Hygiene, presented at poviat level, the spatial differentiation of Polish population mortality due to major causes, broken down by gender and two main age groups – 0-64 years, which defines premature mortality, and 65 years or more, which is for the older population and which accounts for the majority of deaths due to selected major causes of mortality.

Strategic documents

Actions taken under the Norwegian Financial Mechanism and the Financial Mechanism of the European Economic Area in the *Initiative for health care* support the implementation of integrated Government Strategies. In accordance with the principle of "health in all policies", the matters relating to health care are included, among others, in the strategies mentioned below.

Now the National Development Strategy 2020[31] is being implemented, which replaced the National Development Strategy 2007-2015 set out in the Programme Proposal. The objective I.3. *Strengthening the conditions for the satisfying of individual needs and citizen activity* indicated the direction of intervention: I.3.3. *Increasing the security of citizens* taking into account, *inter alia*, the activities related to the health care system[32]. The National Strategy for Regional Development 2010-2020: Regions, Cities, Rural Areas (NSRD)[33], implemented since 2010, concerns the issue of access to health care (with a focus on perinatal care and prevention of cancers). Moreover, since 2013, the Human Capital Development Strategy (HCDS) is implemented, in which problems and planned activities related to health are described in the context of two specific objectives: *Longer working lives and ensuring effective functioning of the elderly* and *Improvement of health of citizens and efficiency of the health care system.* In addition to the above strategy, the Efficient State Strategy[34] indirectly relating to the PL07 Programme has been implemented since 2013, which one of the important objectives is *Effective health care system*, including, among others, intervention directions concerning *Improvement of health infrastructure, teaching facilities in medical universities and research institutes*, *Improvement of access to health services and improvement of management of the health care system and medical information*, as well as *Improvement of quality and safety of health services*.

[29] WHO Report *Social inequalities in health in Poland* Warsaw, 2012
[30] *Wojtyniak B, Rabczenko D, Pokarowski P, Poznańska A, Stokwiszewski J; Atlas umieralności ludności Polski w latach 1999-2001 i 2008-2010 - wydanie internetowe; www.atlas.pzh.gov.pl*
[31] Resolution No 157 of the Council of Ministers of 25.09.2012 (MP of 2012, item 882)
[32] The works over the updating of the National Development Strategy are currently being undertaken.
[33] Resolution of the Council of Ministers of 13.07.2010 (MP No 36 of 2010, item 423)
[34] Resolution No 17 of the Council of Ministers of 12.02.2013 (MP of 2013, item 136)

3. Reporting on outputs

3.1 Give a summary and analysis of how the selected projects have contributed or are contributing to each of the Programme outputs set out in the Programme proposal. Analyse progress towards the defined outputs, and explain any deviation from the plan.

3.2 Give a summary of the implementation of each pre-defined project. When projects have been completed give a summary of their actual contributions to the output targets.

3.3 Give a summary of the implementation of small grant schemes. If this is a Final Report, provide a summary of their actual contributions to the Programme output.

3.1

The improved governance in health care will be achieved by the implementation of the pre-defined project that will strengthen the organization and functioning of the public health in Poland. The model of health needs assessment and the model of community-based health promotion and/or disease prevention programmes by local communities, elaborated under the pre-defined project constituted a basis for the districts submitting the application to a call for proposal. The comprehensive programmes tailored to specific target groups will lead to preventing or reducing life-style related diseases.

Having analysed the assumptions of the realised pilot projects, the Programme Operator does not see the risk of not achieving the indicators set out in the programme proposal, and envisages, on the contrary, that they will be exceeded. Indicators relating to pilot projects have been exceeded, as shown in the following table. PO does not diagnose the risk of failure indicators in the predefined project. The predefined project promoter is working on all planned documents and declares its finalization before the end of the project. Most indicators will only be possible to report after project completion.

Expected outcome	**Improved governance in health care**			
Output	**Output indicator**	**Baseline value**	**Target value**	**Value as of: 31.12.2016**
Models developed and reports elaborated	Number of models and reports elaborated	0	6	2
Cross sectoral strategy for reducing social inequalities in health elaborated	Number of strategies/policies elaborated	0	1	0

Public health trainings carried out	Number of participants	0	3 000	3001
Expected outcome:	**Life-style related diseases prevented or reduced**			
Output	**Output indicator**	**Baseline value**	**Target value**	**Value as of: 31.12.2016**
Community-based health promotion programmes	Number of people participating in health promotion programmes, including health promotion events	0	5 000	447 172
Community-based disease prevention programmes	Number of people participating in disease prevention programmes, including screening examinations	0	10 000	351 188

3.2

The Minister's of Health decision on Predefined Project titled *Reducing social inequalities in health* financing with Norwegian Financial Mechanism 2009-2014 implemented within a framework of PL13 Programme was taken on 29 January 2014 and as a result funds contracted for its implementation amounted to 14 176 239 PLN*

On 28 April 2015 the above decision was annexed with Annex no 1, under which the issue of processing personal data of project participants has been regulated and a pool of funds to finance the remuneration of financial services of the Beneficiary was established. On 25 March 2016 another Annex, amending the final date of cost eligibility in the project, was signed. With the annex No 3 of 22 November 2016 the financing method from reimbursement to advance payment for Norwegian partner was amended.

Therefore in 2016 the advancement of the pre-defined project is as described below:

1.1 *Diagnosis of inequalities in health and their determinants* 1.2 *Diagnosis of the current situation and functioning of the public health system in Poland* and 1.3 *Model of the assessment of the influence of legal regulations on health* 2.1 *Model of the population health management and functioning of public health in Poland* – substantive implementation is in progress - estimated completion date - April 2017

1.4 *Cross-sectoral strategy on reducing social inequalities in health* - concept works were concluded, task-force created. – substantive implementation is in progress - estimated completion date - April 2017.

2.3 *Model of health needs assessment* and 2.2 *Model of community-based health promotion and/or disease prevention programmes* – preliminary versions, necessary for the announcement of the call for proposals (2014), were developed. Eventually these tools will be elaborated after the evaluation planned in the framework of sub-activity 2.4,

2.4 Assessment of the implementation of pilot projects carried out by poviats.– an entity independent from the Beneficiary is undertaking the evaluation. - estimated completion date - February 2017

3.1 Concept of trainings and seminars for selected groups of stakeholders from the public health sector – activity completed (2015)

3.2 Trainings and seminars for selected groups of stakeholders from the public health sector – planned number of participants were trained.

3.3 Elaboration of a knowledge-base – the tool will be elaborated by the end of the project, after the elaboration of all other models and reports (April 2017).

In 2015 it was found that the project is delayed relative to the established schedule. Therefore, the eligibility period was extended for a year, which will enable the project promoter to perform all the work planned in the project. In the third trimester of 2016 the project promoter informed about savings in the amount of approximately 800,000 Euro. Programme Operator addressed a request to the National Focal Point to begin the process of shifting savings to the budget line Bilateral Cooperation Fund.

* Co-financing from the NFM PLN 12,049,803. (85%), PO funds PLN 2,126,436. (15%)

3.3
N/A

4. Reporting on Programme outcome(s)

Analyse how the projects' and Programme's outputs contribute to the expected outcome(s) defined in the Programme proposal.

The improved governance in health care will be achieved by the implementation of the pre-defined project that will strengthen the organization and functioning of the public health in Poland. The model of health needs assessment and the model of community-based health promotion and/or disease prevention programmes by local communities, elaborated under the pre-defined project constituted a basis for the poviats submitting applications to a call for proposals. The comprehensive programmes of health protection and prevention of diseases, tailored to specific target groups will lead to preventing or reducing life-style related diseases.

Under the Programme, 26 pilot projects for health promotion in the field of cardiovascular diseases, cancer prevention, respiratory diseases, reduction of external causes of deaths and for diseases of the digestive system, are being implemented, as well as one predefined project, implemented in cooperation with the Norwegian partner, which aims at elaborating comprehensive actions contributing to improving governance in health-care.

Information on the achievement of outcome indicators is presented below. It will be possible to report on part of the indicators only after the completion of projects.

Expected outcome	Improved governance in health care			
	Outcome indicator	**Baseline value**	**Target value**	**Value as of 31.12.2016**
Standard outcome indicator	Number of actions taken to improve health system design and accountability	0	7	5
Custom outcome indicators	Tools prepared in order to reduce social inequalities in health	0	4	2
	Predefined projects implemented in cooperation with the Norwegian Partner	0	1	1
	Number of training curricula elaborated	0	2	2
Expected outcome:	Life-style related diseases prevented or reduced			
	Outcome indicator	**Baseline value**	**Target value**	**Value as of 31.12.2016**
Standard outcome indicator	Number of actions/activities aiming to reduce or prevent life-style related diseases at national/local level	0	12	15

Custom outcome indicator	Comprehensive community-based health promotion and disease prevention programmes implemented	0	12	15

Progress on horizontal concerns

With regard to the cross-cutting issues, it should be noted that these issues will be discussed in detail in the call for proposals documentation, and one of the planned content related criteria of assessment, conducted by healthcare experts, shall cover the impact on horizontal issues. The horizontal concerns are also checked during the verification of the reporting documentation as well as tackled in the direct contacts with project promoters.

At the same time, during programming and implementation, from the very start of the Programme implementation, the Programme Operator follows horizontal principles, e.g. provided wide access to the information concerning Programme PL13, as well as the area and rules of financial support, used clear and lawful procedures of awarding orders related to provision of services related to the programme implementation. In the course of good governance in implementation the Programme Operator closely cooperated with the National Focal Point, the Norwegian Ministry of Foreign Affairs as well as the Programme Partner.

With regard to horizontal concern regarding HR shortages that may occur in operational structure of the Programme Operator, which was specified in the Programme Proposal, it should be noted that in 2016 this concern did not have any effect on the implementation of tasks by the Programme Operator - the team of employees dealing with NFM was created, a system of training and incentives is being implemented, there is a possibility of using external services.

If this is a Final Report, then report on the outcome compared to the expected outcome.

5. Project selection

With reference to the Programme proposal list the calls carried out during the reporting period. Include a summary of the call(s) and describe the level of interest.

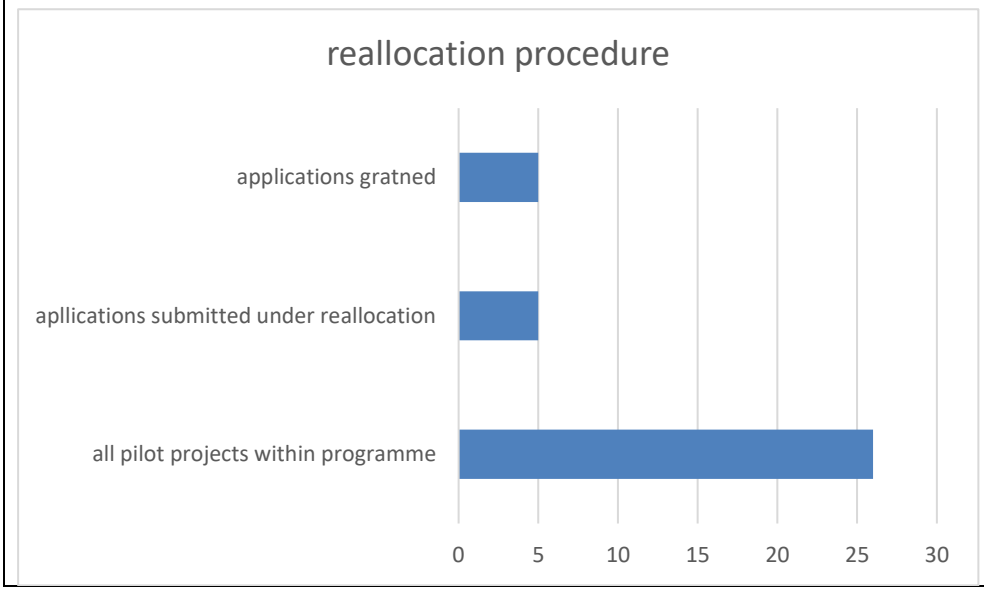
If this is a Final Report, or if all calls have closed, then provide a summary of all the calls in the whole Programme period.

The programme consists of two interrelated components, i.e. the pre-defined project, the beneficiary of which is the Health Insurance Department in the Ministry of Health (HID) and the competition, designed for selected local government units. According to the programme assumptions, the call for proposals for the competition was carried out on the basis of two models developed under the pre-defined project and complemented in 2015 with projects rom reserve list (As a result of fund shifting from other budget lines of PL13 Programme).
15 projects have been completed by 30 April 2016, ie. they have been completed in their activities. 11 of them will not have the possibility of applying for an extension of and participate in the call for the implementation of the additional scope of the project (based on Art. 6.9 Regulations), because they didn't claim for the consent of donors to extend the implementation period beyond 30 April 2016. Others may participate in the procedure reallocation and continue the project activities, provided that their final reports have not been approved.
4 projects have already been settled and the final payment was paid.

In November 2016 the continuous call for implementation of the expanded scope of the project in the procedure to reallocate savings carried out pursuant to Art. 6.9 of Regulation on NF Implementation. In response to a call 5 applications were received. All applications received minimal testing threshold score to receive a grant. The whole of the proposed measures (2 544 335.34 PLN 335.342 – 604 240,37 Euro) does not exceed available under the allocation of 3 102 664.24 PLN (736 834.86 Euro). Allocation of funds was approved by the Selection Committee. Currently, the annexing of project agreements is being conducted. Projects which have received funding for the implementation of extended scope:

L.p.	project promoter	project title	Doris No	Time of submition	grant	Scores given
1	Pila Poviat	Improving public health and reducing social inequalities in health in the county Pila - prevention of cancer	PL13-0018	2016-12-06 8:15	150 000,00 PLN	28
2	Proszowice Poviat	Preventive health programmes, including screening tests and diagnostics as well as education, to decrease the morbidity and mortality from lung and bronchial cancer in the Proszowice Poviat	PL13-0025	2016-12-06 8:15	637 808,34 PLN	28

3	Lodz City	Łódź vs liver disease	PL13-0016	2016-12-09	331 798,00 PLN	28
4	Kutno Poviat	Live for yourself and others - take care of your health	PL13-0028	2016-12-15	740 000,00 PLN	28
5	Przasnysz Poviat	Prevention of cardiovascular disease a chance to improve the health situation of the inhabitants of the county Przasnysz	PL13-0010	2016-12-16	684 729,00 PLN	23



6. Progress of bilateral relations

Give a summary of how partnerships between the Beneficiary States and the Donor State(s) have been facilitated during the reporting period. In cases of donor partnership programmes, the cooperation between the Programme Operator and the donor programme partner shall be assessed. State the number of donor partnership projects, and describe what has been done to encourage the establishment of such partnership. Give a brief overview of the use of the Funds for bilateral relations at Programme level.

The objective of strengthening of bilateral relations in 2016 has been reached by the actions described below:

Call for proposals for the Fund for Bilateral Cooperation

In the reporting period, 4th and 5th call for proposals have been announced.

The 5th call has been announced on 15th of Jan. 2016 and lasted until the 30th of Jun. 2016. Program Operator has received six applications within the call, submitted by the eligible entities.

Four of the six applications received funding: the project of the Prudnik County Office: "Sport - an effective tool to reduce social inequalities in the health of children", a project of the City of Lodz: "Lodz to Norway" and a project of the Institute of Psychiatry and Neurology: "Support to local communities for the development, implementation and evaluation of programs for prevention of substance use".

The fifth FBR call has been announced on the 16th of Sep. 2016. Two project proposals have been submitted: Proszowice County Office: "Health and well-being - the procedures and criteria in schools. Health promotion in Proszowice County and Nordland" and the project of the City of Poznan: "POZ-NORD". Submitted proposals received funding and will be implemented in 2017. Fifth FBR call lasted until the 30th of Dec. of 2016.

In the reporting period, a project of the Polish Association of Medical Tarnow, filed under the third call, has been further implemented and the projects payment claims have been assessed. Implementation of the projects approved under the fourth FBR call commenced.

Telephone infoline and a website

Program Operator supports an infoline and a website www.fbr.zdrowie.gov.pl, which is intended for beneficiaries and potential beneficiaries of the PL13 program wishing to develop a bilateral cooperation with the entities of the Donor State and benefit from support in the framework of the Fund for Bilateral Relations, as well as for the potential partners from the Donor State. The website also includes information on FBR calls for applications with the relevant documents and regularly updated information on FBR events, news and a current allocation. The website is updated in Polish and English.

Study visit of the Norwegian delegation in Poland

Between the 14th and the 17th of Jun. 2016 a study visit of the Norwegian delegation in Poland was held, organized at the request of the Norwegian Directorate of Health. This was the second edition of this event - the first visit has taken place in January 2015. The main purpose of the stay of the Norwegian delegation was to understand the functioning of the health care system in Poland, with particular emphasis on the different levels of decision-making in the context of the formation and exercise of health policy and public health policy at the level of central and local government.

Representatives of: the Norwegian Directorate of Health, Norwegian local government from Nordland, Stavanger, Fredrikstad and Lillesand municipality, an NGO in the field of health - the Norwegian Cancer Society, the Norwegian Association of Local and Regional Authorities (KS) and the Norwegian Embassy in Poland participated in the study visit.

The route of the study visit, developed by the Department of European Funds and eHealth of Ministry of Health, reflected the main educational purpose of the Norwegian side and, what is more, allowed them to familiarize themselves with the degree of implementation of selected projects in the field of health implemented by Beneficiaries of the PL07 and PL13 Programs.

On the first day of the visit the delegation has taken part in the seminar on the implementation of the Law on Public Health in Norway organized at the Ministry of Health and has participated in a meeting at the Office of Health Policy of the City of Warsaw, during which a discussion on a number of issues related to the activities of the office and on providing health care to the residents Warsaw has been held.

The second day of the visit began with a meeting in Krakow City Council, and was dedicated to the public health policy in the perspective of the city. The delegation then went to the care and treatment facility in Krakow - the PL07 Beneficiary implementing the project entitled: "Reconstruction of the Pavilion No. 4 of care and treatment facility in Krakow and the implementation of an educational program in the field of long-term care" co-financed by the EEA Financial Mechanism and the Norwegian Financial Mechanism. In the second part of the day, the delegation was received at the Myslenice County Office and was informed on the implementation of the project: "Modernization of Gynaecology, Obstetrics and Neonatal ward - an opportunity for the Myslenice County population to gain access to modern methods of prevention, diagnosis and treatment in the perinatal period, as well as an improvement of the quality of care for mother and child", being implemented at the local District Hospital.

On the third day of the visit, the delegation held a meeting at the Proszowice County Office - Beneficiary of the Pl13 project entitled: "Health promotion through the implementation of prevention programs, including screening and diagnosis, and educational activities in order to reduce the level of morbidity and mortality due to lung cancer and bronchitis in Proszowice County".

The program of the fourth day was held in Poznań and began with a meeting in the Clinical Hospital of the Lord's Transfiguration - the Beneficiary of the Pl07 project "Greater Oncology - improvement and adaptation of the diagnosis and therapy of cancer to demographic and epidemiological trends in the region, ensuring for the optimization and prevention". During the Poznan ribbon-cutting ceremony the new hospital building has been inaugurated.

An intensive program of study visit in Poland gave an opportunity to get acquainted with the health policy at different levels of government, assess the scale of sectoral cooperation, assess the quality of implemented PL07 and PL13 projects and establish of numerous contacts with local authorities, medical staff and management.

Seminar in Norway in the field of eHealth

Between the 29th and 30th of Jun. 2016, representatives of the Ministry of Health, the National Health Fund and the relevant actors in the field of eHealth took part in a study visit in Norway. In the course of the visit, Polish delegation was informed on telemedicine and eHealth solutions implemented in Norway. Norwegian partners have prepared a wide substantive program and presented locally implemented projects and systemic solutions in the field of eHealth and telemedicine. Polish representatives presented eHealth and telemedicine solutions present and planned in Poland. Issues concerning the current state of the implemented projects/systems and the challenges ahead have been discussed. The meeting was organized on request of the Polish side.

The visit is a contribution to an expected increase of Polish-Norwegian cooperation in the field of eHealth.

Other activities

On 9-10 June 2016, representatives of the European Funds and eHealth Department have taken part in Program Operators meeting in Vilnius together with the workshop in the field of communication and project promotion with the use of social media. They acquainted with a current information on the implementation of operational programs in each Beneficiary-State. The Polish side presented the current status of the implementation of PL07 and PL13 programs and the actions taken under the Fund for Bilateral Relation at the level of PL07 and PL13 programs. During the communication training FMO stressed the importance of promoting the results achieved in projects using modern methods of communication with the use of social media. Attention was also drawn to the formulation of communication in an attractive and modern form, with frequent updates.

The next Program Operators meeting was held in Bucharest, Romania on 23-25 November 2016. Representatives

Representatives of the Department of European Funds and eHealth acquainted with current information on the progress of the implementation of relevant national operational programs in individual countries and presented the current status of the implementation of PL07 and PL13 programs and initiatives of the Fund for Bilateral Relations at the level of these programs.

An FMO representative stressed the importance of the bilateral component of the implemented programs and evaluation in the implementation of programs.

Moreover, between the 9th and 12th of November 2016, representatives of the Ministry of Health have taken part in the ninth EUPHA conference in Vienna. The theme of this year was the 30th anniversary of the Ottawa Charter – a document considered for the beginning of the process of institutionalization of public health promotion. During the conference The Vienna Card was presented, which referred to the provisions of the Ottawa Charter, taking into account the challenges which have emerged in the area of public health in the last 30 years. Thanks to the initiative of the Norwegian Directorate of Health and the Norwegian Institute of Public Health there has also been a session devoted to the impact of projects implemented under the EEA Financial Mechanism and the Norwegian Financial Mechanism on the reduction of health inequalities in Europe.

In this session, a representative of the Ministry of Health presented the project "Greater Oncology: Improvement and adaptation of diagnosis and therapy of cancer to demographic and epidemiological trends region with the provision of conduct and prevention", implemented by the Clinical Hospital from Poznan. The presented project has been chosen in a competition announced by the Norwegian partners.

EUPHA Conference is the largest event of its kind in the field of public health, organized by the European Association of Public Health. This year's edition was attended by approx. 1,700 delegates from 73 countries and representatives of international organizations.

With regard to the partnership agreement between the beneficiary of the predefined project- the Department of Health Insurance and the Norwegian Directorate of Health, as well as the number of participants taking part in the international visits, divided into men and women, it should be noted that the following bilateral indicators within the PL13 program have been achieved.

	Expected value	Achieved value
No of partnership agreements with public sector institutions	1	1
No of women participating in the international visits	5	30
No of men participating in the international visits	10	33

The Cooperation Committee meetings

In 2016 there have been two meetings of the Cooperation Committee organized. The Coperation Committee advises on the preparation and implementation of the PL13 program. The meetings have been held on the 14th of Jun. and 14th of Dec. 2016 in Warsaw. During the meetings i.a. the status of implementation of the program and the issue of spending increase in the framework of the FBR have been discussed, as well as issues related to planning of the next financial perspective.

It is planned for two meetings of the Cooperation Committee in 2017, of which the first meeting will probably take place in March.

Complementary action

N/A

7. Monitoring

With reference to the monitoring plan for the current reporting period, describe the monitoring activities that have been carried out and give a summary of the findings. Provide a monitoring plan for the next reporting period, following the format given in Chapter 7.3 of the Programme Operators' Manual.

According to the documentation of the programme, each year a sample of no less than 10 percent of projects is subject to controls, selected based on risk assessment and including random samples. The annual control plan includes projects where a higher risk has been identified in respect to other projects. The controls verify among others substantive and financial progress, time left to project completion and the correctness of prepared reporting documents. On-the-spot controls may also be carried out on *ad hoc* measure, if such a need arises.

Pilot projects

According to the control plan for 2016, on-site monitoring visits of 3 projects were conducted:

- Lodz City (Miasto Łódź) – project no 034/13/14
- Koszalin Poviat (Powiat Koszaliński) – project no 011/13/14
- Slubice Poviat (Powiat Słubicki) – project no 061/13/14

The outcomes of the conducted monitoring visits show a correct realisation of projects. The controls have indicated omissions of small significance and the ex-post recommendations refer only to the improvement of systems of project implementation.
In addition, an ad hoc control of project 059/13/14 (Gryficki Poviat) was conducted. The reason for the control was the need to verify how to implement the control recommendations of the control conducted in 2015, the need to verify the source documents in the offices of one of the contractors selected by the project promoter (documentation on the medical examinations) and the fact of receipt by the Programme Operator anonymous complaint concerning potential irregularities in the course of the project. As a result of ad hoc control omissions were found concerning the formal implementation of the project by the project promoter and the fact that an irregularity resulting from the absence of competitive procedure applied by the Beneficiary for employment of nursing staff on civil contracts. Control report was send to the project promoter who is entitled to appeal the path of the findings of the control team. Binding information will be send in February 2017. The control found irregularity on public procurement. It is described in the report on irregularities for the first quarter 2017.

The control plan for the next reporting period – 2017 is attached to this annual report.

During the day-to-day monitoring of projects (verification of reporting documents submitted by beneficiaries) in the third quarter of 2016, the Programme Operator has identified two irregularities with regard to public procurement rules. The irregularity detected was of minor significance, one project promoter returned the wrongfully spent funds, in the other case the next advance payment was diminish of the irregularity amount. The irregularities identified for the project 012/13/14 and 022/13/14 were presented in the reports on irregularities for the third quarter of 2016 and is submitted to the Audit Authority, to the NFP, Certifying Authority and the Paying Authority Department in the Ministry of Finance. In the fourth quarter PO identified 2 irregularities concerning public procurement. In both cases (042/13/14 and 22/13/14) size of irregularities was not significant. They are described in the reports for the fourth quarter of 2017.

Moreover two pilot project were under scrutiny of Audit Authority. Audit Authority identified one irregularity resulting in the need of imposing correction in one case (Żyrardów Poviat – 045/13/14). Irregularity regards to public procurement conducted on basis of Guidelines of Minister of Regional Development. The Operator does not agree with the opinion of the Audit Authority, believes that the infringement was not an actual or potential breach of fair competition but a violation of a formal nature. Its position presented in the report on the irregularities for the fourth quarter of 2016.

Pre-defined project

The Programme Operator carried out the control of the predefined project (Department of Health Insurance– predefined project promoter) in December 2016.

The outcomes of the control show the no irregularities only omissions, eg. need for updating the application form.

At the same time, the pre-defined project was systematically monitored in 2016, which involved, among others, the working contacts with Project Promoter of the pre-defined project and the evaluation of payment requests submitted by the Health Insurance Department.

In 2016 in accordance with the Programme agreement the Audit Authority conduct the control of the predefined project. The control didn't identify any irregularities.

8. Need for adjustments

All planning is to a certain extent based on assumptions, and the assumptions made when designing a Programme plan might change over time. This might again imply a need to adjust the plan. If the Programme Operator has made use of a possibility to modify the Programme in line with Article 5.9 of the Regulations and the Programme Agreement during the reporting period, the modifications shall be described in this section.

In connection with the extension of the programme duration, it was necessary to make shifts between budget lines in order to ensure the effective and correct implementation of the programme. The Operator claimed for a shift of savings generated in projects to management costs, as well as shifts between results.
The Donors and the National Focal Point (in connection with the acceptance of the OP's claim) concluded in October 2016 an appropriate Addendum to the Programme Agreement, under which in November 2016 an annex to the agreement between the NCP and the OP was signed.

9. Risk management

With reference to the risks identified in the Programme proposal (and in sections 2 and 3 above) give an analysis of the situation and any mitigating actions carried out or planned. If any new risks have been identified, then they shall also be discussed in this section.

According to the information included in the Programme Proposal, in order to minimize the risk related to the lack of social acceptance for the developed strategy reducing social inequalities in health, the Project Promoter of the pre-defined project has been obliged to conduct public (expert) consultations concerning the prepared strategy. They were held indirectly through consultation of National Health Programme (hereinafter: NHP), which was subject to public consultation. At the time of handing over the strategy, its substantive aspect will be assessed in view of possible use for the NHP objectives' implementation.. Moreover, in order to apply conclusions from the prepared strategy and implement pilot programmes in the selected poviats, models prepared during the implementation of the pre-defined project will need to contain a number of guidelines and a wide range of tools which will be adaptable to specific needs of poviats carrying out pilot projects.

In order to minimize the risk associated with lack of social awareness with regard to prophylactic methods crucial for limiting diseases related to lifestyle, which results in a low level of participation in pilot project activities, the Project Promoters are obliged to perform informational and promotional activities adjusted to the target groups in the course of implementation of the projects.

With regard to horizontal risk concerning HR shortages that may occur in operational structure of the Programme Operator, which was specified in the Programme Proposal, it should be noted that this risk did not have any effect on the implementation of tasks by the Programme Operator - the team of employees dealing with NFM was created, is conducted a system of training and incentives, there is a possibility of using external services.

Furthermore, the Programme Operator identifies some difficulties that may be connected with spending funds allocated for management costs of Programme PL13 resulting from prolonged tender procedures and the postponed call for pilot project proposals. In order to minimize the above risk the following remedies are undertaken: planning tender procedures in advance, conclusion of contracts for periods longer than one year, training employees. During the implementation of activities related to information and publicity, the Programme Operator identified some disadvantages related to the performance of tasks under the Public Procurement Law, where sometimes for reasons beyond the control of the Purchaser the contract is not executed. Despite that, in the course of implementation of activities related to information and publicity, there were no particular problems encountered, which could have an impact on the implementation of the PL13 Programme.

In order to minimise any risk of delays in the implementation of the pre-defined project, the Programme Operator introduced a number of preventive actions, involving, among others, increased monitoring of the project activities (e.g. a thorough verification of the payment request the working contacts with the beneficiary in order to perform a day-to day monitoring).

Bearing in mind the need to increase social acceptance for the developed strategies of reducing social inequalities in health, the Project Promoter of the pre-defined project has been obliged to conduct public (expert) consultations concerning the prepared strategy. The strategy is currently in the process of elaboration by the project team.

In order to minimise risk of low interest of potential beneficiaries in the Fund for Bilateral Relations, the Programme Operator carried out intensive information and promotion

activities to encourage potential beneficiaries to engage with stakeholders from the Donor States (e.g. telephone helpline, website). In addition, in case of failure to use the allocation available on the call for proposals in FBR, the PO will allocate unused funds to existing or other activities related to bilateral co-operation. A large number of project applications, exceeding the available allocation under fourth and fifth BRF call, indicate the fact that the risk was minimised.

10. Information and publicity

With reference to the Communication Plan provided in the Programme proposal (ref. Chapter 3.13 of the Programme Operators' Manual) give a summary of the activities carried out during the reporting period.

In accordance with the Communication Plan, in 2016 information and promotion activities relating to the PL13 Programme were adjusted to the stage of this Programme in which the project were implemented. The main objective was to inform the public on the Programme, as well as to conduct trainings for beneficiaries and provide information on the possibilities to apply for the BRF funds. The Programme Operator in 2016 used following tools and methods for information and promotion activities:

Information service point

The special phone number launched in 2011 is still operating, allowing beneficiaries access to information related to the PL13 Programme. Beneficiaries could also send questions by e-mail to the address set up for this purpose. Answers and explanations to questions directed to the Programme Operator were provided on a regular basis by e-mail and telephone. A particular emphasis was however put on a direct contact between the beneficiary and the representative of the PO in charge of the project monitoring.

Website

The website www.zdrowie.gov.pl includes updated information on the EEA Financial Mechanism and the Norwegian Financial Mechanism. There is also English version of the website.
The website dedicated to the EEA FM and the NFM includes a section with information on the Fund for Bilateral Relations for the PL07 Programme, which is to facilitate establishing co-operation with entities from the Donor States.
Information about MF EEA and the NFM 2009-2014 is also available on the main website of the Ministry of Health www.mz.gov.pl in the section dedicated to European Funds. There have been 194 785 to enter the site.

Training for potential beneficiaries

On 31 of March 2016 in Warsaw a training for the beneficiaries of the pilot projects was organised, during which the issues relating to the principles of the project implementation and payment claim preparation were discussed. Also the issues regarding the Bilateral Relations Fund and public procurement in the projects were covered.

In November, a meeting for pilot project promoters was also organized, during which the rules for granting of additional funds for expanding the scope of the project on the basis of art 6.9 of regulations were presented.

Training were conducted by employees of the European Funds and e-Health Department.

Information and promotion materials

In 2016, the Programme Operator had information and promotional materials (gadgets) with NFM and EEA FM logos (e.g. pens, calendars, bookmarks, USB sticks), which were distributed to participants during meetings, trainings and conferences held in 2016 as part of the implementation of PL07 and PL13 Programmes.

Other activities

In December 2016 a representative of Programme Operator presented key results of the program during a conference organized by the National Centre for Research and Development (PL12 Programme Operator), addressed to the institutions operating in the field of health, conducting research programes.

Operator Programme published 3 press advertisements in countrywide newspaper (Gazeta Wyborcza). They informed, among others, on bilateral cooperation concerning the protection of public and animal health.

In addition, photos were made part of the projects carried out by the EEA FM and the NFM. They are currently used in our promotional activities.

Photos will also be passed on to the beneficiaries, in order to promote individual projects.

All measures and communication tools used by the Programme Operator were tailored to the needs of the target groups, the language of messages was simple and understandable.

As part of the information and promotion activities, the Programme Operator collaborated with other organizational units of the Ministry of Health, including the Press and Promotion Office, with regard to responding to letters addressed to the Ministry of Health concerning the possibility of obtaining financial resources. Co-operation with media took place in accordance with principles adopted in the MoH – also through the Press and Promotion Office. Newspaper articles on Financial Mechanisms are analysed and collected in the press book.

Programme Operator has collaborated with the DPP and the Financial Mechanism Office in the conduct of information and promotion activities. Within its framework short videos about the projects and articles for FMO's use were prepared.

Given the scope of information and promotion activities undertaken by the Programme Operator and their scale, it should be noted that the implemented information and promotion projects seem to be efficient and effective and are consistent with the Communication Plan prepared by the Programme Operator.

11. Cross-cutting issues

Describe how the Programme has performed (positively or negatively) in relation to the three crosscutting issues (ref. Chapter 3.11 of the Programme Operators' Manual), and which measures, if any, that have been put in place to improve performance.

The principles of good governance, the issues related to equality of men and women and the environmental impact have been taken into consideration by the Programme Operator in the process of planning and implementing the programme. While pursuing the first principle, the Programme Operator provided, among others, wide access to the information concerning the Programme as well as the area and rules of financial support and the principles of project selection, used clear and lawful procedures of awarding orders related to provision of services related to the programme implementation and ensured that there was no conflict of interests among people and institutions involved in the evaluation of the predefined project and pilot projects.

In the course of good governance policy implementation the Programme Operator closely cooperated with the National Focal Point, the Norwegian Ministry of Foreign Affairs as well as the Programme Partner.

Moreover the Programme Operator updated documents developed in 2013: the Description of the Management and Control System and the Manual of Procedures and Audit Trails for the PL13 Programme *Reducing social inequalities in health*. The updates resulted from the need to adapt contents of the above documents to revised organisational structure and division of responsibilities between various divisions of the European Funds and e-Health Department. National Focal Point expressed he reservation for the documents..

In accordance with Order No. 29 of the Director General of the Ministry of Health of 17 June 2016 on establishment of internal organisational regulations of the European Funds and e-Health Department (amended by Order No. 39 0f 13 September 2016 and Order No. 51 of 2 December 2016), the tasks of the Programme Operator in the European Funds and e-Health Department are now performed by seven units: the Aid Programme Unit, the Development Policy Co-ordination Unit, the Financial Unit, the Implementation Assistance Unit, the Public Procurement Unit, the Control and Supervision Unit and the Legal Unit. This amendment is consistent with the provisions of Article 4.7 of the Regulations relating to the requirement to establish organisational structure of the Programme Operator to ensure independence and separation of functions between unit responsible for verification of payment requests and other units responsible for programme implementation.

In addition, the Programme Operator included the need to refer to the cross-cutting issues in the documentation for the call for proposals. The aspects related to the cross-sectional issues constitute one of the elements which were assessed during the process of application evaluation by expert members of Content Related Assessment Team and they are being monitored by the PO during the process of verification of payment claims submitted by the beneficiaries.

In 2016 the Supreme Chamber of Control carried out (within the control of the implementation of the state budget in 2015.) the verification of the Programme implementation. The assessment was favourable.

12. Reporting on sustainability

If this is a Final Report, provide an assessment of the extent to which the positive effects of the Programme will continue after the funding period.

N/A

13. Attachments to the Annual Programme Report

Monitoring Plan, see section 7.3 in the Programme Operators' Manual
Risk assessment of the programme. See proposed template in Annex to the annotated template to the Annual Programme Report.

Project level results
Project level results have been described in section 3.1 of this report.

14. Attachment to the Final Programme Report

Financial annex, see attachment 2 of the Programme Operators Manual

Annex: Risk assessment of the programme

Programme #	Type of objective[35]	Description of risk	Likelihood[36]	Consequence[37]	Mitigation planned/done
PL13	Cohesion (Programme) outcomes:				
		Lack of social approval for the elaborated strategies of reducing social inequalities.	2	2	Project promoter of the pre-defined project will conduct social consultation of the elaborated strategy.
		Applying conclusions from the prepared strategy or pilot programmes implementation may be hindered by specific conditions in various administrative units (voivodships, poviats).	2	3	Models developed during the implementation of the pre-defined project will need to contain a number of guidelines and a wide range of tools which will be adaptable to specific needs of particular poviats.
		Lack of social awareness of prevention methods crucial for reducing life-style related diseases, which results in a low level of participation in pilot project activities.	2	3	The Project Promoters shall be obliged to perform informational and promotional activities adjusted to the target groups in the course of project implementation
	Bilateral outcome(s):				
		Lower spending in the Fund for Bilateral Relations	3	4	Continuation of informational and promotional activities by the Programme Operator. In case of failure to use the allocation available on the call for proposals in FBR, the PO will allocate unused funds to existing or other activities related to bilateral co-operation. In 2016 the risk was minimized, the effect of which is greater number of applications submitted.
		Inability to implement complex bilateral projects due to the completion of the pilot projects pen call and the maximum level of financing of BR projects.	2	2	Programme Operator agreed with the Programme Partner need to raise the ceiling for funding.
	Operational issues:				

[35] 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.
[36] Each risk should be described as to whether it poses a risk to the cohesion outcomes (programme outcomes), the bilateral outcome or crucial operational issues 4 = Almost certain (75 – 99% likelihood); 3 = Likely (50 – 74%); 2 = Possible (25 – 49%); 1 = Unlikely (1 – 24%)
[37] Assess the consequence(s) in the event that the outcomes and/or crucial operations are not delivered, where 4 = severe; 3 = major; 2 = moderate; 1 = minor; n/a = not relevant or insignificant.

		Lack of sufficient funds for management costs, enabling efficient and effective settlement of projects and dissemination of results.	2	4	Transfer of savings generated in projects to the management costs was performed.
		Staff shortages in the organizational structure of the Programme Operator.	1	2	Team of employees dealing with NFM has been created, a system of training and incentives is implemented, there is a possibility to use external services.
		Delays in a pre-defined project realization	1	2	Updating timetable, implementation of tasks according to timetable, current cooperation Project Promoter with Project Partner, supervision by the Programme Operator in a scope of timeliness. Extension of eligibility date of the project.

Annex: Monitoring plan

Monitoring is carried out in order to ensure correct performance of the implemented projects and their compliance with the previously adopted assumptions. The monitoring system also aims at identifying potential problems during project implementation and early reaction to the problems by means of taking preventive or corrective action.

Progress in project implementation is monitored mainly by means of verifying payment claims submitted to the PO by Project Promoters and on-the-spot checks of the project implementation.

On-the-spot project control

Each year a sample of no less than 10 percent of projects is subject to controls, selected based on risk assessment and including random samples, with the reservation that the pre-defined project is controlled at least once a year. The annual control plan should include projects in respect to which higher risk has been identified than in respect to other projects. The controls verify among other things substantive and financial progress, time left to project completion and the correctness of prepared reporting documents. On-the-spot controls may also be carried out ad hoc if such a need arises

Control plan for pilot projects for 2017:

Project number	Project title	Project Promoter	Planned date
	Ministry of Health – Department of Healthcare Insurance	Pre-defined project: Reducing social inequalities in health	I/II quarter
016/13/14	*Education, promotion and prevention - effective actions in fighting cardiovascular diseases in the Strzelin County*	Strzelin district	I/II quarter
027/13/14	*The comprehensive program for reducing the incidence of diseases related to lifestyle in a county Wieruszowski*	Wieruszowski district	I/II quarter
042/13/14	*Prevention of cardiovascular disease a chance to improve the health situation of the inhabitants of the county Przasnysz*	Przasnysz district	I/II quarter

Verification of payment claims

The content-related and financial verification of payment claims are carried out by the Programme Operator. Content-related verification covers among other things the completeness of the application, its timeliness and content-related and financial compliance with the assumptions set out in the project application, correctness of eligible expenditure documentation in relation to PO's guidelines, as well as the verification of project outcomes achieved and completeness of risk analysis carried out by the Project Promoter in relation to the provisions of the project application. The financial verification of the application covers, among other things, accountancy review and correctness of annotation of accounting documents, dates of expenditure and co-financing correctness. To verification of the reporting documentation is carried out on samples.

Other measures undertaken by the Programme Operator

Besides on-the-spot project control and verification of payment claims, which are the main tool of monitoring, the Programme Operator undertakes other measures in terms of monitoring projects, for example:

- systematic monitoring of projects based on risk analysis including risk of delays,
- organizing meetings with Project Promoters for presentation of measures of correct project implementation, rules of information and promotion, reporting procedures and financial flows,
- current monitoring of project implementation by the working contacts between Project Coordinator (from PO) and Project Promoter – each project was assigned with one Project Coordinator from the part of the PO, a day-to-day phone and email contacts are kept in order to briskly react to potential problematic situations,
- familiarising with potential problems during projects implementation,
- system of the verification of payment claims was simplified by introducing amendments of the assessment charts consisting in cancelling the issues which were doubled in the content-related and financial assessment of the payment claim, also a possibility to verify the reporting documentation on samples was introduced,
- group and individual meetings with beneficiaries are being organised, during which the most frequent errors and mistakes are discussed, in order to reduce the number of necessary corrections of the payment claims.

Programme Operator signature

	For the Programme Operator			Optional second signature		
Name	Izabela Ostaszewicz					
Signature						
Position	Deputy Director					
	day	**Month**	**year**	**day**	**month**	**year**
Date						