

National Focal Points, Certifying Authorities and Fund Operators

Brussels, 7 October 2024

Subject: Delayed payments of September 2024 IFRs

Dear colleagues at the National Focal points, Certifying Authorities and Fund Operators,

Thank you for submitting your interim financial reports by the 15th of September.

The reports have revealed a very high level of activities and spending across all Beneficiary States and programmes during these last months of implementation of the FMs 2014-2021. The Donors are pleased to see the higher number of projects being able to complete and absorb additional funds, in part due to the different flexibility measures granted by the Donors over the last two years. This has resulted in a higher absorption of funds than anticipated, considering the challenges faced by all during the implementation of the current Financial Mechanisms.

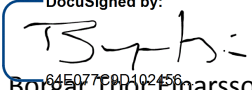
The level of payments requested in 2024, has exceeded the budget appropriation set aside by the Donor States for 2024. As a result, the FMO is not able to meet the deadline of 15 October for the payment of all IFRs, as established in the Regulations (Article 9.3.3).

The FMO's finance officers will contact all Beneficiary States and Fund Operators individually to assess urgent payment requests in view of their payment in October 2024 and to identify those that can be delayed. At the moment, we expect all delayed payments to be made in January 2025.

In relation to forecasts, the FMO would like to let you know that the forecast normally due on November 20, 2024, has been cancelled, and there is no expectation from the Donors to receive more forecasts this year. This decision has been made to align more already now, with the simplifications proposed in the draft Regulation for the new Financial Mechanisms, where forecasts are foreseen only twice per year.

We sincerely apologize for the inconvenience caused and will contact you shortly to make the necessary arrangements.

Yours Sincerely,

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Borgar Þór Einarsson

Deputy Managing Director

Financial Mechanism Office