



MINISTRY OF FINANCE  
REPUBLIC OF LATVIA

**Republic of Latvia  
Ministry of Finance (Focal Point)  
EU Funds Monitoring Department**

***Strategic Report on Implementation of  
the EEA Financial Mechanism 2009–  
2014 in Latvia  
January – December 2015***



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## Glossary of Acronyms

**AA** – Audit Authority

**AAR** – Annual Audit Report

**ADAPT pre-defined project** – pre-defined project „Development of Proposal for National Adaption Strategy, including Identification of Scientific Data, Measures for Adapting to Changing Climate, Impact and Cost Evaluation” under Climate Programme

**BS** – Beneficiary States

**NBF** - Fund for Bilateral Relations at National Level 2011-2017

**CA** – Certifying Authority

**CC** – Cooperation Committee

**CoM** – Cabinet of Ministers (Latvian Government)

**Climate Programme** – Programme LV02 “*National Climate Policy*”

**CPCB** – Corruption Prevention and Combating Bureau of Latvia

**Cultural Heritage Programme** – Programme LV04 “Conservation and Revitalisation of Cultural and Natural Heritage Programme”

**DPP** – Donor Programme Partner

**EC** – European Commission

**EEA** – European Economic Area

**Embassy** – Royal Norwegian Embassy in Riga

**EU** – European Union

**FMs** – EEA Financial Mechanism and Norwegian Financial Mechanism

**FMO** – Financial Mechanism Office

**FP** – National Focal Point

**GHG** – greenhouse gas

**IFR** – Interim Financial Report

**INVENT pre-defined project** – pre-defined project “Development of the National System for Greenhouse Gas Inventory and Evaluation and Reporting on Policies, Measures and Projections” under Climate Programme

**MCS** - FMs` Management and Control System

**MoC** – Ministry of Culture

**MoEPRD** – Ministry of Environmental Protection and Regional Development

**MoES** - Ministry of Education and Science

**MoF** – Ministry of Finance

**NGO** – nongovernmental organization

**OC** – open call

**PA** – Programme Agreement

**PBF** - Fund for Bilateral Relations at the Programme Level

**PIA** – Programme Implementation Agreement

**PMCS** – Programme Management and Control System

**PO** – Programme Operator

**PP** – project promoter

**PMB** – Procurement Monitoring Bureau

**Programme Regulations** – CoM Regulations on respective Programme`s implementation and OCs

**Regulation** – Regulation on the Implementation of the FM 2009-2014

**Research and Scholarships Programme** – Programme LV05 “*Research and Scholarships*”

**SEDA** – State Education Development Agency

**SGS** – Small Grant Scheme

**SIF** – Society Integration Foundation

**TAF** – project LV001 “*Technical Assistance Fund 2011-2017*” (inc. NBF)

## 1. Executive summary

According to the Article 2.2, Paragraph 1, of the Regulations the MoF, acting as the FP for the implementation of the FMs in Latvia, has prepared the “*Strategic Report on the implementation of the FM 2009-2014 in Latvia January – December 2015*”. Before submission to the donor states according to the requirement set out in the Article 4.4, Paragraph 4, of the Regulations the Strategic Report was approved in the written procedure in March 2016 by the Monitoring Committee of the FMs. All comments and proposals received from the Committee were taken into account within elaboration process of the Report. It will be discussed during the Annual Meeting in June 2016.

The document aims to present the progress of the FM’s implementation in Latvia within pertinent socio-economic environment, incl. status of overall and specific goals` achievement, bilateral relations, the status of programmes and the results of the risk assessment exercise, as well as the activities planned for 2017.

The year 2015 was the year of launching very last OCs, signing last projects’ contracts, projects’ extensions granted by donor states in dully justified cases and focusing on active implementation of projects.

We can highlight following programmes’ results in total achieved by the end of March 2016:

- **NGO sector:** effective NGO support system in Latvia were elaborated and used as the basis for development of the National NGO Fund which is already approved by the CoM and is financed by state budget. Also 72 OC projects contributing to provision of NGOs functions, development of cohesive society and strengthening NGOs capacity were completed;
- **Culture sector:** Restoration works are already finalized at 3 while ongoing in other 6 cultural heritage sites. Field experts have raised the professional qualifications by exchanging experience with Norwegian experts, then 5 bilateral cultural exchange projects contributing to promotion of cultural and art products internationally are already completed;
- **National climate policy sector:** 5 low energy buildings’, 2 innovative technology and 18 projects regarding informative measures, researches and educational activities on climate issues has been started, thus taking Latvia closer to less carbon-dependent economy. One step closer to the preparation of proposal of National Adaption Strategy and improvement of national GHG inventory system was taken by identification of historical and present climate change, development of flood risks maps, strengthening of inventory experts’ capacity and completion of half of planned inventory studies;
- **Scholarships and research sector:** 39 commenced scholarship and research projects will facilitate research-based knowledge development in Latvia, experience exchange between donorstates and will increase application of research results through research cooperation between Latvia and donorstates.
- **Use of NBF and PBFs:** several strategic level events were successfully organized:
  - *Latvian Presidency in the Council of the EU* activities: 4 mayor events;
  - Strategic partnership and experience exchange event in Daugavpils where Latvian and Norwegian municipalities established closer contacts and learned about mutual cooperation areas and financing possibilities for future joint projects;
  - International conference in the field of justice “*Cooperation with NGO’s in correctional services (probation and prisons)*” where issues concerning existing and possible involvement of NGOs in the re-socialization process both - within the institution of imprisonment and in the society - were discussed;
  - Mid-term Programme Assessment Seminar of *Capacity Building Programme* took place where the PO, DPP, PPs and project partners were brought together in order to share their experience in projects` implementation, cooperation with

Norwegian Association of Local and Regional Authorities (KS), already achieved progress and main challenges.

- Mid-term Evaluation Event of Cultural Heritage Programme took place in Latvia where all project promoters together with donor partners presented progress/results of projects and shared their experience of bilateral cooperation;
- bilateral relations strengthening effect was achieved by input into all 4 outcome types determined by the donor states: Extent of cooperation, Shared results, Improved knowledge and mutual understanding, Wider effects.

## **2. Assessment of the effect of the Grants**

### **2.1 Cohesion and relevant policy developments**

Most substantial achievements in 2015 were – good governance of the Latvian Presidency of the EU Council (the Presidency), small but steady Latvia's economic growth, and launching EU Funds 2014–2020 planning period – thus showing economic and financial development of Latvia.

The Presidency lasted January–June and was very important challenge and opportunity for Latvia. Latvia succeeded to put into practice the Investment Plan for Europe on 25 June. This is an excellent example of good and operative cooperation between EU member states thus demonstrating that important decisions could be taken fast. Launching the Plan will provide the substantial incentives for economic growth what will directly impact EU member states, enterprises and inhabitants, thus reducing economic and social disparities within Latvia and EEA. The governance of the Presidency was very well assessed at the EU level.

As well as some changes at political level took place – from July the new president of Latvia – Mr.Raimonds Vējonis – was appointed by the Parliament of Latvia (*Saeima*). In December the Prime Minister (Mrs.Laimdota Straujuma) announced her decision of resignation and new Government was established on 11 February 2016, which consists of previous coalition of political parties – the Green and Farmer parties' alliance (*Zaļo un Zemnieku savienība*), the Unity (*Vienotība*), and the National Alliance (*Nacionālā apvienība*). The new Prime Minister – Mr. Māris Kučinskis – represents the Green and Farmer parties' alliance. The principal aim of the new Government is introduction of reforms in education and health sectors, as well as actions on growth of the national economy, improvement of life quality of individuals and families. The leading principles are sustained – growth of Latvian economy, fiscal accountability, macroeconomic stability and sustainable development.

EU Cohesion policy and other foreign financial assistance are most important EU investment policies, which make relevant impact for beneficiary states. The macroeconomic disparities between the donor states and Latvia still clearly justifies the need for cohesion. Considering the size of the FMs to Latvia as well as the areas of support the impact to the Latvian economy would be difficult to measure, nevertheless the contribution of the FMs is of great value both in financial (investment) terms in targeted areas as well as providing intangible value – added as mutual knowledge spill-overs and strengthened bilateral relations in various sectors. The programmes are important for development of a cohesive society in Latvia and to promote reduction of economic disparities. Each programme contributed to achievement of the overall objective – reduction of social and economic disparities within the EEA – in its own focused and complementary way.

Launching of EU Funds 2014-2020 planning period is the most relevant incentive for Latvian economic growth, which will foster the creation of new job places, supporting competitiveness of enterprises and improve living quality of inhabitants. EU Funds will be invested on well-grounded considerations – in line with National Development Plan 2014-2020 and complementary to priority sectors of FMs – thus ensuring effective, sustainable and expediency investment of financial resources.

Latvia's economic growth in 2015 has accelerated, despite unfavourable external environment, GDP reached 2.7% (in 2014 – 2.4%). Moreover, according to the latest forecasts in 2016 economic growth could expand by 3.0%, while in 2017 by 3.3%. It was fostered by expansion of private consumption fuelled by rising wages and declining prices for energy resources. Robust private consumption supported growth in the related sectors such as trade, accommodation and catering services, and culture/entertainment activities. Although employment growth in some sectors and regions has practically stopped, situation in Latvia's labour market continued to improve; in 2015 the unemployment rate declined to 9.9% and

hence was at the lowest level since 2008. Average monthly gross wage in 2015 continued strong growth and compared to 2014, wages increased by 6.8% (~818 EUR). Similarly to previous year, wages grew faster in the private sector where salary rose by 7.9%, while in the public sector they increased by 5.2%. Furthermore, weak inflation and tax reduction on labour fostered considerable purchasing power growth that constituted 7.4%. Annual average inflation rate in 2015 was weak, constituting 0.2% and trend is remissive. Consumer price growth was hindered by prices for goods which are determined by low oil and unprocessed food prices in the global market.

Latvia's exporters have demonstrated resistance to external shocks, compensating their losses in Russia's market (declined by 24.4% in 2015, but Russia was still third largest export market for Latvia) with new export destinations, including non-euro area countries such as Algeria and United Arab Emirates, thereby increasing exports by 1.3%. However, faster economic growth in 2015 was hampered by a fall in transportation and storage sector (decrease of Russia's freight transit flow through Latvia's ports) as well as in construction.

There are several internal and external risks for Latvia's macroeconomic growth that may either foster or hamper economic development in the mid-term. Negative risks are related to geopolitical situation in the region and further slowdown of global economic growth; consistently low investment level in Latvia as well as wage growth which exceeds productivity growth that could undermine Latvia's competitiveness. On the positive side, Latvia's economic growth might be boosted by more rapid lending expansion, stronger economic growth in the EU, especially in Latvia's main trade-partner countries. Upside risks also include European Central Bank's Quantitative easing programme, the Investment Plan launched by the EC and contribution available for Latvia within EU funds 2014-2020 and Financial Mechanisms 2014-2021.

### ***Climate Programme***

Latvia as EU Member State has taken legally binding commitments in environmental sector. Thus Latvia has to deal with a lot of assignments and challenges in this sector. Latvia fully complies with the 1<sup>st</sup> commitment period of the Kyoto Protocol by fulfilment of all commitments by 2015. The Climate Programme's measures like ADAPT pre-defined project, INVENT pre-defined project and OC "Emission reduction technologies" are directly targeted to fostering Latvia's preparedness and fulfilment of new commitments:

- 1) Reduction of EU's GHG emissions by 20% till 2020 from 1990 level within the 2<sup>nd</sup> commitment of Kyoto Protocol – EU Member States and Iceland agreed to fulfil jointly this target, whereas Norway set higher target – 30%. Latvia with up to date reached results<sup>1</sup> has proved that EU emissions trading system (ETS) is acting as a significant instrument for GHG emissions reduction. Based on these good results Latvia in 2015 reported to EC projections that GHG emissions of non-ETS activities in 2020 will be increased by 8-9%, thus **Latvia will meet the individual target** and will significantly contribute to the fulfilment of joint EU target.
- 2) Reduction of EU's GHG emissions by 40% till 2030 from 2005 level within the *Climate and Energy Policy Framework 2030* – it aims to make EU's economy and energy system more competitive, secure and sustainable and also sets a target of at least 27% increase in share of renewable energy and energy efficiency. As well as this Framework foreseen the longer term perspective set out by EC in the *Roadmap for moving to a competitive low carbon economy in 2050*, the *Energy Roadmap 2050* and the *Transport White Paper*.

These commitments require climate policy's objectives to be integrated into other sectoral policies, therefore Latvia works on introduction of specific actions at all levels: national and local governments, businesses and society, to facilitate that the climate policy is inclusive and

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<sup>1</sup> ETS GHG emissions were reduced by 17,5% and use of sustainable biomass was increased from 2191TJ to 8655TJ during 2005-2014. Latvia has very high non-ETS share in total GHG emissions – 78,9% in 2014.

integrative. During 2015 significant activities in Climate change sector were carried out at EU level, at Baltic Sea Region level as well as at national level, including *Climate programme's* activities, in order to provide Latvia's undertaken commitments.

At EU level – Latvian Presidency concentrated on following priorities within environmental sector:

- International Climate Change Negotiations – Latvia coordinated work of EU towards Paris Climate Change Conference (December) where the *Climate Agreement 2015* was adopted. Latvian Presidency facilitated preparatory process by leading two inter-sessional meetings (in February/June). As well as Latvian Presidency organized several political debates within the Environmental Council, providing further guidelines for international climate change issues.
- Establishment of the Market Stability Reserve – in order to improve the operation of carbon market in EU Latvian Presidency ensured successful and active work on Market Stability Reserve proposal and secured an agreement between European Council and European Parliament. The reached agreement is an important achievement in EU climate and energy policy, as it will allow an optimal functioning of carbon market, stimulating investment in green technologies, energy efficiency and use of renewable energy thus contributing to the reduction of GHG.
- Strengthening EU ETS – during Presidency agreement on EU ETS reform was achieved; and in July EC published a proposal for amendment of the Directive on EU ETS. This reformed, well-functioning and stable market of ETS will be the main instrument to achieve EU target of GHG reductions.
- Development of further steps for Climate and Energy Framework 2030 – main efforts were put on finalizing of establishment of *New Energy Union Governance*<sup>2</sup> and coordination and approval by EC of *National Energy and Climate plans 2021-2030*.

According to EU requirements<sup>3</sup> regarding collection of information in the single information platform for adaptation issues at EU level *European Climate Change Adaptation Platform* (Climate-ADAPT) Latvia in May submitted to EC *Latvia's first report on national adaptation actions of the Mechanism for monitoring and reporting (MMR)*, it includes information on: 1) national adaptation policy and legal framework; 2) impact, vulnerability and adaptation information; 3) priority sectors and adaptation actions; 4) engaged stakeholders and capacity building. All relevant information is incorporated into Latvia's profile; and it is regularly updated. ADAPT pre-defined project's activities directly helped to prepare information and documents for integrated climate change mitigation and adaptation issues for Climate-ADAPT Latvia's profile. Also development of the integrated database for climate change and air quality data aggregation within INVENT pre-defined project will directly help to improve national GHG inventory's data accessibility and quality for preparing reports according to EU and international institutions' requirements.

Baltic Sea Region – with the aim to decrease social and economic disparities in the EEA, adaptation experts participated in the *Round Table of the Baltic Sea Region Climate Change Dialogue Platform* (in April/October) exchanging and sharing experience with other countries, especially discussing adaptation indicators suitable for all Baltic Sea Region countries and MMR.

National level – main activities and initiatives could be highlighted:

- Updates in national legislation – 1) Informative Report *On Latvia's Risks assessment* was approved by CoM. It identifies and evaluates 14 main risks, including those related to climate change impacts: storms, damages in electric power transmission and distribution

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<sup>2</sup> In November 2015 the Transport, Telecommunication and Energy Council approved the conclusions on Energy Union Governance

<sup>3</sup> The Article 15 of EU Regulation No 525/2013 on *Mechanism for monitoring and reporting GHG emissions and for reporting other information at national and EU level relevant to climate change*



systems, forest fires, flooding, etc. It was drafted according to EC paper *Risk Assessment and Mapping Guidelines for Disaster Management*; and 2) *Strategy on Forest and Related Industries for 2015-2020* was approved by CoM. Requirement to assess climate change impacts, risks and gains, to take into account future climate scenarios was widely incorporated into this Strategy. These documents will also contribute to the ADAPT pre-defined project, especially in preparing six thematic reports (building and infrastructure planning; farming and forestry; civil protection and emergency planning; landscape planning and tourism; biodiversity and ecosystem services; health and wellbeing) on risks and vulnerability assessment and adaptation measures.

- Investments of European Regional and Development Fund 2014–2020 – projects on prevention flooding and coastal erosion risks were launched by providing support for urban and rural territories with funding 77 M EUR. These projects will strengthen and complement activities within ADAPT pre-defined project, like elaboration of *National Adaptation to Climate Change Strategy* and creation of overall system of adaptation policies and measures.

### ***Cultural Heritage Programme***

In 2015 the programme implementation has significantly contributed to the achievement of the objective “to promote regional growth in local culture and creativity and the development of qualitative life space” set out in the *Cultural policy guidelines for 2014-2020 “Creative Latvia”* as well as to the achievement of objectives of both programme areas:

- conservation of cultural heritage promoted – the preservation of cultural heritage and its availability for next generations is ensured, as well as the understanding of society regarding the role of cultural heritage and its increasing impact in the creation of life space quality and human life quality as well as the use of cultural heritage as a national economy resource is facilitated for the development of the national economy, for example, establishment of new services within the projects “Restoration of Eleja Manor Premises” and “Restoration of the Green Synagogue of Rezekne”;
- diversity of cultural services available for society – intercultural dialogue is established and understanding of the society regarding other cultures and national peculiarities thereof is promoted, for example within the *Culture Exchange SGS* projects’ activities like – organisation of two ethno-eco festivals in Latvia and Norway with aim to promote two old traditional cultures – the Sami and the Livi; Jewish culture in the Latvian environment - arts, music, education; and creation of joint travelling photo exhibition “Life in Motion” on Latvians and Norwegians in Latvia.

According to last years’ trends, the condition of cultural monuments is gradually improving and in 2015 ~ 33,6% of cultural monuments were in good technical condition, however positive changes are small in percentage terms and the preservation condition is still only satisfactory for almost 2/3 of cultural monuments. One of the main reasons is lack of resources and lack of knowledge regarding importance of preservation and socio-economic use of cultural heritage. Therefore the Programme provides significant contribution to the improvement of situation, by ensuring not only the restoration and conservation of several objects of cultural heritage, but also stimulating restoration specialists of Latvia and Norway to exchange knowledge and to improve skills (restoration works in projects at Cesis, Rezekne, Eleja, Ludza etc.), as well as by demonstrating diverse possibilities for use of the heritage objects and by discussing the significance and innovative use of cultural heritage. Moreover, the renovated cultural monuments will serve as examples of good practice for other cultural heritage objects’ owners, thus indirectly facilitating not only the preservation of cultural values, but also creating a positive impact on the Latvia’s economic and social situation.

Compared to 2014 the number of visitors in museums (supervised by MoC) has increased by 0,2 million visits, reaching 1,4 million visits in 2015. Taking into account that in 2015 the Latvian National Museum of Art, as well as 3 exposition places of poets Rainis and Aspazija

were closed to visitors, the tendency to visit museums is growing. It is also attested by the research<sup>4</sup> which concluded that regardless of inhabitants' reduction the visits to museums has increased each year. This trend were facilitated by qualitative offer of museums and by investments in the improvement of museum infrastructure and services. Thus it may be forecasted that after opening of museums restored within the Programme the visiting indicator will increase even more.

Cultural events and activities in a region cause direct demand for the retail sector, catering companies, hotel service, transport services and transport related services, thereby creating additional positive influence on the regional economic activity. It is substantial that due to regional location of projects within the Programme the offer of culture activities is ensured not only for inhabitants of capital city but also for regional, especially within the *Culture Exchange* SGS's projects several concerts, exhibitions, lectures – discussions were performed (for example, project “*Latvia-Norway. Discover Folk Tradition in Music*”). Also after the completion of several cultural heritage preservation projects, new expositions and new museum services will be offered in renovated objects in 2016 and 2017. This will increase the interest of inhabitants and tourists regarding these objects and thus promote the economic growth of the regions.

At national legislation level in November of 2015 two policy documents regarding both programme areas were accepted by CoM – 1) *Strategy for the sector of the protection of cultural monuments*, it sets main priorities, tasks and expected results with overreaching objective to promote society's understanding that national cultural and historical environment is valued and protected; 2) *Strategy of the museum sector for 2014-2020*, it sets goals, priorities, tasks and expected results with overreaching objective to create preconditions for the museums to function as dynamic and modern institutions with the aim to serve for society and involving the most different society's groups, as well as fostering understanding that unique national culture heritage is basis of Latvian identity and which is the source of creativity, national treasure, resource for education, science and economics, the possibility for qualitative enrichment of a personality and for spending a leisure time.

### **NGO Fund**

Main updates regarding *NGO fund's* supported areas are described further.

Development of civil society – the 2015 year data show stable increase of establishment of new NGOs in Latvia – in 2013 17`500 NGOs were officially registered, in 2014 – 19`394 and in 2015 – 20`011<sup>5</sup>. Unfortunately the dynamics of the growing number of organizations (617 (3%) new NGOs established compering to 2014) do not represent the growing of people involvement in NGO sector (compared to 2013 there is only 0,7 % increase of inhabitants, who are NGOs' members). Thus great part of NGOs are not active and they should not be taken into account when discussing the civil society and people involvement in it.

According to study<sup>6</sup> people in Latvia are relatively passive in terms of voluntary participation. Most popular volunteer works are environmental protection (55 %), organisation of culture and arts events (29 %) and educational events (27 %). Typical volunteer is either a young person (18–24 years) or pre-retirement/retired person (55 years and older). By the end of 2015 within *NGO Fund* 299 volunteers were involved in the work of NGOs (but this figure will increase as full data will be available only after approval of final projects' reports) thus fostering active citizenship and increasing number of people that are involved in non-governmental sector activities.

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<sup>4</sup> “*Culture consumption of the inhabitants of Latvia in culture activities during 2007-2014*”, Carried out by the association “*Culturelab*” by the end of 2014

<sup>5</sup> SIA “Lursoft IT” data, June 2015

<sup>6</sup> Public Census “How democratic is Latvia? Audit of democracy 2005–2014” University of Latvia, Riga, 2014, p. 69. and 224.

In order to understand the development of the civic participation it's important to see the public trust in the public/ local institutions and media, as well as to understand which topics are the most important ones for society. The newest data<sup>7</sup> about Latvia shows decreasing trust tendency of almost every organization and institution. Most negative rating is for political parties (84%) and still critically low trust is for Parliament (71%) and Government (69%). The biggest decrease is noticed for regional and local public authorities, but still trust in these authorities is more positive (41%) than in Government. Regarding positive ratings only two – television and radio – got more than 55% positive responses. The most important topics for Latvia's society are: health and social security (31%); unemployment (30%); economic situation (25%) and pensions (19%). There is remarkable increase for immigration topic as a possible threat for the future (from 9 to 22% compare to 2014). It is explained by the European refugee crisis and need for Latvia to accept asylum seekers and society's negative attitude towards it. Thus *NGO Fund's* activities as promotion of intercultural dialogue, national minorities' integration, human rights promotion, combating racism, xenophobia and discrimination are even more topical.

Social inclusion – poverty and social exclusion is set as one of the priority objectives of EU Strategy “Europe 2020”. 22,5% of Latvia's inhabitants have income level below the official threshold for poverty risk<sup>8</sup> and this one of the highest rate between EU countries. The analyses of poverty situation in Latvia proves that the main poverty-risk groups are one-parent (highest proportion 37% between EU-28), large families, single-person households, low labour intensity and unemployed households, as well as children and retirement age people. NGOs have become significant players in the fight against poverty and social exclusion; and NGOs' involvement in addressing social exclusion issues is very relevant and necessary. Above mentioned information justifies the necessity and importance of achieved results under *NGO Fund's* outcome – provision of welfare and basic services to defined target groups – increased access to innovative social services and measures for 3`342 persons (incl. 2`591 children and young people at risk of social exclusion). As well as many of projects' activities that may not be innovative, but still provide an impact on reduction of poverty and social exclusion.

### Cohesive society

Newest data<sup>9</sup> shows that there are more than 160 ethnic groups living in Latvia. Still considering that Russian is the mother tongue of a large part of ethnic minorities, including Russians, Byelorussians, Ukrainians, Jews, etc., ethno-linguistic background plays a great role in public integration and collective identity shaping processes. 62% of the population mostly speak Latvian whereas 37% speak Russian, and only 0,7% speaks another language (Belarusian, Ukrainian, Polish, Lithuanian, etc.) at home<sup>10</sup>. Still number of permanent residents who possess neither Latvian nor another country's citizenship is disproportionately high and the majority of these residents belong to the Russian-speaking ethno-linguistic group. It is identified<sup>11</sup> that in 2015 there were 423 NGOs whose statutes shows that they work with ethnic minorities' issues, but in practice 306 can be considered as ethnic minorities' NGOs. Mostly these NGOs are cultural organisations (52%) and interests' organisations (11%). Research also shows good tendency that minorities' NGOs' members and activists are often proud of belonging to Latvia and want to celebrate the national holidays. These NGOs play positive role in promoting intercultural dialogue and show potential as one of the society integration's stakeholders, as an example activities for Roma inclusion within *NGO Fund*.

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<sup>7</sup> Public Opinion pool – Standard Eurobarometer 84, first results, 2015

<sup>8</sup> Data of the Central Statistical Bureau, 2014

<sup>9</sup> Data of the Office of Citizenship and Immigration Affairs

<sup>10</sup> Public Census “How democratic is Latvia? Audit of democracy 2005–2014” University of Latvia, Riga, 2014, p. 29., 69., 228

<sup>11</sup> Research of Baltic Institute of Social Sciences “Ethnic minority participation in democratic processes in Latvia”, 2015

Following updates in the national legislation important for NGOs' sector's development were performed:

- *Law on Volunteer work* – sets legal framework for a number of government regulations that will protect volunteers just like any other person in the employment relationship;
- *Regulations of CoM “Associations and Foundations classification rules”* – sets legal framework for registration and monitoring of associations and foundations by the field of their activity, thus ensuring publicly available information about NGO activity sectors. It will provide more accurate basis for policy planning and coordination;
- *Development of National NGO fund* – since 2003 the largest work of NGOs' sector was the development of National NGO fund financed by state budget with aim to strengthen NGOs In Latvia. In autumn 2015 MoC hold a public consultation regarding conceptual report “*On the state-funded NGO Fund*”. It was approved by CoM in December, confirming the allocation of state funding for NGO Fund and constituting its administrator – SIF, who has great experience in operation of different funds related to development of NGOs' sector supported from the foreign financial assistance. SIF as administrator was also supported from the NGOs' sector thus showing positive assessment and trust to this institution. Initially the fund foresees state budget allocation only for 2016 – 400`000 EUR which is good start, however, for the next years there is still place for further negotiations. First OC was launched in March 2016. As the base of the national fund's proposal was used NGOs sector's report developed under NGO Fund's pre-defined project.

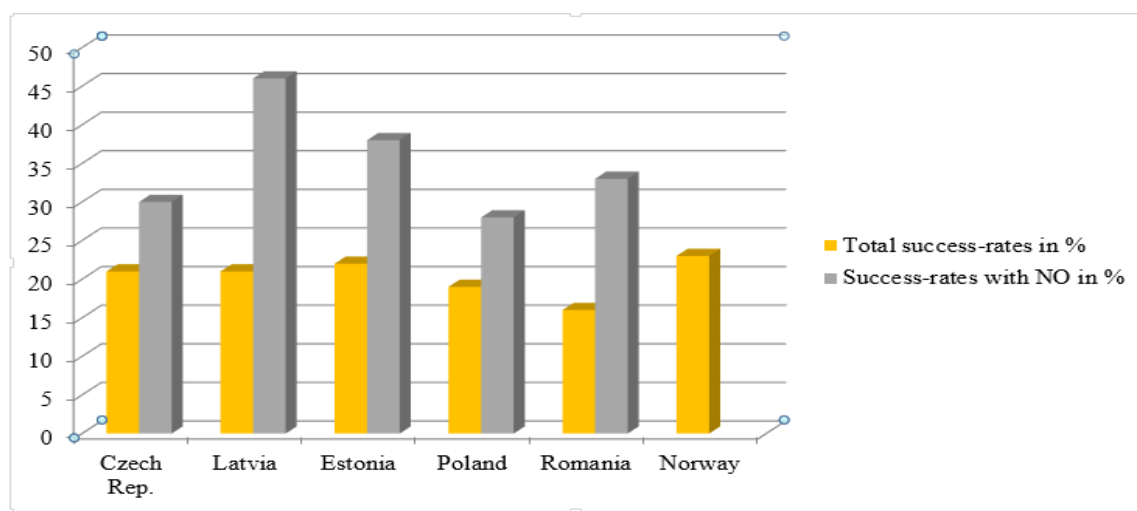
### ***Research and Scholarships Programme***

Despite low state budget funding in Research and development (R&D) field, Latvia in the last years showed good achievements in science, which only reaffirms the high potential of Latvian scientists. For example, scientists of Latvia's Institute of Organic Synthesis received *the Academy Award* for last year's remarkable achievements in science. EU Funds' and FMs' financing in education and research plays significant role in this sector by raising an efficiency and quality of the studies and research work. In a long term, the implementation of the Programme will result in facilitated economy and sustainable development, as the quality of higher education and research environment will improve by providing accessibility to better education and raise the capacities and skills of researchers to comply with the needs of national economy, which will lead to sustainable development.

The *Guidelines for the Development of Education (2014-2020)* raises such issues as internationalization of higher education and international competitiveness of education in a globalized world. To ensure the quality of higher education, activities provided by the Programme (research Activity) with established strategic partnerships are considered as relevant tools for improving internationalization and international competitiveness of higher education in Latvia.

Also Programme at some level promotes EU *Framework Programme Horizon 2020* implementation in Latvia, as the applicants, who didn't received the Programme's grant could easily participate in *Horizon 2020* by making small amendments in their project applications. It is obvious from the statistical data that Latvia is among first five countries with successfully submitted projects across all parts of Horizon 2020. Universities are in first place in terms of the overall number of eligible applications, followed by the private sector and research organisations. In the chart below you can see the success rate of projects, when Norway enters solely or together with one of EU States. Latvia and Norway tandem is **very strong** which can be explained by successfully established contacts during Programme's preparatory visits, as well as large amount of projects, which didn't received the Programme's grant (over 60 projects), thus demonstrates opportunities for further cooperation.

*Chart 1 EU 7<sup>th</sup> Framework Programme (FP) success rates*



Statistics show increase of implementation of projects by Latvian scientific institutions under EU Framework Programmes: within the 5<sup>th</sup> FP (1999-2002) – received 16,6 M EUR for 179 projects; within the 6<sup>th</sup> FP (2002- 2006) – received 21,5 M EUR for 217 projects; and within the 7<sup>th</sup> FP (2007- 2013) received 48,9 M EUR for 240 projects. The 1<sup>st</sup> operational year of *Horizon 2020* has ended; and Latvia has attracted 15,3 M EUR for implementation of 66 research and innovation projects.

In general, the Programme has positively affected employment of new scientists and doctorates. Taking into account, that EU Funds 2007-2013 has ended, but 2014-2020 has just began, and state budget funding for research is insignificant, the Programme's grant is a great opportunity to keep science alive.

One of the challenges of Latvian innovation system is still insufficient cooperation between business and research sector to implement joint projects aimed at the commercialization of research results. Thus in 2015, work was continued on the development of technology transfer system in order to attract EU Funds 2014–2020. This system is designed to increase scientific institutions' income from the commercialization of publicly funded research by ensuring that researches' results are market-oriented and are transformed into a practical business. Thus following updates in the national legislation were approved by CoM in this field:

- Conceptual report *"The Implementation of New Higher Education Financing Model in Latvia"*, which defines next steps towards the implementation of this model based on: basic funding, performance-oriented funding and innovation-oriented funding. The introduction of the new model was supported by allocation performance-oriented funding: – 5,5 M EUR for 2015; 6,5 M EUR for 2016 and 6,5 M EUR for 2017.
- Informative report *"The Monitoring System of Smart Specialization Strategy"* which was designed to ensure the monitoring of impact of public investment in science, technology and innovation, as well as to comply with the conditions of the investment programme to start implementation of R&D activities within the EU Funds 2014 2020 (foreseen funding for R&D – 467,5 M EUR).

## 2.2 Bilateral relations

By the end of reporting period **96,8% of NBF's financing has been effectively used for the aims envisaged** as can be seen in the table below:

*Table 1 NBF's budget breakdown by priority measures*

Measure	Expenditure used	% of total
Support to programme preparation (2011-2013)	116`854	32%
International seminar in Justice and Home affairs (fall 2013)	13`428	4%
8 activities within "Riga – the European Capital of Culture in 2014"	108`646	30%
Activities within "Latvian presidency of the Council of the EU 2015": 1.Conference "Smart Specialization Strategy: New Approaches for Partnerships among Education, Research and Industry in Regions" <sup>12</sup> (12-13 February) 2.Conference "Deinstitutionalization practices and further development of European social care policy" (15 June) 3.Public campaign „My Baltic Sea 2015" and "Multi – media Performance" (26 May – 28 June)	112`584	31%
Participation in conference "Developing trends in combating corruption, money laundering and recovering criminal assets in Europe" (October 2015)	1`486	0,4%
<b>Leftover</b>	<b>11`752</b>	<b>3,2%</b>
<b>Total:</b>	<b>364`750</b>	<b>100%</b>

In 2015 all planned activities under the **Latvian Presidency Activity** were successfully implemented with 90% financial absorption rate. About Smart Specialization Conference detailed information was provided in the previous Startegic Report.

Additionally in 2015 participation the international **Combating Corruption Conference** for 2 Latvian delegates was financed. It was organized by the MoF of Czech Republic, Government of Norway and Council of Europe. It was a forum of professional debates on major trends and challenging new standards on anti-corruption, anti-money laundering and asset recovery.

**Deinstitutionalisation Conference**<sup>13</sup> took place in the National Library organized by the Ministry of Welfare to continue the debate on high quality social services and social inclusion. The purpose was to exchange experience among policy makers, policy implementers, social service providers and NGOs of European countries at different stages of deinstitutionalization process for mutual learning, identifying traps and transferring good practice. All together 130 participants from 17 countries were presented; and it was live-streamed (1`571 logins were registered online).

The conference was opened by the Minister of Welfare and the Ambassador of Norway to Latvia. During the conference presentations were given by 2 professors from Norwegian universities about result-oriented approach to social policy reforms and good practice in development of family-based care for children. Participants analysed challenges and best experiences of moving from institutional to community-based care system in Norway as well as in "old" and "new" EU member states.

The experience obtained allows to evaluate "Action Plan for Implementation of Deinstitutionalisation in 2015-2020" elaborated by the Ministry of Welfare and to improve the quality of reform process planning; and to organize more successfully measures for changing the attitude of the society. At the end of the conference a support to Latvia was expressed regarding already initiated changes towards deinstitutionalisation.

<sup>12</sup> The conference website: <http://www.ris3riga2015.lv/>

<sup>13</sup> Video from the conference: [https://www.youtube.com/playlist?list=PLodeDt40MJHL3jIRT3-GvRhYqwHzt\\_QQt](https://www.youtube.com/playlist?list=PLodeDt40MJHL3jIRT3-GvRhYqwHzt_QQt)

At the end potential future cooperation areas on socio-political issues were marked: experience of socio-political reforms in Norway and Latvia, development of society-based services for target groups who are subject to the risk of exclusion, and compliance with the norms of human rights in the provision of social services. Representatives of the Parliament of the Republic of Latvia expressed active interest about the Norwegian experience in the implementation of socio-political reforms. Providers of social services, including NGOs, expressed interest in organization methods of social services and tools for development.

**Baltic Sea Campaign<sup>14</sup>** was organised as 500 km long green expedition along the coastline of the Sea in Latvia. Additionally 38 sea pollution waste monitorings, 22 educational lessons, 5 public events and 2 media events took place. All together 600 participants took part in these activities. The aim was to make certain monitoring of the Sea coastline and to educate society about problems related with the maritime environment. Thus knowledge and understanding of environmental issues in the Baltic Sea Region were increased as well as society was involved in practical activities for the protection of the Sea.

In view of the fact that Norway has not been involved in the Keep Baltic Tidy cooperation network, within this campaign communication and popularization were performed directly to organizations and experts in Norway working with the issues of sea polluting waste or sea environment: FEE Norway, Keep Norway Beautiful, Oslofjordens Friluftsråd, Naturvernforbundet and Natur og Ungdom to explain the goals and process of the campaign information was gathered about activities and experience of particular Norwegian organizations on the topic of the sea polluting waste, as well as these organisations were asked to participate in the campaign. From Norwegian NGOs information was obtained about their participation in the popularization of the topic in the North Sea Region and their views about the cooperation.

During the Annual Baltic Sea Strategy Forum (one of the public events of the campaign) delegates from the Norwegian Contact Point of INTERREG Baltic Sea Region programme and the Norwegian Focal Point of the Baltic Sea NGO Network gave expert interviews.

The event **Multimedia Performance “Nature Concert Hall”** brought together audience of ~6 thousand persons, including youth, families with children and seniors. It included 24 educational workshops and multimedia performance, which combined several musical compositions with sound, light and dance performances. Through these activities the audience was introduced with Latvian nature and ways to participate in preservation of it.

Norwegian experts of economic processes performed analysis about the possibilities to organize such an event in Norway and other EEA countries. In the event also Norwegian photographer participated and afterwards a photography exhibition took place in Riga to show the event from the view of Norwegian and Latvian visitors.

## **PBF**

The POs, the FP and the DPPs meet biannually during CC meetings in Latvian and in donor states where usually important decisions regarding usage of the PBFs, Complimentary Actions, project selection and evaluation, risks and monitoring, achievement of the best outcomes and outputs with available resources, necessary amendments in PAs or Programme Regulations are taken. Several POs have initiated amendments in PAs/Programme Regulations in order to allow also PO to receive the PBF's financing and to implement bilateral measures on a more strategic, programme level.

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<sup>14</sup> Videos from the campaign:

<https://drive.google.com/folderview?id=0BwLMQZqouvnsMGF6elZabG9sSmc&usp=sharing>

Home page: <http://www.manajura.lv/en/about/>

<https://eu2015.lv/news/media-releases/2372-my-baltic-sea-2015-campaign-calls-for-action-to-restore-the-baltic-sea>

Summary on donor partnership projects in Latvia can be found in the Annex 6.3 of this Report. Whereas summary information about the measures implemented and progress achieved at programme level in 2015 divided into 4 types of strengthening bilateral relations results can be found in the table below:

*Table 2 Strengthening bilateral relations results achieved in 2015*

<b>1. Extent of cooperation</b>		
Number of submitted/approved projects during 2015 in partnership with a donor partner:		
<b>Project calls</b>	<b>Number of partnership project from submitted projects/%</b>	<b>Number of partnership projects from approved projects/%</b>
<b>Climate Programme:</b>		
OC	7 of 23 (30%)	4 of 7 (57%)
SGS	32 of 63 (51%)	14 of 18 (78%)
<b>Total:</b>	<b>39 of 86 (45%)</b>	<b>18 of 25 (72%)</b>
<b>NGO fund's project measure:</b>		
The 3 <sup>rd</sup> OC	8 of 145 (6%)	2 of 18 (11%)
<b>Total:</b>	<b>8 of 145 (6%)</b>	<b>2 of 18 (11%)</b>
<b>Research and Scholarships Programme:</b>		
Scholarship OC	33 (100%)	28 (100%)
<b>Total:</b>	<b>33 (100%)</b>	<b>28 (100%)</b>
<p><b>Cultural Heritage programme</b> – PO organized Bilateral Mid-term Evaluation Event where PPs together with project donor partners shared their experience of projects' implementation, discussed best practices of collaboration and acknowledged possibilities within PBF for additional activities (in Riga, November). Similar events were organized by POs of <b>Climate Programme</b> and <b>NGO Programme</b>. The POs highlighted: contribution of EEA FM to Latvian national climate policy and NGO sector; and strengthening of bilateral cooperation, but PPs shared their experience of projects' implementation about social inclusion measures and climate change mitigation (in Riga, November and December).</p>		
<b>2. Shared results</b>		
<p><b>Climate Programme</b> – involvement of Latvian and Norwegian inventory experts in common trainings strengthened practices for preparing both countries' GHG inventory reports through the opportunity to share knowledge on both countries' climate policy framework and practice on availability of inventory data and their precision.</p> <p>One of activities within INVENT pre-defined project envisages development of climate policy evaluation model and guidelines. In this regard, a special seminar on modelling systems was organized, where Latvian experts from MoEPRD, Ministry of Agriculture, Latvian Environment, Geology and Meteorology Centre, Institute of Physical Energetics, Latvian University of Agriculture, Latvian State Forest Research Institute "Silava", Norwegian experts from Norwegian Environment Agency (NEA) presented technical options and possibilities of "Klimatall" model used in Norway and experts from Ministry of Environment of Lithuania and Lithuanian Environmental Protection Agency shared their experience on development of GHG emissions forecasts. Valuable information gained during seminar will be used in preparation of Second Biennial Report according to the United Nations Framework Convention on Climate Change. Norwegian example and discussions dedicated to these topics have helped in development of an idea of most suitable model for Latvia's situation (in Oslo, November).</p> <p>Wide range of peatland sector's interests (ministries, NGOs, private companies) during the seminar "Peatland management in the context of greenhouse gas emission inventory – Norway case" (INVENT pre-defined project) were represented, including expertise of research scientists from Norwegian Institute of Bioeconomy Research. Sector experts discussed peatland management and its usage, challenges and possible solutions, GHG emissions aspects in re-cultivation of peatlands and situation with sector laws and regulations. It was agreed that there is a need to create a network of Nordic and Baltic countries in order to continue sharing of experiences on peatland management, particularly on GHG emission factors associated with organic soils (in Riga and Jelgava, November).</p> <p>In 2015 NEA also provided their input to the INVENT pre-defined project regarding quality control/quality evaluation in land use, land-use change and forestry sectors as well as in industrial sector, including a study for improvement of reporting on F-gases. In 2016 two more Norwegian partner contributions are foreseen – overview on Latvian GHG inventory report's uncertainty section and expertise during development of guidelines and cost-benefit analysis for climate policies and measures modelling system. Cooperation with NEA experts can be outlined as an especially positive example, which has great potential for further collaboration after completion of the project.</p> <p>Experience exchange event "Providing sea and coastal connection, climate change risks and adaption strategy determination" within ADAPT pre-defined project with participation of experts from Latvia (MEPRD, Baltic Environmental Forum and Latvian Environment, Geology and Meteorology Centre) and Norway (NEA and</p>		



Norwegian Climate and Environment Ministry) was organized (in Oslo, October). Experts shared knowledge and experience on development and implementation of integrated sea management plan in Norway, inter-institution cooperation between ministries and agencies, legal framework and sea-coast inter-linkage. In 2016 the cooperation will be continued with NEA as the agency will provide input to the consultations and peer-review report of Latvian Maritime Spatial Plan. The OC project's "Energy Efficient Measures for Sustainable Buildings in Jelgava" partner - Norway Inland Energy Agency - started cooperation with Jelgava City Council by visiting Latvia in November. Partner's experts inspected the construction object and prepared recommendations on efficient use of technologies of renewable energy resources and construction methods and technologies. At final stage of the project the partner's experts will prepare recommendations for maintenance of the new-built low energy building.

Partnership between Aloja county council and OC project's "Business support centre – library "SALA" of Aloja county" partner Vāler district council is one more good inter-municipal cooperation example. Norwegian partner participated in project opening conference and during construction will provide consultations on energy efficiency. It is planned to build a long-term cooperation between both institutions.

**Cultural Heritage Programme** – shared results are and will be ensured within *Cultural Exchange* SGS project as PPs and project donor partners' work in close cooperation to create artistic works, organize joint cultural events and share cultural traditions. For example, Sigulda School of Arts "Baltis Flīgelis" (eng. "White Grand Piano") and Norwegian Nestunna String Orchestra had a great possibility to jointly prepare a concert and to perform it in Latvia and Norway (LV04-0013). Also good example is Norwegian Sami musician and composer Torgeir Vassvik, who performed a concert in Riga in December, 2015. T.Vassvik combines yoik and overtone singing with drumming, traditional instruments, and nature sounds. And on the next day after the concert he led a master class teaching yoik and throat singing. Within project "Environment manufactures" additional meetings with donor project partners were made in order to maintain existing partnerships and develop new project ideas thus ensuring continuation of partnership in future. Also within SGS "Conservation of Cultural heritage" Rezekne City Council met with the project partners repeatedly to acknowledge results achieved.

**NGO Programme** - results of completed projects show that project donor partners most often provided expertise for trainings about wide range of themes or hosted the experience exchange visits to their countries. In several projects they played important role in the development of methodologies for innovative social services in Latvia, for example, within one project a Norwegian expert provided training for 28 teachers and education specialists in Latvia about *Grunnlaget* methodology to help children from disadvantaged communities (innovative to Latvia) (LV03-0102). While in another project (LV03-0100) shared result are achieved in close cooperation with Icelandic experts - a new interactive IT platform ([www.puznis.lv](http://www.puznis.lv)) was developed and it can be used in Latvian, Icelandic, Russian and English languages thus supporting children with special needs, their parents and rehabilitation specialists.

### 3. Improved knowledge and mutual understanding

**Research and Scholarship Programme** – the first scientific publications in research projects are already under preparation, including participation of scientists from Norway. Work together on researches and scientific publications will deepen knowledge of Latvian and donorstates' scientists and will ensure shared results on specific research issues.

### 4. Wider effect

**Climate Programme** – in September cooperation with Estonian colleagues, donorstates' experts, Latvian experts from MoEPRD and Latvian Environment, Geology and Meteorology Centre was strengthened during the seminar "Estonia in the year 2100 – warm or icy Nordics?" organized in Tallinn and devoted to the completion of Estonian Draft National Climate Change Adaptation Strategy and Action Plan for 2030. Similar documents have been developed in the ADAPT pre-defined project.

During Paris Climate Change Conference (30 November – 12 December 2015), INVENT PP organized conference side-event where representatives from Latvian MoEPRD, Norwegian Environment Agency (NEA), Estonian Ministry of Environment and Lithuanian Ministry of Environment shared experience regarding greenhouse gas inventory system role in climate policy planning. Event was open to all visitors of conference, but especially to the countries which prior to the adoption of Paris Agreement was not legally bound to maintain inventory systems, therefore one of aims of event was also to increase understanding of national inventory system functioning principles.

**Research and Scholarship Programme** – during outreach event in Brussel the POs of Research programmes from different BSs presented their research programmes and disseminated publicity materials to a wide audience – EC representatives, FMO, embassies etc. The second day of the event was devoted to sharing experience between the POs about common challenges in Research programmes' implementation, panel discussions on possible synergies and best examples on connection of programme activities with other relevant events such as Nordic Baltic conference in Tartu and Smart Specialization Conference in Riga.

**NGO Fund** – during conference "Role of the EAA and Norway Grants in meeting with the needs of children at risk – the SOS Children Villages Experience" (in Brussels, September) different representatives - POs, SOS Villages associations from Norway and other BS, FMO, EC European Social Fund and Legislation Unit, Norwegian Helsinki Committee, Norway Institute for Social Research, line ministries from BS – discussed

possible solutions regarding common European challenges like prevention of risk of children to lose parental care and de-institutionalization systems. Experience how international policies, standards, financial assistance funds (incl., FMs) and stakeholders can deliver better outcomes for children without or at risk of losing parental care was shared.

In March SIF in close cooperation with non-governmental organization “European Movement – Latvia” and Royal Norwegian Embassy in Riga organized forum “NGO Forum - Riga 2015” as part of the EU Presidency. The aim of the forum was to strengthen the role of civil society in European and national decision-making processes. The Road Map for the involvement of citizens in decision-making at both the national and European Union level has been elaborated and adopted during the forum. It brought together high level speakers, opinion leaders, policy and decision-makers from EEA countries, the EU and neighboring countries, as well as a wide range of NGO networks. More than 250 participants from 34 countries participated in the forum. Among the participants there were representatives of Norway Helsinki Committee (Norway), Icelandic Human rights centre (Iceland), Icelandic Women's Rights Association (Iceland), Women's Literally Museum (Iceland), Unique children (Einstakra barna) (Iceland), Stígamót (Iceland), National association of intellectual disabilities (Iceland), Institute for Social research in Oslo (Norway).

Taking into account the concrete results achieved in all 4 types of strengthening bilateral relations and the fact that **by now 37% of all projects from both FMs have partners from donor states**, one can conclude that cooperation history between our countries is an example of excellent bilateral relations between countries, rooted in mutual trust and respect, which allow us to look confidently in our future cooperation.

### 3. Reporting on programmes

#### 3.1 Overview of programme status

##### *Pre-defined projects*

There are 8 pre-defined projects in implementation within 3 programmes - NGO, Cultural Heritage and Climate. NGO Fund's pre-defined project runs smoothly according to plan and will be finished in April 2016. By the end of reporting period 4 of 5 pre-defined projects within Cultural Heritage Programme have commenced/finished their procurement procedures for main activities and restoration works are already finished in 1 object while ongoing in 3 objects. 3 projects within Cultural Heritage Programme were extended to be completed latest in March 2017. Both pre-defined projects under Climate Programme continued their work on development of national adaptation strategy including development of climate change scenario for 2050-2100 and collecting of data on adaptation measures, indicators and risks, and enhancement of capacity of Latvian inventory experts by sharing experience with Norwegian partners; both projects will be finished in the extended period – till February 2017.

##### *OCs*

There were no announcement of new OCs in 2015. POs of the NGO Fund (the 3<sup>rd</sup> round of *Project Measure*), Research and Scholarship Programme (Scholarship and Research activity) and Climate Programme finalized projects' approval process and signed project contracts of the last OCs.

Please find below the summary of all extended projects:

*Table 3 Summary of extended projects*

<b>Programme</b>	<b>Pre-defined projects (PDP), OC; SGS</b>	<b>Total number of projects</b>	<b>Extended projects</b>
Cultural Heritage Programme	<b>SGS</b> Conservation of Cultural Heritage	5	2
	<b>SGS</b> Culture Exchange	11	0
	<b>PDP</b> "Restoration of the Museum of Rainis and Aspazija"	5	3
	<b>PDP</b> "Restoration of Rezekne Green Synagogue"		
	<u>Extended:</u>		
	<b>PDP</b> "Reconstruction of the Museum of Literature and Music"		
Climate Programme	<b>OC</b> Emission reduction technologies inc. renewable energy, sustainable buildings and technology development	7	6
	<b>SGS</b> Capacity Building in the field of research and measures for enhancing society's understanding about climate change and its consequences	18	4
	<b>PDP</b> "ADAPT pre-defined project"	2	2

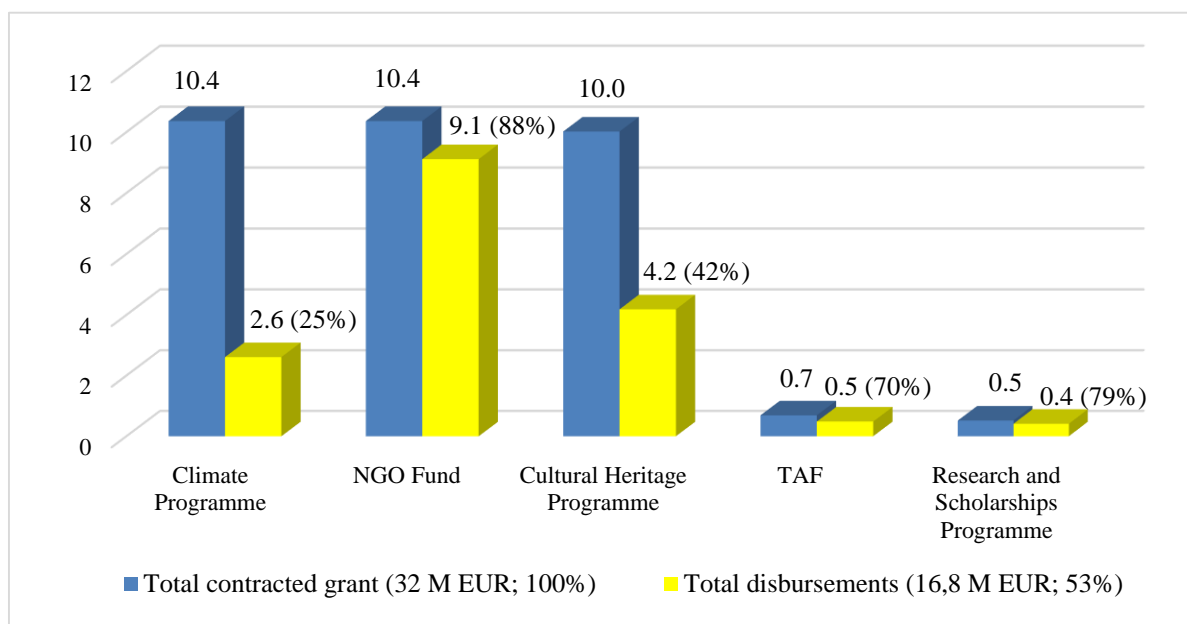
	<b>PDP “INVENT pre-defined project”</b>		
Research and Scholarships Programme	Scholarships	28	10
	Research	11	11
	<b>Total</b>	<b>87</b>	<b>38</b>

### Commitments and disbursements made

By the end of reporting period EEA FM payments received from donor states constitute 16,8 M EUR<sup>15</sup>, representing 53% of the total allocation 32 M EUR (please see the chart below). The payments increased by 10,9 M EUR or 35% compared to 2014.

In 2015 absorption rates among programmes were improved, but there was still SGS/OCs' projects in 3 programmes that have been started in 2015 or those who are already running had difficulties mainly with announcement of procurements due to longer preparation time of procurement documentation and in some cases procurement procedures ended without results or their results were disputed which further delayed the signing of procurement contracts.

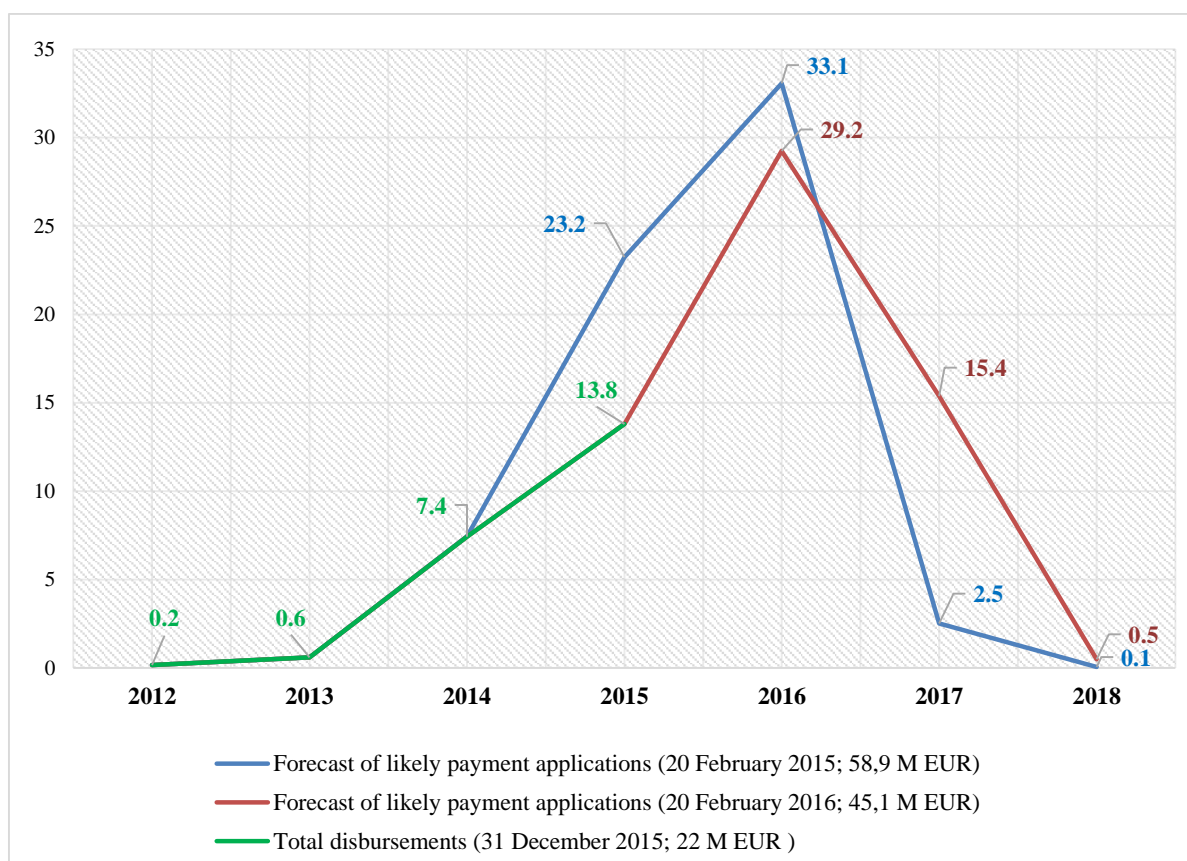
*Chart 2 Financial data breakdown by programmes till December 2015, M EUR*



Please find below the comparison of the Forecasts of Likely Payment Applications of both FMs submitted to the FMO in February 2015 and 2016.

<sup>15</sup> including IFRs for Sept-Dec 2015 to be disbursed on 15 April 2016.

*Chart 3 Comparison of Forecast of Likely Payment Applications of both FMs, M EUR*



The various difficulties called for need for extensions of several projects (in total 68 of 342 projects of both FMs) and this had an influence on the latest Forecast of Likely Payment Application as most of payments for real works in projects are planned in 2016 and 2017 when the greatest impact on achievement of programmes' result is expected.

The following circumstances in programmes created deviations for these Forecasts:

- 1) **Climate Programme** – several PPs, who received project's approval within OC or SGS, refused from advance payments which were planned for all PPs as they have their own funds.
- 2) **Cultural Heritage Programme** – 3 out of 5 pre-defined projects had significant difficulties in procurement procedures (complex or non-standard procurement subjects and/or received complaints), thereby substantially delaying commencement of works and projects' implementation deadlines. Consequently, advance/interim payments of these projects were transferred from 2015 to 2016.

### 3.2 Individual programme summaries

Please find summary regarding achievements of indicators of outcomes and outputs in all programmes presented in the Annex 6.10 of this Report. More detailed information on progress and achievements made in each programme please read below.

#### Climate Programme

Programme has three main measures:

- 1) OC *“Emission reduction technologies inc. renewable energy, sustainable buildings and technology development”*;
- 2) SGS *“Capacity Building in the Field of Research and Measures for Enhancing Society’s Understanding about Climate Change and its Consequences”*;
- 3) 2 pre-defined projects: *“Development of proposal for National Adaption Strategy, inc. identification of scientific data, measures for adapting to changing climate, impact and cost evaluation”* (ADAPT pre-defined project) and *“Development of national system for greenhouse gas inventory and reporting on policies, measures and projections”* (INVENT pre-defined project).

2015 was very intensive year in terms of signing of OCs projects’ contracts and building up partnerships – in total 20 partnership agreements in civil society and public sector are signed from which 18 in 2015 (initial plan – 13) and 7 articles (out of 15) are published about other partner country.

We are one step closer to the achievement of the programme’s outcome “Expected annual decrease of greenhouse gas emissions” as the PPs of **the OC** completed the procurement procedures and commenced construction of 5 new low-energy buildings (3 sport halls, a science and technology museum and a business center-library) as well as entrepreneurs in 2 projects started co-operation with universities and scientific institutes regarding development of innovative energy-efficient technologies – biomass gasification technology system and energy efficient technology for polycrystalline production process.

**The SGS** will contribute to the achievement of results planned under the programme’s output “Enhanced society’s knowledge about climate change”, as in 2015:

- educational and informative activities were on-going in 12 projects regarding e-mobility benefits, integration of the environment and climate policy into business strategies, energy efficiency of buildings, climate change impacts and mitigation tools, waste management in municipalities and regions, opportunities for reduction of the GHG emission in small and medium-sized enterprises, etc.
- researches were launched in 6 projects in order to develop the strategy for building insulation with the help of satellite images, to promote building renovation, to examine the impact of climate change in apartment blocks, to explore biodiversity changes in the Baltic Sea and to study toxic blue-green algae in Latvian lakes. These studies will be used for development of adaptation strategies to prevent or reduce negative impact of climate change.

In order to develop climate change scenarios in Latvia for 2015-2100 within **the ADAPT pre-defined project**, historical and present climate data (temperature, precipitation, wind) for last 50 years were collected and analyzed. The climate change scenarios were never done before; and in that sense they are unique for Latvia. They will made great contribution in achievement of the programme’s output “Developed a proposal for national adaptation strategy”. In result of scenarios, the recommendations for state and local governments will be developed, which could be used for regional development planning.

Work on flood risk maps for Lielupe, Gauja and Venta Rivers' basin districts (3 reports out of 13) was completed, thus contributing to the achievement of the programme's output indicator "Developed reports on indicators, risks and adaptation measures". The mapping results were used to upgrade the Flood Information System. In order to ensure mitigation and cost-efficient adaptation to the impact of climate change in maritime areas and coastal waters, almost all works for development of Maritime Spatial Plan have been completed. Currently ongoing public consultation process on Maritime Spatial Plan is carried out. Work on development of the Climate Change Web Portal technical specification is almost completed and preparatory work for the development of the Web Portal has started with the aim to promote public participation and access to information of climate change and adaptation policy. Latvian experts' consultations and participation in international seminars carried out with the aim to improve their experience and knowledge about adaptation to develop policy proposal for National Adaptation Strategy.

Within the **INVENT pre-defined project** during 2015 remarkable progress towards achievement of the programme's output "Improved greenhouse gas inventory system" was made as:

- 1) 2 (out of 4) studies for inventory improvement were concluded and the remaining 2 are in their final phase. These studies will directly impact the quality and availability of data to be used in the integrated database, since the studies cover the sectors where improvements in data accessibility are especially needed, as well as will improve the quality of existing GHG emission data for preparation of future national GHG inventory reports;
- 2) Up to now 4 knowledge and experience sharing seminars (out of 5) were carried out, incl. 2 – in 2015: one seminar – in Norway and one – in Latvia. The last one is planned in 2016 regarding evaluation of climate changes policy. These seminars have provided a possibility to share knowledge on the practices for preparing both Latvian and Norwegian inventory reports and to discuss and to compare the precision and availability of data. In addition, partner countries had the possibility to discuss the existing climate policy frameworks of each country, especially regarding the preparation of GHG emission projections.

Under the programme's output "Improved quality of ex-ante and ex-post evaluation of climate change policy measures" progress was also achieved – 2 (out of 3) educational events for Latvian experts involved in the national inventory system for policies, measures and projections were carried out. During these events the knowledge on how climate policies are being developed and how important the role of a sound GHG inventory system was shared.

## **NGO Fund**

The programme has three main focus measures:

- 1) pre-defined project „*Support to sustainable civil society development and improvement of the monitoring system in Latvia*” (LV03-0003);
- 2) OC NGO Project Measure (3 OCs);
- 3) OC NGO Activity Support Measure (1 OC).

Within the **pre-defined project** proposals for the effective NGO support (financing) system in Latvia, incl. recommendations for amendments to legislation, were developed in 2015, thereby fulfilling the output indicator "*Developed regulatory and methodological materials for the improvement of the legal and fiscal environment for NGOs*". The proposals were used as the base for the development of the National NGO Fund for which in December 2015 the CoM approved 400 000 EUR allocation (for 2016). National NGO Fund will be targeted to supporting daily capacity of advocacy NGOs as well as NGOs in civil society activities. The

National NGO Fund is going to be implemented by the SIF and it is planned to announce the first open call in March, 2016.

Also the *Research of NGO sector 2015* was conducted, thus ensuring regular and qualitative information about NGO sector development in Latvia (*Research of NGO sector 2013* as well was conducted within framework of this project).

At the beginning of 2015 altogether 18 of 145 received project applications were approved within the 3<sup>rd</sup> OC (the last one) under **NGO Project Measure**. The approved projects are almost equally divided by all regions of Latvia - there are 3 to 4 projects in each region and 2 projects which cover all territory of Latvia. 83% of approved projects includes social sector activities while 17% are aimed at development of cohesive society.

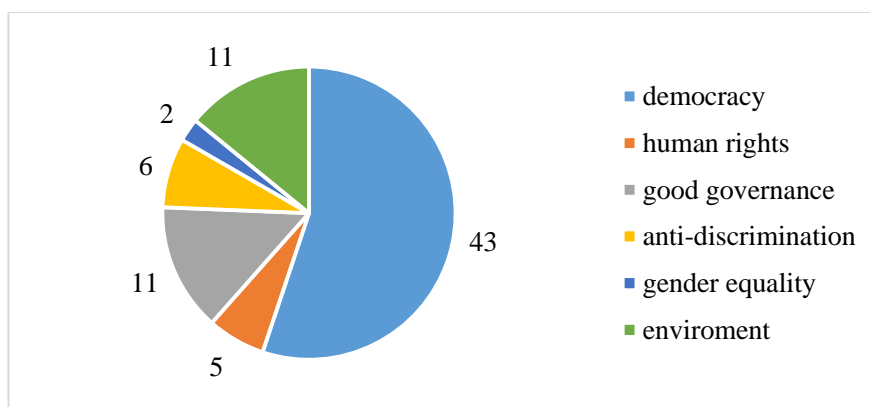
By the end of January 2016 altogether 69 of 128 approved projects under 3 OC within *NGO Project Measure* were completed. From these 34 are local, 22 are regional and 13 are national level projects.

An increase of innovative social services which are created to meet needs of defined target groups, incl. children and youth at risk as well as families with children that potentially more often experience crisis situation, could be stressed as the major achievement of 2015 and the respective **output indicator is vastly overreached (target – 570 persons, progress by the end of 2015 – 2591 persons)**. For example, programs of family assistants, of reittherapy for children with disabilities as well as of children' palliative care services at home, incl. innovative telemedicine technology were developed and offered to the target groups.

Also great support through language courses, cultural activities, intercultural communication trainings and other activities have been provided for minorities. By the end of 2015 in total 276 persons have studied the Latvian language and acquired knowledge about Latvian history and culture (target – 200) while 386 non-citizens have participated in activities promoting acquisition of citizenship (target – 200).

Implementation phase for all 78 projects under the **NGO Activity Support Measure** ended in December 2015. As the final projects' reports are not yet approved it is not possible to report about outcomes and outputs reached based on quantitative results of the set indicators, while implemented project activities clearly shows that active citizenship is successfully fostered. Projects have covered a wide range of support areas:

*Chart 4 Supported areas under the NGO Activity Support Measure by number of implemented projects*



This funding has been a resource and tool not only for actions which provide a direct impact on strengthening institutional and human resources capacities of NGOs, but also has had a positive effect on providing support for fighting the discrimination, targeting the special concerns and giving a possibility to uphold socially vulnerable groups.



For example, implementation of the project “*Core support for Association of LGBT and their friends MOZAIKA*” (LV03-0002) included activities which were directly targeted to strengthen the capacity of the organization as well as activities which had indisputable contribution to drawing the attention to LGBT situation in Latvia – organization of *EuroPride 2015* was partly covered by this project, as well as project promoter’s activities in *International Day Against Homophobia & Transphobia* and *International Coming Out Day*. Another great example is activity support project implemented by a NGO „*Shelter Safe House*” (LV03-0011) - within project not only number of volunteers devoted to organization’s work was increased and cooperation among NGOs were encouraged, but also the first Latvian *24/7 Helpline for prevention of human trafficking* was developed. Since August 2013 by the end of December 2015 the *Helpline* has been used 471 times and it is available also after the end of the project.

As currently no other similar funds for supporting NGOs’ daily activities and promote the active citizenship is available, the *NGO Activity support measure* is highly rated from the stakeholders side.

In total 16% of all projects under *NGO Fund* are aimed to ***Special Concerns***.

For example, one project (LV03-0077) was directly focused on racism and xenophobia - reduction of discrimination towards foreign students. It is successfully completed while cooperation platform between 17 student organizations, which was established during project implementation, continues to involve foreign students in representation of student interests and promotes their integration into the student community of Latvia. Also a research regarding xenophobia and discrimination in universities of Latvia was conducted and it’s results served as a basis for developing recommendations for arranging the external and internal environment of higher education institutions and reducing discrimination. These and other project’s activities (seminars, informative brochure) have drawn attention to the discrimination problem in society.

12 projects have contributed towards multicultural understanding and integration of ethnic minorities – mainly project’s activities include learning Latvian culture, traditions and language as well as promoting intercultural dialogue and social consolidation.

6 projects specifically targets Roma inclusion, from which 3 are already completed. Within 2 projects cultural and educational activities for Roma people were implemented in Latgale region, thereby strengthening their identity as well as Roma community’s integration into local society. While the 3<sup>rd</sup> completed project took place in Riga and basically was focused on two main directions – raising the general public’s awareness about the Roma Holocaust in World War II as well as engaging youth in active discussions about human rights, intercultural dialogue, social biased attitudes and discrimination through looking the current situation of Roma in Latvia.

There are also 11 projects which promote gender equality and reduction of gender-based (domestic) violence, 2 projects which are aimed at reduction of homophobia and one project targeted at fight of the sexual harassment. This project (LV03-0195) aims towards women - sex workers. Within project it is planned that 50 persons of the target group will be able to receive individually tailored care, incl. social care, health prevention and medical care as well as training seminars for social workers, representatives of Riga municipality, Ministry of Health and Ministry of Welfare on this subject will be organized.

One project contributes to countering hate-speech and hate crime. Also SIF as PO is devoted towards drawing attention to this issue. SIF has joined “*No Hate Speech Movement*” and in January 2015 organized 2 trainings “*Power of the word on the Internet. To transform, inspire of humiliate?*” – one for media specialists and another for journalistic students and other young people (in total 42 participants). The aim was to raise awareness about hate speech and its forms of expression as well as to inform about specific cases of hate speech in the media sector

and on the Internet in Latvia and abroad. Legal and moral responsibility of media as well as judicial practice was discussed and participants were invited to share their experience facing the hate speech in the media.



*Participants of training for media specialists*

### **Cultural Heritage programme**

Programme has three main focus measures:

- 1) 5 pre-defined projects within the activity *Conservation of cultural heritage and expansion of scope of cultural services*;
- 2) SGS Conservation of Cultural Heritage;
- 3) SGS Cultural Exchange.

All 5 **pre-defined projects** (within the activity *Conservation of cultural heritage and expansion of scope of cultural services*) were in the implementation stage. 3 projects were prolonged as procurement procedures for main activities in projects have turned out to be more complicated and time consuming than initially planned. A significant progress was achieved in several projects. The *Rezekne Green Synagogue* is renovated and the building was officially opened in January 2016. Great attention was paid to transfer of knowledge and skills in close bilateral cooperation – several theoretical and practical trainings for students and educators took place in Rezekne and in Arendal throughout the year. Renovation works are ongoing in all 3 objects of *Rainis and Aspazija museum's* project as well as concepts of 3 new expositions are at the development stage – it is planned to reach the initially set outcomes by the end of April 2016. Also intensive work has started to develop cultural heritage database and digital exposition of virtual museum in *Riga Art Nouveau Centre's* project as contract with service providers was signed in September 2015. Besides that architecture and art history experts have already concluded all 25 researches on photo art, applied art and design, fashion, architecture and living environment of the Art Nouveau period. It is planned to complete the project in October 2016. Meanwhile substantial delays occurred within 2 projects – by the end of 2015 construction/restoration companies for works in *Museum of Literature and Music's* project and *Ethnographic Open-Air Museum's* project were not yet contracted. These projects to be finished by March 2017.

Within **SGS Cultural Exchange** 3 additional projects were approved and project contracts were signed in August 2015 (after reallocation of funds from surplus of gained in the Programme's management costs – the PA amendment in March 2015) therefore in 2015 altogether 9 projects were in the implementation stage. Within projects very different cultural activities involved a broad audience – for example, folk music and national tradition festivals, artist performances in partner countries, choir and orchestra concerts, travel exhibitions of Jewish art and history as well as exhibitions dedicated to contemporary art and archives. These cultural activities together with researches, workshops, creative labs, lectures, seminars and artists' discussions gave an opportunity to strengthen cultural identity as well as intercultural dialogue by working in international partnerships. Project activities took place in Latvia

(mainly in Riga and Cesis) as well as in Norway (mainly in Oslo and Bergen) and Iceland (Reykjavik).

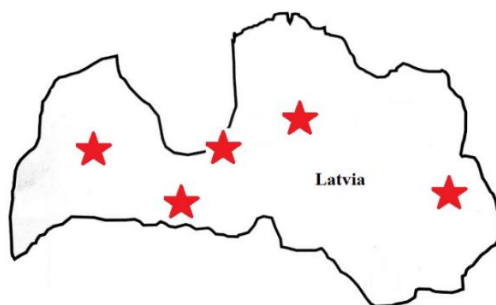
*Chart 5 SGS Cultural Exchange activities across countries in 2015*



Within 3 projects all planned activities were completed by the end of the year, while other 6 projects will be completed by 30 April 2016. There are no high risks within project implementation detected. It can be seen that expected outcome “*Contemporary art and culture presented and reaching a broader audience*” is reached smoothly, as both indicators of set outputs - “*Promoted mobility of employees working in the sphere of culture as the result of implementation of the programme*” (target: 100, achievement: 118) and “*Number of newly established and promoted existing partnership*” (target: 10, achievement: 23) - are overreached.

Within **SGS Conservation of Cultural Heritage** implementation of totally 5 projects went on in all regions of Latvia, thus reaching wider target groups for promoting cultural heritage accessibility and increasing an understanding about the cultural heritage value.

*Chart 6 SGS Conservation of Cultural Heritage project activities across Latvia in 2015*



All restauration works are already finished in *Cēsis Medieval castle* and *Eleja Manor Premises* projects, while ongoing in other 3 projects. The prolongation till fall of 2016 was approved for *Museum of Janis Akuraters’* project due to delays in procurement procedures for restoration works and for *Great synagogue of Ludza’* project due to delays in the first round of construction works.

In all 5 projects experience exchange with Norwegian experts was organized through lectures and practical trainings in the fields of restoration and preservation of cultural heritage objects (incl. wooden buildings) as well as development of expositions and innovative cultural practices in cultural heritage sites.

Outcome and output indicators regarding cultural heritage objects will be achieved only after the completion of all projects.

13 out of 21 projects in Cultural Heritage programme contribute towards **Special Concerns**. Within Cultural Exchange projects participates a very diverse group of artists – different

generations, nationalities and stages of professional abilities – therefore multicultural understanding and tolerance are promoted as well as synergy between different culture fields is fostered.

Moreover project “450 years together. Jewish culture in Latvian environment - arts, music, education” and two cultural heritage restauration projects of synagogues in Rezekne and Ludza directly contribute to reducing prejudice and discriminatory treatment of Jews as an ethnic group. During 2015 the exhibitions of paintings by Latvian and Polish Jewish artists as well as concert of Norwegian Klezmer Band took place in Riga. Also historical exhibition “Jews in Norway and Latvia. Unexpected crossings” was hosted in the Riga Ghetto museum and supported by lecture “Tolerance and intercultural dialogue in Norway” by director of Oslo Jewish Museum, while a lecture on Jewish Latvian history and culture was combined with the exhibition “Jews in Latvia” in Oslo to ensure mutual cultural exchange.

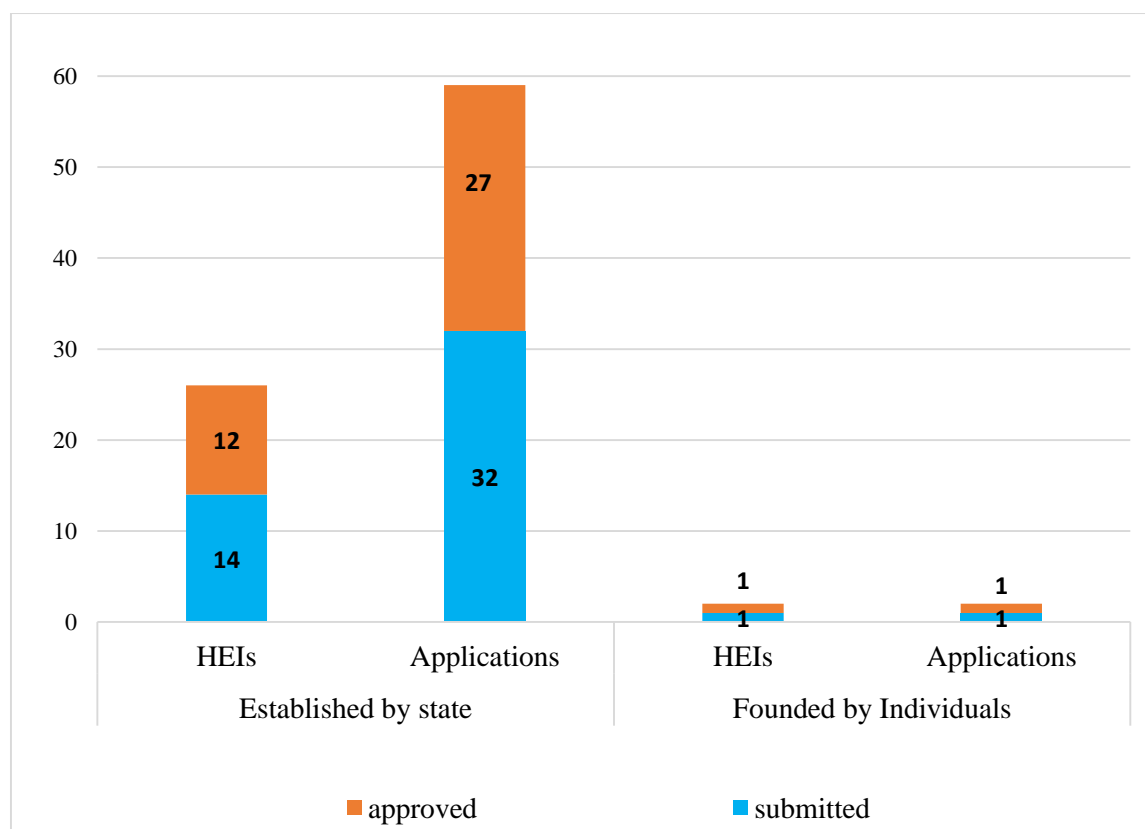
## Research and Scholarships Programme

The programme consists of two main components:

- 1) Research – support for joint research projects between Latvian and Norwegian research institutions.
- 2) Scholarships – support for mobility activities between higher education institutions in Latvia and donorstates.

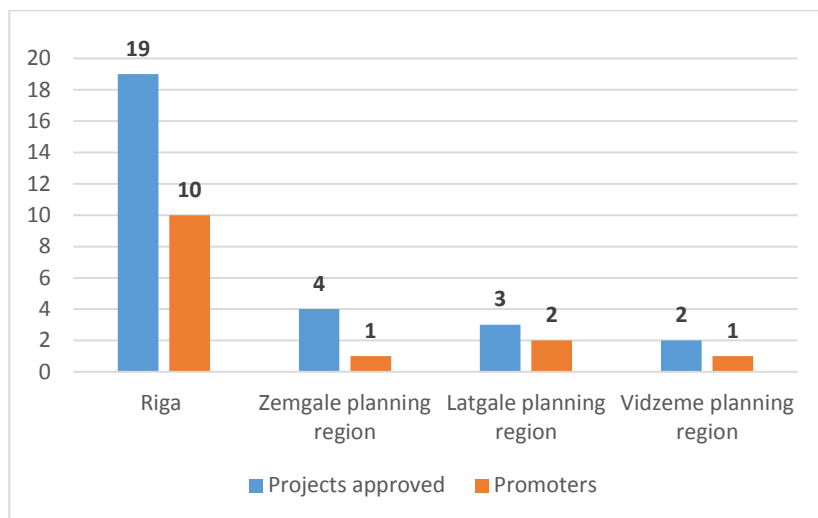
Interest level of higher education institutions (HEI's) to participate in the **Scholarship** OC was high as the total funding requested 1,6 times exceeded the available. The interest can be justified with provided possibility of synergy between both Research and Scholarships activities, thus it was logically that the applicants within Research activity submitted the project applications in Scholarships activity as well.

Chart 7 Submitted and approved project applications by applicant status



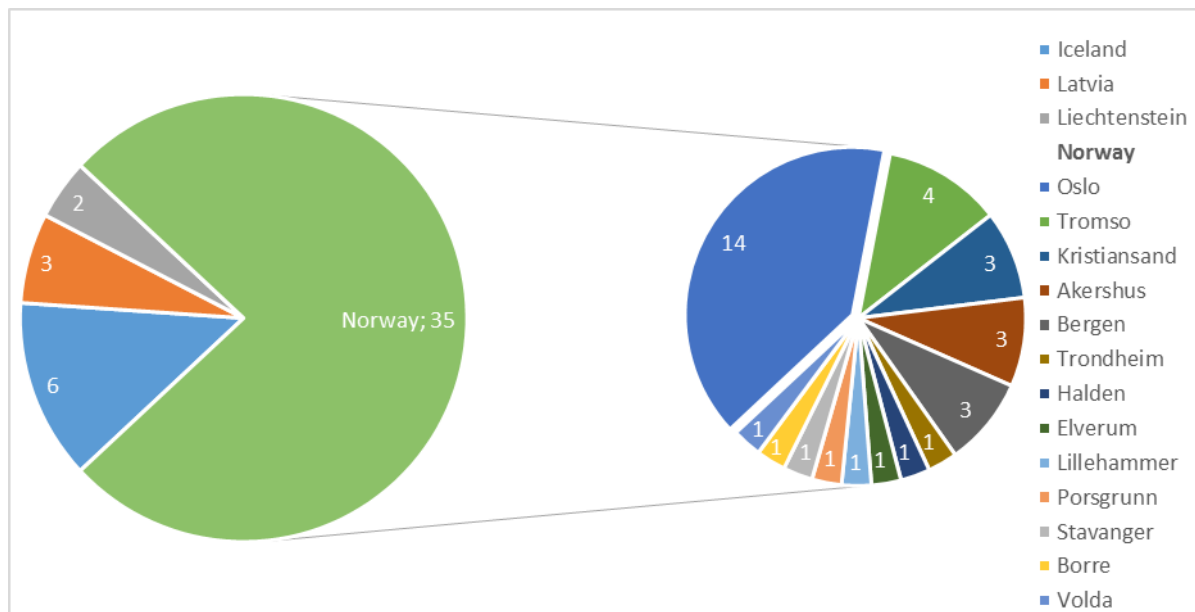
23 out of 28 projects will be implemented by HEIs in different locations of Latvia. Regional universities involved are: Latvian University of Agriculture, Daugavpils University, Rezekne Academy and Vidzeme Academy (please see the chart below).

*Chart 8 Approved projects and their promoters (HEIs) divided by planning regions*



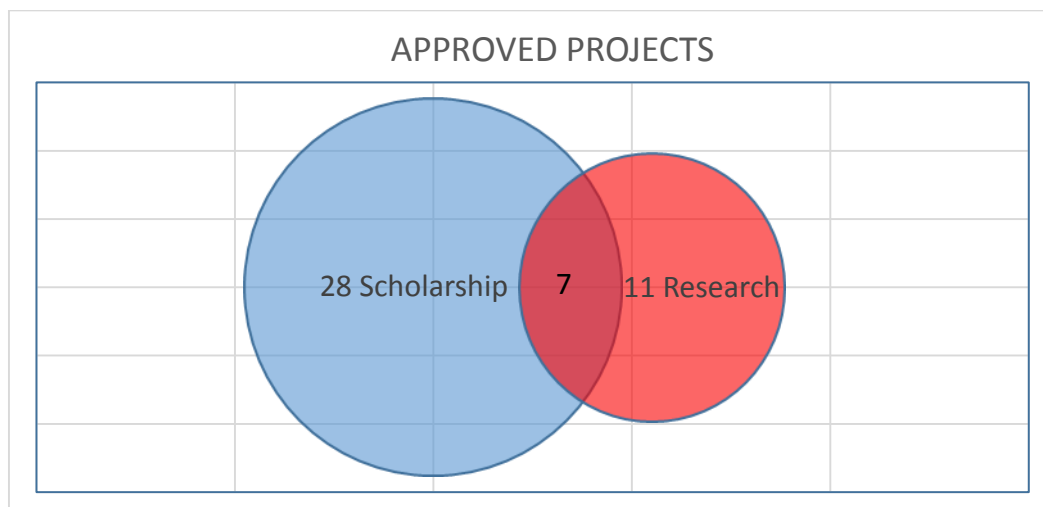
35 partners from Norway are involved in 12 Scholarship projects. Both partners from Liechtenstein are located in Vaduz. As it concerns Iceland, 4 partners are located in Reykjavik and 2 in Akureyri (please see the chart below). All partners are HEI's, there are no government or state agencies, neither non-governmental organizations.

*Chart 9 Number of projects' partners by country and their location*



7 of 28 scholarship projects have deep integration with research projects as donorstate project partners in scholarship projects are involved as partners also in research projects as well as scholarships are strongly based on research topics of approved research projects and some activities of research projects are complement with scholarship projects as they pursue the same targets and goals. Modes of cooperation foresee the development of courses and interdisciplinary course modules on scientific methods/theory through research, involvement of PhD, master and bachelor students from research projects by working on their assignments/thesis and writing of publications as part of research thesis and involvement of academic staff in activities of research projects to facilitate development and application of advanced methods that can be applied in teaching.

Chart 10 Synergy projects in Scholarship and Research activity



Project “*Gender, culture and power: diversity and interactions in Latvia and Norway*” implemented under **Research activity** has indirect contribution towards **Special Concerns** as it is aimed at the research of feminist and gender theories in connection to current social reality and European political culture and strengthening of gender research community in Latvia by using the Norwegian experience in gender research.

As regards results achieved in **Research** projects in 2015:

- the output indicator – 36 cooperating research institutions – is achieved completely;
- most of publications are in the process and first results should be known in April 2016, although 5 international publications (out of 40) were already prepared for submission;
- 2 PhD students (out of 20) were trained.

As regards results achieved in **Scholarships** projects in 2015:

- 7 HEIs' teachers (out of 22) increased their skills/competences in Norway in the fields of education and pharmacy, thereby contributing to the outcome “Increased skills/competences of staff involved in mobility”;
- although HEIs' student mobility was just started, it can be already predicted that planned results (35 student mobilities in NFM and 35 - in EEA FM) will be exceeded in total by ~120 students and ~180 academic staff mobilities. This can be explained by the fact that due to the late start of the programme the PPs cannot manage to realize the 11-month mobility for students, as originally planned, so student mobilities will be much shorter and also support to more staff mobilities will be provided.
- the output indicator regarding mobility applications received by the PO involving partners from donorstates is achieved partly – instead of 35 planned applications in each of FMs – in EEA FM were received 15 and in NFM – 18 applications. The reason for that is that the Scholarships activity started late and Latvian students had difficulties with finding free accommodations in donorstates as students from other BSs, who started mobility on time, had occupied dormitory rooms as well as due to late start of mobilities Latvian students had difficulties with free mobility places in the HEIs' of donorstates as these places are limited for foreign students.

## 4. Management and implementation

### 4.1 Management and control systems and legislation compliance

#### National level

There were no actual issues related to EU legislation, national legislation or amendments in the Memorandum of Understanding. The institution responsible for the state aid issues in Latvia – the State Aid Control Department of MoF – continued its involvement in the monitoring of programmes by providing comments to the amendments of the Programme Regulations (if relevant) with regards to state aid. Regarding public procurement issues PMB was involved in regular ex-ante checks of procurement documentation and procedures within programmes and projects as well as in projects' prolongation cases provided consultations regarding public procurement issues.

AA in December submitted to FMO Annual Audit Report (AAR) for the reference period July 2014 – June 2015 together with the Independent Auditor's Report that includes AA's opinion that MCS for the implementation of FMs functioned effectively during the reference period as well as assures that IFRs submitted to Donor States during the reference period are correct and underlying transactions are legal and regular. All recommendations from previous assessments of MCS are implemented.

FP updated MCS and in August submitted it to AA. Updated MCS will be reviewed by AA within next AAR reference period (July 2015 – June 2016). The major changes and updates in MCS include:

- description of newly established risk management procedure in institutions involved in implementation of FMs;
- description of the *Complaint mechanism*;
- updated list of modified procedures, guidelines and external legal acts;
- updated organisational schemes and contact information for institutions involved in the implementation of FMs.

#### Programme level

AA finalized follow up of the recommendations and concludes that all recommendations from PMCS compliance assessment audits have been implemented.

All POs have submitted to the AA information about updated description of PMCS regarding AAR reference period. Changes made in PMCS of Climate Programme and NGO Fund mainly concern to updates in organizational structure, contact information and guidelines provided by FP; and thus are not considered significant by AA and have no major impact on accurate implementation of the programme. Changes made in PMCS of Cultural Heritage Programme and Research and Scholarships Programme are considered significant by AA; and the impact will be assessed during the system audits planned in the next AAR reference period (July 2015 – June 2016).

AA performed system audit on the operational effectiveness of MCS in the area of public procurements, it included project samples from PMB and MoC. In the result reasonable assurance was obtained that system functions effectively and complies with the Regulation, however 8 recommendations were defined thus separate improvements are required. PMC has implemented all recommendations from the audit. 2 recommendations for MoC still be implemented (deadline is the end of April 2016).

System audit on operational effectiveness of MCS in MoEPRD and SRDA as PO and the Implementing Agency of the Climate Programme was performed during the reference period. AA concluded that MCS operates efficiently and complies with the Regulation, however separate improvements are necessary. Nevertheless the main deficiencies were eliminated



within AAR reference period and reduced to acceptable risk level. Only one recommendation remained to be unimplemented by the end of 2015, however it was finalized and implemented in 1<sup>st</sup> quarter of 2016.

### **Risk management at national level**

Risk management of FMs in FP is ensured within *Risk management Group*<sup>16</sup>, which includes representatives from FP. According to the *Risk management procedure*, risks are reassessed annually in the *Risk management Group*. Accordingly the *Risk register* has been updated revising risk values and detailing implemented and regularly performed mitigation actions and special mitigation actions in order to minimize the risks.

For FMs there were 3 national level risks identified in 2015 which were reassessed in February 2016: 1) not achievement of the programmes' outcomes; 2) insufficient absorption of PBFs and 3) corruption risk. Description of risks and mitigation actions relevant to current implementation phase of the FMs are included in the Annex 6.7.1 of this Report.

Risk of not achieving programmes' outcomes has substantially decreased in 2015 due to projects' extensions maximum for 1 year by the Donor States, providing extra time for achievement of programmes' outcomes. All mitigation actions in 2015 were performed and will be continued in 2016, except action "*participation in project Selection Meetings*" as the selections of projects are already finished.

By the end of 2015 only 31% of PBF was used, however due to programmes' extensions maximum for 1 year by the Donor States, providing additional time for absorption of PBF. Thus the risk of insufficient absorption of PBF has decreased. In order to monitor the risk bilateral cooperation issues are regularly discussed bi-annual in the Communication Group's meetings between representatives from FP, Embassy, POs and Implementing Agencies as well as in the CCs' meetings between POs, DPP, Embassy and FP.

As corruption risk and risk of conflict of interest can't be fully eliminated but only mitigated by improving the system, FP continues to take proactive actions in order to ensure best possible prevention of the corruptive activities. In this regard and taking into account mitigation measures planned in the *Risk register* and also detailed in *FP's response to the Final Report of Corruption Risk Filtering* the following actions were performed in 2015:

- FP in May submitted to FMO the elaborated National FMs Risk Management Strategy<sup>17</sup>. It was elaborated according to recommendations and conclusions received after the risk management trainings (conducted at the end of 2014) and also taking into account main principles of Donor States' Risk Management Strategy<sup>18</sup>. National strategy stipulates uniform principles and objective for the risk management, as well as serves as guideline for POs and Implementing Agencies in identifying and managing risks. It *inter alia* includes special description of corruption risk management and risk mitigation actions, and includes obligation for institutions, involved in the management of FMs, to carry out regular assessment of the corruption risk and the mitigation actions. It was communicated to all POs and Implementing Agencies;
- FP improved its Complaint Mechanism by implementing Complaint Register according to the best practice provided by the Transparency International<sup>19</sup>. It serves as the tool for summarizing, monitoring and controlling adequate management of complaints and in order to spot any systematic tendencies or signs that could hinder

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<sup>16</sup> MoF *Risk Management Group* for the *EU Structural Funds, Cohesion Fund, Financial Mechanisms and Swiss Programme*

<sup>17</sup> Risk Management Strategy for the EEA/Norwegian Financial Mechanisms 2009-2014 approved on 13 May 2015

<sup>18</sup> Risk Management Strategy EEA & Norway Grants 2009-2014 adopted by the FM Committee on 27 February 2013

<sup>19</sup> Received at the annual Risk Management Seminar, Tallinn, Estonia, 24-25 September 2014



possible corruption or conflict of interest in the institutions involved in the management of FMs. Up till now no complaints were received.

The corruption risk is complex and connected both with the internal control environment in the institutions and overall political situation and anti-corruption policy in the country, thus assessing factors outside of FP is as important as actions performed by FP.

Corruption Perception Index (CPI)<sup>20</sup> for Latvia in 2015 shows no changes comparing to 2014, receiving 55 points from 100. Nevertheless Latvia is ranked in 40<sup>th</sup> place from 167 countries, climbing up for 3 places comparison with 2014. According to the opinion expressed by the *Transparency International Latvia's department* the stagnation of the indicator is due to the problems in the management of CPCB in last years.

As CPCB has the mandate of anti-corruption policy in Latvia, the activities of CPCB are of great importance addressing corruption risk and risk of conflict of interest in the management of FMs. In July CoM adopted *CPCB's Guidelines for the Corruption Prevention and Combating for the period 2015-2020* (CPCB's guidelines), that includes strategic objectives and policy binding for the state institutions managing corruption risk as well as anticipates tasks to be carried out by CPCB and other state institution to ensure integrity and corruption prevention also foreseeing the protection of interests of EU funds and other foreign financial assistance (including FMs).

With the reference to the tasks laid down in CPCB's guidelines MoF developed and approved the *Action plan for prevention of corruption*<sup>21</sup> defining actions to be executed in MoF to ensure proactive prevention of the corruption risk and conflict of interest. The main tasks which also have impact on corruption risk in the management of the FMs are:

- identification of sensitive positions in MoF, particularly subjected to the corruption risk;
- training on ethical issues and risk management;
- training on corruption risk in cooperation with CPCB;
- training on procurement issues in cooperation with PMB and CPCB.

As MoF is also the managing authority of EU Funds and most of the POs are also institutions involved in the implementation of them the experience and actions taken to mitigate corruption risks in EU Fund's management affects also FMs and *vice versa*. Thus it is worth mentioning that for EU Funds 2014–2020 programming period there is special focus put on corruption risk and management of it, aiming for zero tolerance towards corruption and fraud in management of EU Structural Funds. Thus Managing Authority developed *Action plan for prevention of corruption risk in the management of EU Funds* and will provide guidelines and training for subordinated institutions raising the awareness and knowledge of the corruption matters.

In October, 2015 representatives from Latvia's organizations<sup>22</sup> took part in the conference "*Developing trends in combating corruption, money laundering and recovering criminal assets in Europe*" in Prague, Czech Republic. The Conference was one of the most important grants' events in 2015 and was organized by the NFP of the Czech Republic for representatives from all FMs' Beneficiary states. The Conference included professional debates on major trends and challenging new standards on such topics as *Anti-corruption*, *Anti-money laundering* and *Asset recovery*.

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<sup>20</sup> Annually published evaluation by the Transparency International, webpage: <http://www.transparency.org/cpi2015>

<sup>21</sup> Ministry of Finance order No.7 approved on 8 January 2016 "Approval of the action plan for prevention of the corruption in the Ministry of Finance"

<sup>22</sup> CPCB, association "Transparency - Transparency International", Office for Prevention of Laundering of Proceeds Derived from Criminal Activity and Economic Crime Enforcement Department

In 2016 FP will continue to perform established mitigation measures and constantly assess opportunities to strengthen internal control system in order to minimize corruption risk.

## Risk management at the programme level

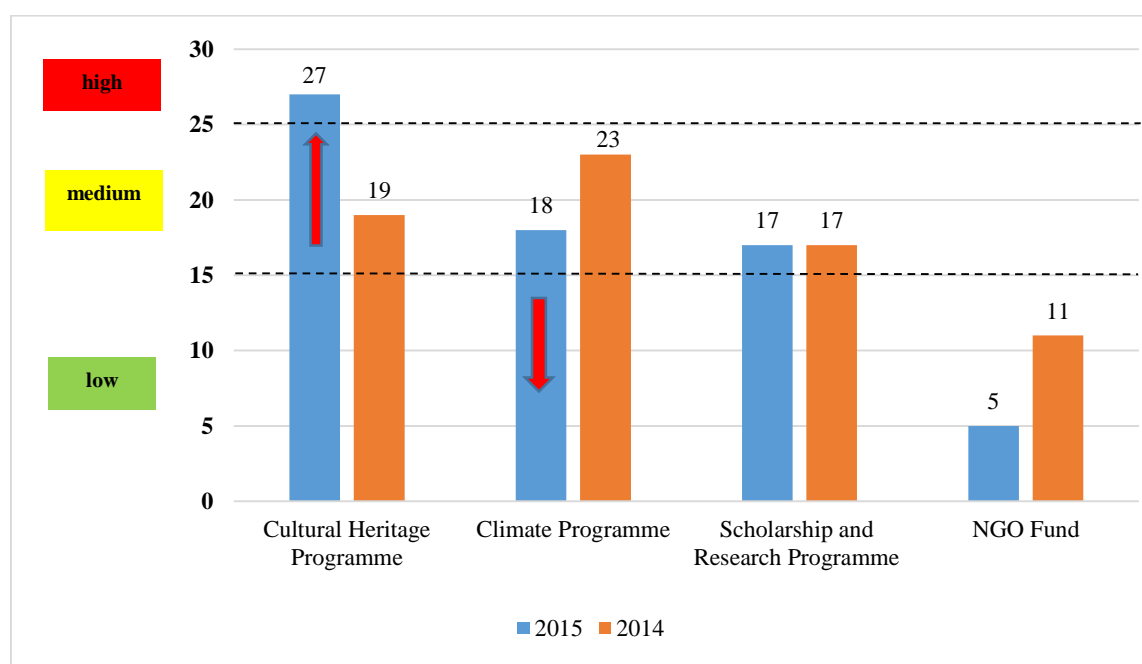
The FP evaluated risks based on regular monitoring of programmes' implementation and POs' submitted information about the risk monitoring in 2015. Please see in the Annex 6.7.2 of this Report detailed risk assessment (incl., mitigation actions) of horizontal risks for all programmes and for each programme.

The FP has identified 2 main horizontal risks at the programme level –

- 1) *Infringement and errors of procurement procedures and breaches of procurement contracts' conditions* (except NGO Fund) – although this risk has been sufficiently monitored by POs/Agencies and PMB it still remains relatively high during projects' implementation phase, when the PPs may not have appropriate experience and/or sufficient understanding in public procurements' procedures, as well as negligent attitude of PPs may cause this risk.
- 2) *Lack of capacity and interest for partnerships from the donor states and PBF's activities* (except NGO Fund) – thus it is necessary to facilitate acquirement of this funding at all level – PPs, POs/Agencies, FP and DPPs.

In the chart below the actual risk scoring of programmes' in comparison to the previous reporting period are shown:

Chart 11 Total risk score according to the risk assessment



Comparing to the previous reporting period risk levels of programmes have changed as follows:

- 1) Culture Heritage – increased to high due to risk of achievement of results in 2 pre-defined projects – *Museum of Literature and Music* and *Ethnographic Open-Air Museum* – as construction/restoration works are not commenced by the time of submission of this report. These projects' costs constitute 44% of the total Programme's funding.
- 2) Research and Scholarships – remained at the same level - moderate as projects' evaluation and signing of projects' contracts were delayed OC's, but most of all projects were prolonged.

- 3) Climate – decreased to moderate, because all OC's projects with construction activities were prolonged.
- 4) NGO Fund – remained at same level - low as implementation of all projects will be completed on time by the end of April 2016 as NGO Fund was the only programme which was not used projects' prolongation option.

The FP in cooperation with POs/Agencies will ensure regular monitoring of the above mentioned high and moderate risk level programmes and will request further actions from the involved institutions.

## 4.2 Irregularities

As 2015 for most of projects was the year when services/goods were procured or even in the NGO fund more than half of projects were completed, amount of irregularities' reports received was the highest. Nevertheless, the total amount of irregularities reported in 2015 is still very low (please see the table below).

The first reports with irregularities were received only in 2014 for 21 640 euro (0,06%). Accumulated irregularity amount by the end of 2015 is 74 726 euro (0,2%) which is considered as a very good result – well below standard materiality level of 2%.

*Table 4 Summary of all irregularities reported in 2015 by the CA, AA and POs*

<b>Title of programme</b>	<b>Total programme costs, in EUR</b>	<b>Reported irregularities, in EUR</b>	<b>Reported irregularities from total programme costs (%)</b>
1.Cultural Heritage Programme	11 787 647	11 888	0,10%
2.Climate Programme	11 205 405	0	0,00%
3.NGO Fund	10 910 526	41 198	0,38%
4.TAF	691 000	0	0,00%
5. Research and Scholarships Programme	575 833	0	0,00%
<b>Total:</b>	<b>35 170 412</b>	<b>53 086</b>	<b>0,15%</b>

In 2015 only 1% of all irregularities were detected in programme management costs mainly by the CA. Irregularities were reported to the FMO in accordance with the Chapter 11 of the Regulation and they were mainly:

- PO's mistakes in calculations of annual leave payments, payments for extra hours and salary related with non-compliance with proportionality principle and arithmetical errors.
- breach of procurement rules in the purchase of business travel organization services (in both cases financial correction of 5% was applied).

99% of all irregularities were detected at projects' level by POs – in 10 projects of the NGO fund and in 3 projects of Cultural Heritage Programme.

The NGO Fund is the largest programme by number of projects – in total 206 projects – which explains the high amount of irregularities. Irregularities in two NGO projects should be outlined as in both cases the PO decided to stop the projects' implementation and to claim back all payments made due to the following reasons:

- breach of project contract's rules by using project bank account on a regular basis for covering other needs than project's (project No.LV03-0167);
- on a regular basis didn't provide PO with a clear, sufficient and verifiable supporting information about project's costs (project No.LV03-0105).

Irregularities in other NGO projects were related with breach of publicity provisions (2% financial correction was applied), exceeding threshold for project management costs, wrongly calculated depreciation, lack of clear, sufficient and verifiable supporting information about projects' costs and payment of salary exceeding an average market salary. Irregularities in Cultural Heritage Programme were related with calculation of salaries or payments for sick leave disregarding proportionality principle, bench of procurement rules (100% financial correction was applied) and inclusion of costs not related with project activities.

Immediately after detection of irregularities the POs did the recovery procedures of irregularities – reduced the total project eligible costs and excluded irregularity amounts from project interim or/and final reports, or issued decisions about repayment of irregularity amounts, the same procedure was applied by CA on programmes' level, where respective programme's IFRs were accordingly corrected.

### 4.3 Audit, monitoring, review and evaluation

During the reporting period POs carried out following **projects' monitorings**:

- Cultural Heritage Programme – on-spot checks were performed in 2 projects. For one project recommendations about publicity and accessibility of project documentation were provided and implemented by the PP, for other project no findings were established.
- NGO Fund – on-spot checks in 29 NGO projects, from which 18 checks resulted without any recommendations or objections, 4 - resulted with recommendations regarding storage of projects' financial documents in project file folders, and 7 - resulted with objections where PO asked PPs to systemize project documentation, to ensure project number on all invoices and to arrange properly project information section on the organization's web page. Most all of objections were remedied. There are still 4 PPs who will submit necessary clarifications together with project reports in 2016.
- Climate Programme – monitoring visits in all pre-defined projects and one OC project were performed. Conclusions were positive as all activities, incl. construction works, were implemented in accordance with project contracts, national regulations and technical documentation.
- Research and Scholarships Programme – on-spot checks were carried out in 3 research projects where some minor inaccuracies were discovered, for example, regarding insufficient justification or supporting documents for business travels or incomplete working timetables regarding separation of project's duties from others. All insufficient information was provided and inaccuracies were rectified.

During reporting period a **system audit** by internal audit structures of PO (SEDA) was carried out in Research and Scholarships Programme in order to verify administration of preparatory visits within PBF. Recommendations regarding publication of business trips requirements stated in respective donorstate on SEDA's website and additional informative measures for PPs about application of correct exchange rate in Final Reports were provided. All recommendations were implemented.

Overview of various system audits and on-spot checks planned for the next reporting period please find in the Annex 6.6 of this Report.

The PMB has also continued to carry out several selective **ex-ante procurement checks**. In total 12 checks, incl. 5 in 3 pre-defined projects of Cultural Heritage Programme and 7 in projects of Climate Programme (4 in 2 pre-defined projects and 3 for OC projects).

PMB issued only a few positive opinions without no objections, whereas almost in all cases PMB had objections which were eliminated by respective POs, Agencies or the PPs in due deadline. Thereby during repeated checks the PMB was able to provide positive final opinions.

POs or Agencies have performed **ex-ante checks in several procurements**, which were not covered by PMB. In total 37 checks, incl. 23 in projects of Cultural Heritage Programme (18 in 3 pre-defined projects and 5 in SGS projects), 8 in projects of Climate Programme (3 in 2 pre-defined projects and 5 for OC projects) and 6 in 2 research projects of Research and Scholarships Programmes.

In almost all cases there were no objections, thus, positive, or with objections or were eliminated by PPs before repeated checks took place.

#### 4.4 Information and publicity

All communication measures and activities have been implemented in accordance with the Communication Strategy and communication plans for the programmes. As programme implementation period was extended, respective changes were made to the time schedule of the Communication Strategy.

Two meetings of the Communication Management Group have been held where the FP, the Embassy and POs discussed news and the best practises in the communication field, considered publicity-related issues, shared experience and ideas.

To inform the society about the implementation progress of programmes the latest information is regularly updated on all POs' websites as well as social networks are used as it allows to immediately receive the feedback from the target group. Besides that, POs have made special effort to communicate FMs:

- in November 2015 a mid-term evaluation event was held in order to inform representatives from state and municipalities' institutions, non-governmental organizations, entrepreneurs and other stakeholders about implementation progress of *Climate Programme*, achievements and examples of the best practice in projects;

- within *NGO Fund* more than 10 Project Stories about best practise were prepared, published on SIF's website and distributed to stakeholders as well as 4 project videos were made in order to introduce the wider society with achievements within programme and contribution of FM;

- to create videos about implemented activities under SGS "Cultural Exchange" of *Cultural Heritage Programme*, an advertising agency was contracted - by the end of 2015 already 4 (of 11) project videos were available to stakeholders;

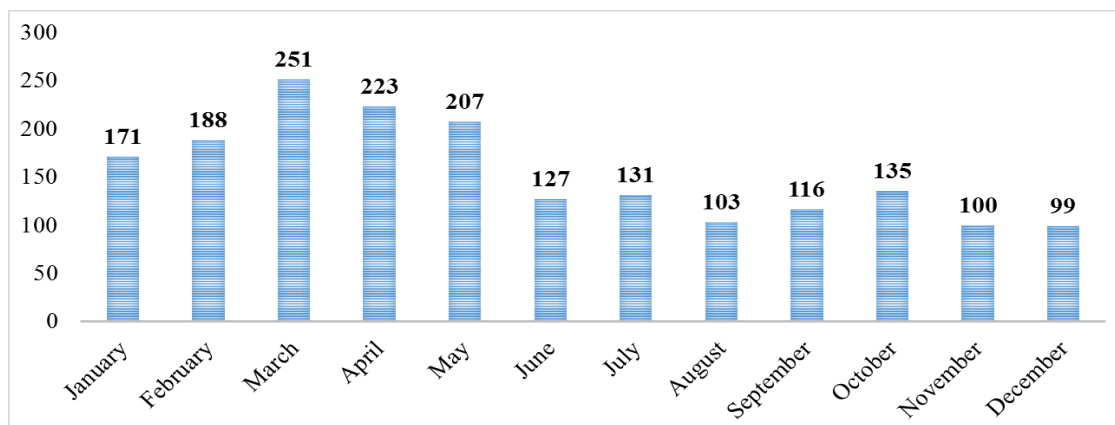
- while an interactive map with detailed information about projects of *Research and Scholarships Programme* is developed (please find here: [http://viaa.gov.lv/eng/international\\_cooperation/eea\\_norway\\_grants/projects/](http://viaa.gov.lv/eng/international_cooperation/eea_norway_grants/projects/)), posters and fact sheets about Research activity were already distributed;

The FP distributed information (13 press releases) in the mass media and social media (twitter.com), also information (press releases, short news, photos and videos) on national website of the FMs was published and updated on regular basis.

The number of unique visitors to the national FMs website reached 1419 per month (in 2014 – 1800 per month). More than half of them (59%) were new users. 73% of visitors are from Latvian domain. Average stay on page was 2 minutes. (*Source: Google Analytics*).

Results of information and publicity activities were reflected in the Media Monitoring of 2015. In total 1 851 publications/broadcasts in the Latvian press, radio, TV and on the Internet about FMs, programmes and projects were gathered. The highest level of publicity was reached in March 2015. This was due to the high publicity about *Cultural Heritage Programme* as commencement of restoration works in several objects were widely covered in the media.

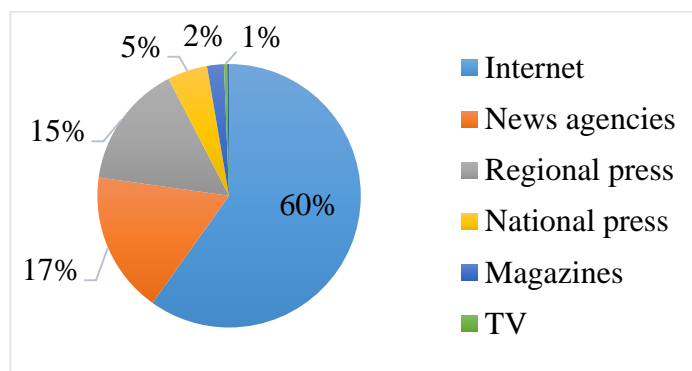
*Chart 12 Number of publications/broadcasts per month in 2015*



Information about implementation progress mainly was available on the internet, but still 15% of all publications were covered by regional press. This clearly shows that large part of projects' activities are targeted to regions and adequate effort is made to reach the target audience through local newspapers.

95% publications/broadcasts were in Latvian, while 5% – in Russian.

*Chart 13 Number of publications/broadcasts per media type in 2015*



## 4.5 Work plan

Since progress of January 2015-March 2016 is already included in this report, please see the work plan for the period April-December 2016 below:

*Table 5 Work plan for 2016*

Scope	Task	Apr-Jun	Jul-Sep	Oct-Dec
International cooperation	Bilateral conferences/events (strategic questions within specific field)	LV02 LV03 LV04	LV02 LV03 LV04 LV05	LV03 LV04
	Implementation of Complementary Actions	LV02 LV03 LV04	LV03 LV04	LV02 LV03
	CC meetings	LV02 LV04		LV02 LV04
Information and publicity	FP and all PO`s communicate with media (press releases, interviews, social media, press conferences etc.) and create/modify/update websites about programmes` events, pre-defined projects, informative seminars, project progress achieved etc. on regular basis	x	x	x
	PO`s organize informative seminars, conferences on programme`s implementation progress	LV03	LV03 LV05	LV03 LV05
	PO`s create promotion materials	LV04	LV02 LV04	LV02 LV03
	FP provides ongoing media monitoring	x	x	x
	FP conducts public opinion pool about recognition of FMs		x	



## 5. Summary listing of issues and recommendations

Within the reporting period **implementation of all programmes was ongoing**. After submission of programmes' IFRs covering period till the end of August 2015, the total financial acquisition of the grant was very low – 36,3%. Also several POs signalled that in certain projects delays are running out of all “red lines”. Therefore FMO's letter on “Improving results of the implementation of Programmes” allowing exceptional extension for projects beyond April 2016 up to one more year, arrived just in time. We can conclude that the need was quite urgent as for 76 projects from both FMs extension was requested. Nevertheless there is one programme which will be completed on time – NGO Fund (incurred expenditure by the end of 2015 is 85%).

**Donor partnerships** are ongoing in all programmes – both at programme and at project level, thus covering all programme areas selected for implementation in Latvia. Within the reporting period several instruments to strengthen bilateral relations were used. From the PBFs bilateral cooperation was fostered between POs and the DPPs as well as between PPs and donor project partners. We are proud to announce that 37% of FMs projects are with donor-partnerships. In 2015 all planned activities under the NBF priority “*Latvian presidency of the Council of the European Union 2015*” were successfully implemented, showing that Norwegian expertise is valuable at the level of several EU latest policies and horizontal issues.

**Main tasks** for 2016 are finalization of most of the projects, provision of different kind of publicity activities about the achieved results and lots of reporting in order to summarize projects' level results into the programme level outputs.

Compared to previous reporting period identified risks at national and programmes' level remained, but due to prolongation of projects/programmes, the risk values decreased substantially. **3 main risks detected** are as follows: 1) not complete achievement of programmes' outcomes in donor states' set deadline (cohesion); 2) insufficient absorption of the PBFs (bilateral); and 3) corruption risk and conflicts of interest (operational). **FP has elaborated risk mitigation actions** and will continue to ensure regular monitoring of the national and programme level risks (especially in the high risk programmes) and will request further actions from the involved institutions.

## 6. Attachments to the Strategic Report

### Annex 6.1 Applications received, selected and contracted for each programme

#### Applications for LV02 National Climate Policy

	2014			2015			Total		
Calls for proposals	Received	Partnership	Projects Contracted	Received	Partnership	Projects Contracted	Received	Partnership	Projects Contracted
Predefined in MoU			2						2
Capacity Building in the Field of Research and Measures for Enhancing Society's Understanding about Climate Change and its Consequences	63	32	0	0	0	18	63	32	18
Emission reduction technologies including renewable energy, sustainable buildings and technology development	23	7	0	0	0	7	23	7	7
<b>Total</b>	<b>86</b>	<b>39</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>25</b>	<b>86</b>	<b>39</b>	<b>27</b>

Small Grant Scheme related outcomes:

- Developed strategies and measures for adapting to a changing climate

Open call related outcomes:

- A less carbon-dependent economy

Predefined project measures:

- Developed strategies and measures for adapting to a changing climateImproved environmental information on impact, status and trends

### Applications for LV03 NGO fund

Calls for proposals	2012	2013			2014			2015			Total		
	Contracted	Received	Partnership	Contracted	Received	Partnership	Contracted	Received	Partnership	Contracted	Received	Partnership	Contracted
Predefined in Programme Proposal	1												1
OC number 1: NGO Activity Support Measure - Active citizenship fostered (2 stages)		206	10	78	0	0	2	0	0	0	206	10	80
OC number 10 (NGO Project Measure (democratic)- 2nd call, microprojects (1 stage)		0	0	0	30	0	2	0	0	0	30	0	2
OC number 11 (NGO Project Measure (democratic)- 3rd call, microprojects (1 stage)		0	0	0	0	0	0	110	5	15	110	5	15
OC number 2: NGO Project Measure - microprojects (Provision of welfare) - 1st call (1 stage)		118	1	19	0	0	0	0	0	0	118	1	19
OC number 3: NGO Project Measure – medium/macro projects (Provision of welfare) - 1st call (2 stages)		182	54	35	0	0	0	0	0	0	182	54	35
OC number 4 (NGO Project Measure (welfare)- 2nd call, medium and macro projects (2 stages)		131	29	0	0	0	24	0	0	0	131	29	24
OC number 5 (NGO Project Measure (welfare)- 2nd call, microprojects (1 stage)		0	0	0	108	0	13	0	0	0	108	0	13
OC number 6 (NGO Project Measure (welfare)- 3rd call, microprojects (1 stage)		0	0	0	0	0	0	35	3	3	35	3	3
OC number 7: NGO Project Measure - microprojects (Democratic values) - 1st call (1 stage)		30	0	4	0	0	0	0	0	0	30	0	4
OC number 8: NGO Project Measure - medium and macro projects (Democratic values) - 1st call (2 stages)		52	7	8	0	0	0	0	0	0	52	7	8
OC number 9 (NGO Project Measure (democratic)- 2nd call, medium and macro projects (2 stages)		40	6	0	0	0	5	0	0	0	40	6	5
<b>Total</b>	<b>1</b>	<b>759</b>	<b>107</b>	<b>142</b>	<b>138</b>	<b>0</b>	<b>46</b>	<b>145</b>	<b>8</b>	<b>18</b>	1042	115	209

Open call related outcomes:

- Active citizenship fostered
- Democratic values, including human rights, promoted
- Provision of welfare and basic services to defined target groups increased

Predefined project measures:

- Advocacy
- Information and awareness raising

- NGO - Public coalition building

#### Applications for LV04 Conservation and Revitalisation of Cultural and Natural Heritage

	2013			2014			2015			Total		
Calls for proposals	Received	Partnership	Projects Contracted	Received	Partnership	Projects Contracted	Received	Partnership	Projects Contracted	Received	Partnership	Projects Contracted
Predefined in MoU			5									5
Open call for small grant scheme for preservation of cultural heritage	27	8	0	0	0	5	0	0	0	27	8	5
Open call for small grant scheme for the cultural exchange	38	37	0	0	0	8	0	0	3	38	37	11
<b>Total</b>	<b>65</b>	<b>45</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>13</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>65</b>	<b>45</b>	<b>21</b>

Open call related outcomes:

- Cultural heritage restored, renovated and protected
- Contemporary art and culture presented and reaching a broader audience

Predefined project measures:

- Capacity-building
- Education and training
- Infrastructure development and provision of equipment
- Provision of services

## Applications for LV05 Research and scholarships

	2014			2015			Total		
Calls for proposals	Received	Partnership	Projects Contracted	Received	Partnership	Projects Contracted	Received	Partnership	Projects Contracted
Bilateral Research Cooperation	73	73	0	0	0	11	73	73	11
Scholarships	0	0	0	33	33	28	33	33	28
<b>Total</b>	<b>73</b>	<b>73</b>	<b>0</b>	<b>33</b>	<b>33</b>	<b>39</b>	<b>106</b>	<b>106</b>	<b>39</b>

Open call related outcomes:

- Increased higher education student and staff mobility between Beneficiary and EEA EFTA States
- Increased research cooperation between Norway and the Beneficiary States
- Strengthened research capacity in the Beneficiary States and increased application of research results through research cooperation between Norway and the Beneficiary States
- Increased higher education student and staff mobility between Beneficiary States and Norway

## Bilateral Calls for Proposals

	2014			2015			Total		
Calls for proposals	Received	Partnership	Projects Contracted	Received	Partnership	Projects Contracted	Received	Partnership	Projects Contracted
Preparatory visits	11	0	10	44	0	41	55	0	51
<b>Total</b>	<b>11</b>	<b>0</b>	<b>10</b>	<b>44</b>	<b>0</b>	<b>41</b>	<b>55</b>	<b>0</b>	<b>51</b>

Open call related outcomes:

- Increased research cooperation between Norway and the BS
- Strengthened research capacity in the BS and increased application of research results through research cooperation between Norway and the BS

## Annex 6.2 Donor partnership projects in each programme

### LV02 - National Climate Policy

Project id	Project Name	Pre-defined project	Donor state	Donor project partner	Type of organisation
LV02-0001	Development of Proposal for National Adaptation Strategy, Including Identification of Scientific Data, Measures for Adapting to Changing Climate, Impact and Cost Evaluation	Yes	Norway	Norwegian Directorate for Civil Protection (DSB)	National agency
LV02-0002	Development of the National System for Greenhouse Gas Inventory and Reporting on Policies, Measures and Projections	Yes	Norway	Norwegian Environment Agency	National agency
LV02-0003	Climate education for all	No	Norway	Grid-Arendal	Foundation
LV02-0004	Energy efficiency measures in the business support centre - library "Sala" of Aloja county	No	Norway	Våler district council	Regional or local authority
LV02-0006	Development and organization of training courses for professional audiences about prevention of climate changes and reduction of Greenhouse Gases using Renewable Energy Sources	No	Norway	Norsk Energi	Small or medium sized enterprise (SME)
LV02-0007	Adazi Free Waldorf School Gyms Construction	No	Norway	Solenergi Fusen AS	Small or medium sized enterprise (SME)
LV02-0011	Increasing capacity of electronic materials about climate changes in rural areas	No	Norway	Innovation circle network	Other type of NGO
LV02-0012	Climate Change in Latvia – an Opportunity and a Challenge?	No	Norway	Grid-Arendal	Foundation
LV02-0013	Promotion of E-mobility in Latvia for Climate Change Mitigation	No	Norway	Enmira as	Small or medium sized enterprise (SME)
LV02-0014	Green Mission: Climate	No	Norway	International Development Norway AS	Small or medium sized enterprise (SME)

LV02-0015	The promotion of the knowledge and insight of the climate change caused by such anthropogenic processes as waste and wastewater management	No	Norway	Norwegian Institute for Air Research	University, college or other teaching institution, research institute or think-tank
LV02-0016	Promoting sustainable environmental management policies for the SME sector	No	Norway	Ostfold University College	University, college or other teaching institution, research institute or think-tank
LV02-0017	Development of a training course and study program module „Socio-economic aspects of the climate technology for bioeconomy sector”	No	Norway	University of Bergen	University, college or other teaching institution, research institute or think-tank
LV02-0018	Development of bioeconomical model for sustainable use of biological resources in order to reduce climate changes and improve adaptation capacity (BIO-CLIMATE)	No	Norway	University of Bergen	University, college or other teaching institution, research institute or think-tank
LV02-0021	Training on climate and energy management issues for municipalities and different industries	No	Norway	Ostfold University College	University, college or other teaching institution, research institute or think-tank
LV02-0023	Research “Regional strategy on reduction of green-house gas emissions from buildings in largest cities in Kurzeme Planning region, using satellite imaging and state-of-the-art thermal auditing technologies”	No	Norway	International Development Norway AS	Small or medium sized enterprise (SME)
LV02-0024	New building of Science and Technology Museum "Kurzeme Demo Centre"	No	Norway	International Development Norway AS	Small or medium sized enterprise (SME)
LV02-0025	Renovation impact on climate change and energy efficiency habits of residents	No	Norway	The Community-Based Natural Resource Management Network	Other type of NGO
LV02-0026	Energy Efficient Measures for Sustainable Buildings in Jelgava	No	Norway	Inland Norway Energy Agency	Other type of NGO
LV02-0027	The language of climate	No	Norway	Norwegian Institute of Bioeconomy Research	National agency
<b>Projects with donor project partners 20 out of 27 (74.1%)</b>			<b>Planned grant amount for projects with donor project partners € 7,647,033</b>		

**LV03 - NGO fund**

Project id	Project Name	Pre-defined project	Donor state	Donor project partner	Type of organisation
LV03-0039	Democratic Study Circles	No	Norway	Norwegian Association for Adult Learning	Umbrella organization / Network of NGOs
LV03-0060	Regular Latvian Red Cross operation in the field of human rights and anti-discrimination	No	Norway	NGO 'Norwegian Red Cross'	Other type of NGO
LV03-0075	Promoting security for youth in alternative care	No	Norway	Association SOS Children's Villages Norway	Service provision organization (NGO)
LV03-0089	READY - Reintegration and Education Actions for Demanding Youth	No	Norway	TroNett	Other type of NGO
LV03-0092	Traditional values and new skills - for sustainable development of society	No	Norway	Camphill Village Trust of Norway	Other type of NGO
LV03-0094	Voluntary social work as base for the better quality of life	No	Norway	NGO 'Norwegian Red Cross'	Other type of NGO
LV03-0095	Empowering National Youth Council of Latvia "LJP 2.0"	No	Norway	The Norwegian Children and Youth Council	Advocacy organization (NGO)
LV03-0097	Be active and get involved!	No	Norway	Norwegian Association of the Blind	Advocacy organization (NGO)
LV03-0098	Raising a child non-violently!	No	Iceland	Blatt afram - prevention of sexual abuse of children	Other type of NGO
LV03-0099	Let's Open a World for Opportunities and Skills	No	Norway	Association Latvian Society in Norway	Other type of NGO
LV03-0100	Center for early childhood development of children with disabilities	No	Iceland	NGO Cerebral Palsy Island	Other type of NGO
LV03-0101	Together in society	No	Norway	The Foundation 'Sound of Happiness Competence Centre'	Other type of NGO
LV03-0102	Mechanisms of social integration for children and youth with special needs	No	Norway	Pedverket Kompetanse	University, college or other teaching institution, research institute or think-tank
LV03-0103	We live together in our country	No	Norway	NGO 'Norwegian Red Cross'	Other type of NGO



LV03-0105	The Reducing of Social Exclusion and Invalidisation of Children with Autism and Autistic Spectrum Disorders	No	Norway	Foundation Nordic-Baltic Organisation for Professionals Working with Children and Adolescents	Foundation
LV03-0107	The development of supporting measures to include families with children who are at risk of social exclusion	No	Norway	Association SOS Children's Villages Norway	Service provision organization (NGO)
LV03-0109	WORK is LIFE	No	Iceland	NGO Workshop Ortaekni of the Organization of Disabled in Iceland	Other type of NGO
LV03-0121	Integration incubator to support Roma children and youth	No	Norway	Pedverket Kompetanse	University, college or other teaching institution, research institute or think-tank
LV03-0124	Salutogenesis – important method for active support and successful social integration into society of children and young people with special needs	No	Norway	Research Centre for Health Promotion and Resources HiST/NTNU (the Centre) - research unit co owned	Regional or local authority
LV03-0134	Inclusion of Animal therapy into the social rehabilitation of abused children	No	Norway	EKT Rideskole og Husdyrpark AS	Service provision organization (NGO)
LV03-0142	Promoting social inclusion of men who have intimate relations with men (MSM) by improving access and quality of health care services	No	Norway	Gay and Lesbian Health Norway	Advocacy organization (NGO)
LV03-0143	Providing sustainable environment for psycho-social rehabilitation for cancer patients implementation in Latvia	No	Norway	Montebello Centre	Other type of NGO
LV03-0165	SAFE HERE – innovative community programs against current violent actions	No	Norway	Stine Sofies Stiftelse	Other type of NGO
LV03-0166	Family care - secure base for development of children	No	Norway	Linnea Kompetansesenter	Other type of NGO
LV03-0168	Integration of long-term patients into the job market by providing ICT skills acquisition	No	Norway	Norwegian University of Science and Technology	University, college or other teaching institution, research institute or think-tank
LV03-0174	Diversity as a resource for education and community development	No	Norway	The National Centre for Multicultural Education	University, college or other teaching

					institution, research institute or think-tank
LV03-0176	UCAN do that 2!	No	Norway	Change the World	Community-based Organization (NGO)
LV03-0180	Innovative solutions for accessible – socially inclusive product of tourism development in Latvian municipalities	No	Norway	Stop discrimination	Foundation
LV03-0181	Another Latvia	No	Norway	Drobak municipality	Regional or local authority
LV03-0182	Universal Design for the Future	No	Norway	Norwegian Association of the Blind	Advocacy organization (NGO)
LV03-0185	Development of Social Rehabilitation Services of Latvian Diabetes Federation	No	Norway	Norwegian Diabetes Association	Other type of NGO
LV03-0197	Step towards children and young people with special needs	No	Norway	Pedverket Kompetanse	University, college or other teaching institution, research institute or think-tank
LV03-0203	Improvement of the support system for Roma children and young people	No	Norway	Pedverket Kompetanse	University, college or other teaching institution, research institute or think-tank
<b>Projects with donor project partners 33 out of 209 (15.8%)</b>			<b>Planned grant amount for projects with donor project partners € 2,255,795</b>		

#### LV04 - Conservation and Revitalisation of Cultural and Natural Heritage

<b>Project id</b>	<b>Project Name</b>	<b>Pre-defined project</b>	<b>Donor state</b>	<b>Donor project partner</b>	<b>Type of organisation</b>
LV04-0003	Restoration of Rezekne Green Synagogue including development of wooden architecture centre and exposition of Jewish culture heritage	Yes	Norway	Sam Eyde upper secondary school	University, college or other teaching institution, research institute or think-tank
LV04-0004	Restoration of the Museum of Rainis and Aspazija	Yes	Norway	Association of Lillehammer museums: The Museums Aulestad, Bjerkebæk,	National agency

				Norwegian Olympic Museum and the Postal Museum	
LV04-0005	Riga Art Nouveau Centre: digitisation of cultural heritage and development of a Virtual Museum	Yes	Norway	The Art Nouveau Centre of Norway	Other
LV04-0006	Restoration of Eleja Manor Premises	No	Norway	The Norwegian Institute for Cultural Heritage Research	University, college or other teaching institution, research institute or think-tank
LV04-0007	Restoration of Kuldiga Old Town Hall and Improvement of Quality and Accessibility of its Culture Services	No	Norway	Akershus Restoration centre	Other
LV04-0008	Life in Motion	No	Norway	Bergen International Film Festival (BIFF)	Small or medium sized enterprise (SME)
LV04-0009	Conservation of Cesis Medieval castle for regional socioeconomic development	No	Norway	Ostfold County	Regional or local authority
LV04-0010	Experimental music lighthouses: Riga-Tromsø	No	Norway	Foreningen Insomnia Festival	Other
LV04-0011	Environment manufactures	No	Norway	Frogn Municipality Department of Culture	Regional or local authority
			Iceland	Youth centre 'Hitt Husitt' Department of Culture	Other type of NGO
LV04-0012	Dance in Nature 2014	No	Norway	Siri & Snelle Produksjoner	Other type of NGO
LV04-0013	Latvia - Norway: discover Folk Tradition in Music	No	Norway	Nesttun String Orchestra	Other
LV04-0014	NORTH Creative Network - for open innovation and cultural exchange	No	Iceland	Association for electronic arts 'Lorna'	Other type of NGO
			Norway	i/o/lab-Center for future arts	Other type of NGO
			Norway	Piksel Produksjoner Ltd.	Micro-enterprise
LV04-0015	Joik & Daina	No	Norway	Foreningen Isogaisa	Other type of NGO
LV04-0016	450 years together. Jewish culture in Latvian environment – arts, music, education	No	Norway	Oslo Jewish Museum/ Stiftelsen Jødisk Museum i Oslo	National agency
LV04-0017	Restoration of the Great synagogue of Ludza and revival of Jewish spiritual heritage	No	Norway	The foundation Museums Centre in Hordaland	Other

LV04-0018	Restoration of the Museum of Jānis Akuraters	No	Norway	Association of Lillehammer museums:The Museums Aulestad, Bjerkebæk, Norwegian Olympic Museum and the Postal Museum	National agency
LV04-0019	Various Forms of Archives. Archive of Contemporary Art. Research, Exhibition and Symposium.	No	Iceland	The Living Art Museum	Other
LV04-0020	Film programme exchange between Riga International Film festival and Kristiansand International Children's Film festival	No	Norway	Kristiansanad International Children's Film festival, Barnefilmfestivalen AS	Other type of NGO
LV04-0021	Regions. Art. Nature.	No	Norway	Dansearena nord	Other type of NGO
			Iceland	Fé & Fjörvi	Other type of NGO
Projects with donor project partners 19 out of 21 (90.5%)			Planned grant amount for projects with donor project partners € 4.647,175		

#### LV05 - Research and scholarships

Project id	Project Name	Pre-defined project	Donor state	Donor project partner	Type of organisation
LV05-0001	Benefits and detrimental effects of sequence variants of Amyloid-β: towards the use of small peptides for aggregate dissolution therapy in dementia	No	Norway	University of Oslo	University, college or other teaching institution, research institute or think-tank
LV05-0002	Innovative approach to hull-less spring cereals and triticale use from human health perspective	No	Norway	Norwegian Institute of Bioeconomy Research	National agency
LV05-0003	Image-guided cancer gene therapy in combination with advanced chemotherapeutics	No	Norway	Oslo University Hospital	University, college or other teaching institution, research institute or think-tank
LV05-0004	Cancer-derived extracellular vesicles: function and clinical applications in prostate cancer	No	Norway	Oslo University Hospital	University, college or other teaching institution, research institute or think-tank

LV05-0005	Health and Social Indicators of Participation in Physical Activities for Children with Disabilities	No	Norway	Norwegian School of Sport Sciences	University, college or other teaching institution, research institute or think-tank
LV05-0006	EU Policies Impact to the Transformations of the Higher Education and Research System in Norway and Latvia	No	Norway	Nordic Institute for Studies in Innovation, Research and Education	University, college or other teaching institution, research institute or think-tank
LV05-0007	Establishing of the scientific capacity for the management of pharmaceutical products residues in the environment of Latvia and Norway	No	Norway	University of Oslo	University, college or other teaching institution, research institute or think-tank
LV05-0008	Gender, Culture and Power: Diversity and Interactions in Latvia and Norway	No	Norway	Center for Gender Research at the University of Oslo	University, college or other teaching institution, research institute or think-tank
LV05-0009	Technology transfer in the processing of mineral resources in earlier times	No	Norway	Museum of Cultural History, University of Oslo	Other
LV05-0010	Latvian language in monolingual and bilingual acquisition: tools, theories and applications	No	Norway	UiT The Arctic university of Norway, Tromsø University	University, college or other teaching institution, research institute or think-tank
			Norway	University of Oslo	University, college or other teaching institution, research institute or think-tank
LV05-0011	Rural Depopulation and the Governance of Education. Comparative Study of Latvia and Norway	No	Norway	Norwegian Institute for Urban and Regional Research (NIBR)	University, college or other teaching institution, research institute or think-tank
LV05-0012	Economics and Management Student and Teacher Mobility between University of Latvia and University of Agder	No	Norway	Universitetet i Agder	University, college or other teaching institution, research institute or think-tank
LV05-0013	Research-based Teaching of Language Acquisition (in synergy with Research activity project "Latvian language	No	Norway	UiT The Arctic university of Norway, Tromsø University	University, college or other teaching

	in Monolingual and Bilingual Acquisition: tools, theories and applications")				institution, research institute or think-tank
LV05-0014	Strengthening and transferring the intellectual capital among geographers in Latvia and Norway	No	Norway	UiT The Arctic university of Norway, Tromsø University	University, college or other teaching institution, research institute or think-tank
			Norway	University of Bergen	University, college or other teaching institution, research institute or think-tank
LV05-0015	Mobility project between higher education institutions of Latvia and Norway in the field of art and design	No	Norway	Bergen Academy of Art and Design	University, college or other teaching institution, research institute or think-tank
			Norway	Oslo National Academy of the Arts (KHiO)	University, college or other teaching institution, research institute or think-tank
LV05-0016	RISEBA and University of Agder cooperation in students and staff mobility	No	Norway	Universitetet i Agder	University, college or other teaching institution, research institute or think-tank
LV05-0017	Innovative Physical Activity Measures in Health and Sport Science Studies	No	Norway	Norwegian School of Sport Sciences	University, college or other teaching institution, research institute or think-tank
LV05-0018	Mobility in political science and sociology	No	Norway	Oslo and Akershus University College of Applied Sciences	University, college or other teaching institution, research institute or think-tank
			Norway	Ostfold University College	University, college or other teaching institution, research institute or think-tank

LV05-0019	Capacity building organizing the scholarship activities for students and academic staff at the Riga Stradiņš University	No	Norway	University of Bergen	University, college or other teaching institution, research institute or think-tank
LV05-0020	Internationalization through Student and Academic Staff Mobility in Business Administration Programs	No	Norway	Telemark University College M4	University, college or other teaching institution, research institute or think-tank
LV05-0021	Mobility in the field of Architecture and Civil Engineering	No	Norway	Norwegian University of Life Sciences	University, college or other teaching institution, research institute or think-tank
LV05-0022	Enhancing human capital and knowledge in health science by institutional cooperation and mobility between the University of Latvia and three Norwegian universities	No	Norway	Norwegian University of Science and Technology	University, college or other teaching institution, research institute or think-tank
			Norway	University of Oslo	University, college or other teaching institution, research institute or think-tank
LV05-0023	Educational collaboration between Norway and Latvia for establishment of an effective risk assessment and control of pharmaceutical residues	No	Norway	University of Oslo	University, college or other teaching institution, research institute or think-tank
LV05-0024	Mobility of students and academic personnel of Life Sciences between Latvia and Norway	No	Norway	Institute of Basic Medical Science, University of Oslo	University, college or other teaching institution, research institute or think-tank
			Norway	University of Oslo, Institute of Clinical Medicine	University, college or other teaching institution, research institute or think-tank
LV05-0025	Educational for Sustainable Development	No	Norway	Lillehammer University College	University, college or other teaching institution, research institute or think-tank

LV05-0026	Building Bridges between Latvia and Norway in Higher Education in Chemistry	No	Norway	UiT The Arctic university of Norway, Tromso University	University, college or other teaching institution, research institute or think-tank
LV05-0027	Student Mobility for Public Sector Innovation Research	No	Norway	Oslo and Akershus University College of Applied Sciences	University, college or other teaching institution, research institute or think-tank
LV05-0028	Mobility scholarships for academic staff and students to expand understanding about the digital media audiences	No	Norway	NLA University College Gimlekollen Gimlekollen School of Journalism and Communication	University, college or other teaching institution, research institute or think-tank
LV05-0029	Mobility in Language, Culture and Gender Studies	No	Norway	Center for Gender Research at the University of Oslo	University, college or other teaching institution, research institute or think-tank
			Norway	The Institute of Health and Society at the University of Oslo	University, college or other teaching institution, research institute or think-tank
			Norway	UiT The Arctic university of Norway, Tromso University	University, college or other teaching institution, research institute or think-tank
			Iceland	University of Iceland	University, college or other teaching institution, research institute or think-tank
LV05-0030	Mobility in the field of Food Technology	No	Norway	Norwegian University of Life Sciences	University, college or other teaching institution, research institute or think-tank
LV05-0031	Mobility in the field of Information Technologies	No	Norway	Norwegian University of Life Sciences	University, college or other teaching institution, research institute or think-tank



LV05-0032	Mobility in the field of agriculture, forestry and veterinary medicine	No	Norway	Hedmark University College	University, college or other teaching institution, research institute or think-tank
LV05-0033	Innovation curricula, research and support – systematic approach within university context	No	Norway	University of Stavanger	University, college or other teaching institution, research institute or think-tank
LV05-0034	Student and Academic Staff Mobility within the EEA Grant Scholarship Activity (Architecture)	No	Liechtenstein	University of Liechtenstein	University, college or other teaching institution, research institute or think-tank
LV05-0035	Establishing of Scholarships for Language and Culture Studies in Latvia and Norway with the Focus on Studies of Monuments to Famous Persons and Their Testing for the Needs of Tourism	No	Norway	Buskerud and Vestfold University College	University, college or other teaching institution, research institute or think-tank
LV05-0036	Role of social and economic networks in territorial development	No	Iceland	University of Akureyri	University, college or other teaching institution, research institute or think-tank
LV05-0037	Student and Academic Staff Mobility within the EEA Grant Scholarship Activity (Mechanics)	No	Iceland	University of Iceland	University, college or other teaching institution, research institute or think-tank
LV05-0038	Student and Academic Staff Mobility within the EEA Grant Scholarship Activity (Information Technology)	No	Iceland	University of Iceland	University, college or other teaching institution, research institute or think-tank
			Liechtenstein	University of Liechtenstein	University, college or other teaching institution, research institute or think-tank
Projects with donor project partners 38 out of 38 (100.0%)			Planned grant amount for projects with donor project partners € 1,250,614		

### Annex 6.3 Donor partnership projects in Latvia

#### Latvia - Summary

Project grant amount total	€ 72 819 757
Number of projects	<b>342</b>
Number of projects with donor project partners	<b>126</b>
Proportion of projects with donor project partners	<b>36,842%</b>
Number of programmes *	7
EEA and Norway grants committed	€ 67 094 750

*\* Excluding Technical assistance programmes and PA22*

#### Annex 6.4 List of irregularities detected at programme level

Irregularity case	Irregularity status	Case opened	Case closed	Irregularity period	Followed up	Initial nature of irregularities	Amount of recovered funds	Grant amount reduced
IR-0044	Closed	30.05.14	08.08.14	2014Q1		deviation from programme agreement	84	72
IR-0060	Closed	21.08.14	06.11.14	2014Q2		deviation from programme agreement	806	685
IR-0070	Closed	24.11.14	05.12.14	2014Q3		deviation from programme agreement	356	356
IR-0071	Closed	24.11.14	09.12.14	2014Q3		deviation from programme agreement	312	312
IR-0101	On going	23.02.15		2014Q4	2015Q4	deviation from programme agreement	1 992	1 703
IR-0102	Closed	23.02.15	18.08.15	2014Q4		deviation from programme agreement	23	20
IR-0103	Closed	23.02.15	10.07.15	2014Q4		deviation from programme agreement	1 939	1 842
IR-0201	Closed	24.08.15	09.09.15	2015Q2		deviation from programme agreement	165	140
IR-0290	In Review	17.02.16		2015Q4		error in payment claim	46	39
IR-0293	In Review	17.02.16		2015Q4		deviation from programme agreement	313	297
<b>Total</b>							<b>6 036</b>	<b>5 466</b>

## Annex 6.5 List of irregularities detected at project level

Irregularity case	Irregularity status	Case opened	Case closed	Irregularity period	Followed up	Initial nature of irregularities	Amount of recovered funds	Grant amount reduced
IR-0056	On going	14.07.14		Immediate	2015Q4	deviation from programme agreement	10 794	10 254
IR-0095	Closed	23.02.15	10.04.15	2014Q4		deviation from project contract	1 467	1 247
IR-0097	Closed	23.02.15	31.08.15	2014Q4	2015Q2	deviation from project contract	13	12
IR-0098	Closed	23.02.15	05.10.15	2014Q4	2015Q2	deviation from project contract	24	21
IR-0099	Closed	23.02.15	05.10.15	2014Q4	2015Q2	deviation from project contract	183	164
IR-0100	Closed	23.02.15	31.08.15	2014Q4	2015Q2	deviation from project contract	3 260	2 934
IR-0167	Closed	29.05.15	31.08.15	2015Q1	2015Q2	deviation from project contract	288	273
IR-0168	Closed	29.05.15	02.10.15	2015Q1	2015Q2	deviation from project contract	5	5
IR-0169	Closed	29.05.15	26.11.15	2015Q1	2015Q2	deviation from project contract	446	423
IR-0202	Closed	24.08.15	21.12.15	2015Q2		deviation from project contract	10 968	10 420
IR-0263	Closed	30.11.15	02.12.15	2015Q3		deviation from project contract	4 923	4 677
IR-0264	Closed	30.11.15	02.12.15	2015Q3		deviation from project contract	116	111
IR-0265	Closed	30.11.15	09.12.15	2015Q3		deviation from project contract	51	49
IR-0291	In Review	17.02.16		2015Q4		error in payment claim	18	15
IR-0292	In Review	17.02.16		2015Q4		error in payment claim	18	15
IR-0294	In Review	17.02.16		2015Q4		deviation from project contract	2 740	2 603

IR-0295	In Review	17.02.16		2015Q4		deviation from project contract	208	198
IR-0296	In Review	17.02.16		2015Q4		deviation from project contract	30	28
IR-0297	In Review	17.02.16		2015Q4		deviation from project contract	447	425
IR-0298	In Review	17.02.16		2015Q4		deviation from project contract	9 812	9 322
IR-0299	In Review	17.02.16		2015Q4		deviation from project contract	11 084	10 530
<b>Total</b>							<b>56 895</b>	<b>53 726</b>

## Annex 6.6 Monitoring and audit activities plan for 2016

No	Responsible Authority	Audit period	Audited system/ programme/ project
1.	Focal Point	IV quarter 2015 - I quarter	External assessment of effectiveness of FMs' implementation system
<b>System audits at the level of BS according to the Article 4.6, Paragraph 1(a), of the Regulations</b>			
2.	Audit Authority	III and IV quarter	Irregularities' system at BS's level (on a sample basis).
<b>System audits at the level of the programme according to the Article 4.6, Paragraph 1(b), of the Regulations</b>			
3.	Audit Authority	II and III quarter	MCS of Cultural Heritage Programme.
4.	Audit Authority	III and IV quarter	MCS of Research and Scholarships Programme.
<b>Projects audits according to the Article 4.6, Paragraph 1(c), of the Regulations</b>			
5.	Audit Authority	II and IV quarter	Projects which expenditures were reported in programmes' IFR#7-9.
<b>Internal audits at programme level</b>			
6.	Internal audit of MoEPRD/SRDA	IV quarter 2015 - I quarter 2016	Monitoring on implementation of Climate programme and its projects.
7.	Internal audit of MoC	IV quarter 2015 - I quarter 2016	Assessment of execution of PO's monitoring functions in projects' implementation within Cultural Heritage Programme.
8.	Internal audits of MoES	II and IV quarter	Assessment of execution of PO's functions in management of Research and Scholarships Programme and PPs – in implementation of projects.

9.	Internal audits of SEDA	I and II quarter	Assessment of execution of SEDA functions in administration of Research and Scholarships Programme`s research and scholarships projects.
<b>On-spot checks</b>			
10.	SRDA	I, III and IV quarter	Verification of implementation progress and expenditures reported in projects` reports of Climate Programme`s 2 pre-defined projects and 4 OC/SGS projects.
11.	SIF	I quarter	Verification of implementation progress of NGO Fund`s sub-project.
12.	MoC	I-IV quarter	Verification of implementation progress of Culture Heritage Programme`s 4 pre-defined projects and 13 SGSs projects, compliance of projects` implementation in accordance with rules of programme and legal acts.
13.	SEDA	I and II quarter	2 <sup>nd</sup> verification of implementation progress of Research and Scholarships Programme`s 9 research projects and 3 scholarships projects to assure assurance that all implementation work is done properly.
<b>Evaluations according to the Article 9.1., Paragraph 1, of the Regulations</b>			
14.	MoEPRD	III - IV quarter	External evaluation on the achievement of outcomes` progress in Climate programme
15.	SIF	III - IV quarter	NGO programme results` evaluation

### Annex 6.7.1 Risk assessment at the national level

No	Type of objective [1]	Description of risk	Likelihood [2]	Consequence [3]	Risk Score [4]	Mitigation actions done	Mitigation actions planned	Planned implementation date	Responsible department
1	<b>Cohesion objective:</b>	Not complete achievement of programmes' outcomes in donorstates' set deadline (except NGO Fund)	1	3	4	Regular monitoring of achieved programmes' outcomes as ensured by FP by performing following activities: 1) biannual participation in programmes' CC meetings; 2) regular communication with FMO and the Embassy, incl. biannual meetings on bilateral activities and publicity issues; 3) regular monitoring of planned and actual expenditures of each programme; 4) quarterly reporting to Government on the implementation progress of the Foreign Assistance (inc., Financial Mechanisms); 5) regular communication with POs and Agencies by phone/e-mails/letters/meetings; 6) close following to the updated programme implementation plans of Research and scholarships programme; 7) were necessary amending the Programme Agreements.	In order to achieve planned programmes' outcomes FP will: 1) Monitor all programmes, especially high risk programmes; 2) Participate in the programmes' CC meetings; 3) Closely cooperate with Embassy and FMO on actual issues related with programmes; 4) Ensure monitoring of planned and actual expenditures of each programme; 5) Report to Latvian Government on the implementation progress of the Foreign Assistance (incl., the Financial Mechanisms); 6) Communicate by phone/e-mails/letters with POs/agencies 7) Organize meetings with POs/Agencies.	1) On a regular basis; 2) Biannually; 3) On a regular basis; 4) Monthly; 5) Biannually; 6) On a regular basis; 7) When necessary.	MoF EU Funds Monitoring Department



2	<b>Bilateral objective:</b>	Insufficient absorption of the PBFs	1	1	2	<p>1) Representatives of FP biannually participated in the programmes' CC meetings, in which one of the topic was regarding bilateral relations;</p> <p>2) Representatives of FP, all POs/Agencies and the Embassy biannually participated in Communication Group's meetings, where the bilateral cooperation issues were discussed;</p> <p>3) FP closely cooperated with Embassy in order to solve issues related to enhancement of bilateral cooperation;</p> <p>4) FP in close cooperation with the POs regularly monitored the progress made towards achievement of the bilateral indicators of the programmes.</p>	<p>1) FP will participate in programmes' CC meetings;</p> <p>2) FP, all POs and the Embassy will participate in Communication Group's meetings;</p> <p>3) FP will closely cooperate with Embassy on issues related to implementation of Financial Mechanisms, including bilateral relations;</p> <p>4) FP will analyze programmes' bilateral relations and its indicators carried out within elaboration of the Strategic Report.</p>	<p>1) Biannually;</p> <p>2) Biannually;</p> <p>3) On a regular basis;</p> <p>4) By submitting the Strategic Report</p>	MoF EU Funds Monitoring Department
3	<b>Operational issues:</b>	Corruption risk and conflicts of interest	1	2	3	<p>1) FP has implemented Complaint Register. According to suggested standard practice and taking into account a guide and a checklist provided by the Transparency International.</p> <p>2) Procedure of complaint mechanism was stipulated within the description of MCS (updates on August);</p> <p>3) On May FP has approved and submitted to FMO and POs the Risk Management strategy that includes unified risk management principles in the implementation of Financial Mechanisms elaborated according to the recommendations from the <i>Transparency International</i>.</p> <p>4) on July MoC has adopted CPCB's Guidelines for the Corruption Prevention and Combating for the period 2015-2020, that includes strategic objectives and policy binding for the state institutions managing corruption risk as well as anticipates tasks to be carried out</p>	<p>1) Maintain "Complaint Mechanism" according to the guidelines from <i>Transparency International</i>, regularly analyze complaints;</p> <p>2) Collaborate with CPCB on any particular case related to corruption and conflict of interest issues in relation to the Financial Mechanisms.</p> <p>3) Analyze and reassess corruption risk and risk of conflict of interest within the Risk management group, update <i>Risk management strategy</i> for Financial Mechanisms according to the best practice.</p> <p>4) FP will continue monitoring of all programmes.</p>	<p>1) On a regular basis;</p> <p>2) When necessary</p> <p>3) Yearly;</p> <p>4) On a regular basis.</p>	Mo F EU Funds Management and Control Department

					<p>by CPCB and other state institution to ensure integrity and corruption prevention also foreseeing the protection of interests of EU funds and other foreign financial assistance (including Financial Mechanisms);</p> <p>5) MoF has developed and approved the Action plan for prevention of corruption defining actions to be executed in MoF to ensure proactive prevention of the corruption risk and conflict of interest (also affecting Financial Mechanisms);</p> <p>6) Persons involved in governance of Financial Mechanisms are required to acknowledge lack of conflict of interest;</p> <p>7) The national and program level MCS is implemented and are regularly updated. MCS describes duties for involved institutions and persons in management of Financial Mechanisms, thus ensuring clear definition of roles and responsibilities. Opinion of AA states that the MCS is compliant with the Regulation and works effectively (updated opinion is included within AAR for the period from July 2014 – June 2015 submitted to FMO on December).</p>			
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[1] The risks should be categorized 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

[2] Each risk should be described as to whether it poses a risk to the cohesion objective, the bilateral objective, or is more of an operational issue, where 4 = Almost certain (75 – 99% likelihood); 3 = Likely (50 – 74%); 2 = Possible (25 – 49%); 1 = Unlikely (1 – 24%)

[3] 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

[4] For each risk, risk value is calculated by adding up likelihood and consequence. Risk value from 1 to 2 is acceptable, controls are recommended, but not mandatory, risk value from 3 to 4 is acceptable, but controls are obligatory. Risk value from 5 to 6 is non acceptable, controls and mitigation activities are obligatory, risk value from 7 to 8 is non acceptable, mitigation activities are obligatory before starting operations

### Annex 6.7.2 Risk assessment at the programme level

Programme	Type of objective [1]	Description of risk	Likelihood [2]	Consequence [3]	Risk Score [4]	Mitigation actions done / planned
<b>All programmes (horizontal risk), except NGO Fund</b>	<i>Operational issues:</i>	Infringement and errors of procurement procedures and breaches of procurement contracts' conditions	2	3	5	<p><b>2015</b> POs/Agencies monitored projects' procurement plans. POs/Agencies and PMB performed risk based regular ex-ante verifications of procurement documentation/process and provided consultations on public procurement issues. POs/Agencies/PPs ensured strict supervision over procurement process: competent members in procurement commission were involved; for the assessment of specific offers specialists were attracted. POs/Agencies ensured strict supervision over appropriate fulfillment of procurement agreements' conditions (conditions on contractual penalty were included; information exchange between the parties was maintained on a daily basis; regular meetings with development engineers on construction designs were taking place in construction projects).</p> <p><b>2016</b> All mitigation actions carried out in 2015 will be continued in 2016.</p>
<b>All programmes (horizontal risk), except NGO Fund</b>	<i>Bilateral outcome (s)</i>	Lack of capacity and interest for partnerships from the donor states and PBF's activities	2	2	4	<p><b>2015</b> POs' in close cooperation with DPPs during CCs' meetings agreed on improvements and additional activities in PBF. All POs/Agencies and Embassy biannually participated in FP's organised Communication Group's meetings, where the bilateral cooperation issues were discussed. POs have initiated amendments in PAs/Programme Regulations in order to provide possibilities also for POs to receive PBF's financing and to implement bilateral measures on strategic/programme level.</p> <p><b>2016</b> Actions carried out in 2015 will be continued in 2016. Several POs will organise informative events in order to attract representatives of the target groups to submit proposals for PBF.</p>

Programme	Type of objective [1]	Description of risk	Likelihood [2]	Consequence [3]	Risk Score [4]	Mitigation actions done/ planned	Total risk score for the Programme [5]
<b>LV04 Cultural Heritage Programme</b>	<i>Cohesion (Programme) outcomes:</i>	Achievement of results of 2 pre-defined projects – Museum of Literature and Music and Ethnographic Open-Air Museum (as these projects constitutes 43,7% of total Programme's funding)	3	4	7	<p><b>2015</b> For both projects implementation plans (determined by weeks) were elaborated and PO strictly supervised progress of their realisation in Projects Monitoring ommittees. PO improved procurement's documentation after received appeal and re-announced procurement on construction works in Museum of Literature and Music's project. But new appeal was received and PP re-evaluated procurement's results. As the object "harbor warehouse" in Ethnographic Open-Air Museum shall be restored as construction, PP has worked on obtaining of construction permit in order to launch procurement on restauration works. But due to new and stricter requirements according to amendments in <i>Construction Law</i> this process took more time then planned.</p> <p><b>2016</b> PO will continue to supervise strictly progress of realisation of implementation plans. PPs and PO will ensure all necessary actions in order to speed up procurement issues and conclude contracts on constriction/restauration works in both projects as soon as possible. By middle of March, the PP of Ethnographic Open-Air Museum's project has received construction permit and procurement will be launched by the end of March.</p>	<b>27</b>

	Operational issues:	Increase of the construction costs	2	1	3	<p><b>2015</b> Before conclusion of projects' contracts, projects' budgets were assessed as per cost commensurability and price compliance to market prices. Construction costs' reserve of 5% were set. Supervisor from PO in Projects Monitoring Committee were assigned, which ensured monitoring of projects' implementation progress.</p> <p><b>2016</b> If cost increase occurs, following actions will be anticipated: revision of amounts of construction and/or exhibition formation; use of costs reserve of 5% will be agreed with PO; if necessary, possibility to redistribute funding from other projects' activities.</p>
		Lack of skilled restorers to ensure qualitative restoration of objects of cultural heritage	1	3	4	<p><b>2015</b> Selection of restorers was carried out considering <i>Public Procurement Law</i>. In order to ensure qualitative restoration works, when preparing procurement technical specifications, special attention was drawn to restorers' qualification requirements. In projects the cooperation with donor institutions working in cultural monuments' conservation field was facilitated thus exchange of experience and knowledge, consultations and training of restorers were promoted.</p> <p><b>2016</b> All mitigation actions carried out in 2015 will be continued.</p>
		Non-qualitative technical documentation and/or non-qualitative restoration and renovation work resulting in lost authenticity of the object	2	2	4	<p><b>2015</b> PO and PPs ensured regular monitoring of construction works within the Project Monitoring Committees in which the representative from the State Inspection for Heritage Protection (SIHP) were involved. PO in cooperation with SIHP carried out on-spot check in Rainis and Aspazija Museum's project, all technical documentation of restoration works were checked.</p> <p><b>2016</b> All projects' technical documentation of restoration works will be checked by SIHIP. PO will continue projects' monitoring by performance of on-spot checks. Expert of construction works will be attracted, if necessary.</p>

LV02 Climate Programme	Cohesion (Programme) outcomes:	Not achievement of outputs under OC's projects with construction activities (as project contracts were signed only by May 2015)	1	2	3	<p><b>2015</b> All OC's projects with construction activity received prolongation, therefore respective risk decreased and is currently low.</p> <p><b>2016</b> PO and Agency will ensure projects' monitoring by verifying projects' interim reports and on-spot checks.</p>	18
	Operational issues:	Low interest and responsiveness of the target group within SGS's activities	1	2	3	<p><b>2015</b> PO and PPs organized publicity events (opening conferences) before launching SGS projects' activities as well as publicity/information activities were continued within projects' implementation.</p> <p><b>2016</b> PPs will continue to ensure communication with target groups as well as information/publicity events will be organized. Within several projects' the possibility of seminars and conferences' online streaming will be ensured</p>	
		Design errors, construction mistakes and low quality of construction works.	1	2	3	<p><b>2015</b> Within procurement documentation high quality requirements were set as criteria for selection of tenderers. Within Construction Contract Conditions rules, deadlines and sanctions were stipulated in detail. Construction works supervision was ensured.</p> <p><b>2016</b> It will be continued construction works supervision within projects. Agency will perform on-spot checks to monitor projects' implementation.</p>	
LV05 Research and Scholarships Programme	Operational issues:	Lack of capacity at PO/Agency level handling with the programme management	2	2	4	<p><b>2015</b> PO's/Agency's personnel regularly participated in trainings on projects' monitoring, procurements and other issues related with implementation of the foreign financial assistance etc.</p> <p><b>2016</b> PO/Agency will continue to improve competences of human resources involved in the Programme's implementation by participation in trainings. Additional Agency's employee (part-time) will be involved in projects' monitoring with particular focus on procurements' checks.</p>	17

		PPs lack of understanding about projects' implementation conditions, which could result in leftovers	2	2	4	<p><b>2015</b> PO/Agency elaborated guidelines for PPs on procedure of projects' contracts conclusion and modification and on projects' implementation. Agency organised consultations for PPs during projects' contracting phase. Agency ensured regular monitoring of projects' implementation.</p> <p><b>2016</b> Agency will continue to provide consultations to PPs on projects implementation issues and to monitor projects' implementation.</p>	
LV03 NGO Fund	Cohesion (Programme) outcomes:	Low level of public tolerance towards discrimination	2	2	4	<p><b>2015</b> PO organized seminar „Power of the word on the Internet. To inform, inspire or humiliate?" for media specialists and journalism students, also for other interested young people. SIF organised several actions outside the "NGO Fund" (campaigns, trainings etc.).</p> <p><b>2016</b> Organisation of publicity and informational activities will be continued.</p>	5
		PPs don't reach target group to planned extent	2	3	5	<p><b>2015</b> During informative seminars and in guidelines how to fill in application form, PO emphasised the significance of the target group, its adequacy and knowledge of its needs and problems. During projects' evaluation PO took into account PPs' previous experience of working with the selected target groups and PPs' provided information on analysis of target groups' needs. During projects' implementation phase PO's project managers paid attention to involvement of target group within projects' activities, as well as on-spot checks and regular review of submitted projects' reports were carried out. After launching of OC the kick-off seminars for PPs were organised by PO. PO also ensured regular communication with PPs.</p> <p><b>2016</b> PO will continue to ensure regular communication and consultations for PPs on issues related to involvement of target groups.</p>	

[1] The risks should be categorised in one of 3 ways, depending on whether it poses a risk to the cohesion outcomes, the bilateral outcomes, or is more of an operational issue.

[2] 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%).

[3] 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.

[4] For each risk value is calculated by adding up likelihood and consequence. Risk value from 1 to 2 is acceptable, controls are recommended, but not mandatory, risk value from 3 to 4 is acceptable, but controls are obligatory. Risk value from 5 to 6 is non acceptable, controls and mitigation activities are obligatory, risk value from 7 to 8 is non acceptable, mitigation activities are obligatory before starting operations.

[5] Total risk score for the Programme is calculated adding up all relevant risk scores for each Programme, including defined Programme Horizontal risks (if applicable). Programme risk levels are set in 3 categories and principle of "Colors of signal lights" is used – Low (total risk score from 0-15); Medium (total risk score from 15-25) and High (total risk score from 25)

## Annex 6.8 Annual Report 2015 under the TAF Agreement

### 1. OVERVIEW OF MAIN ACTIVITIES

National entities	A brief summary of the main activities carried out		
1.National Focal Point	<p>Management and monitoring of FMs.</p> <p>Participated in FMO's organized Annual communication workshop held in Prague in April and in conference "The Role of the EEA and Norway Grants in Meeting the Needs of Children at Risk – the SOS Experience" held in Brussels in September.</p> <p>Participated in CC meetings: 1) Correctional Services Reform Programme in March in Oslo; 2) Cultural Heritage Programme in April in Oslo; 3) Climate Programme in August in Bergen and Trondheim 4) Capacity-Building Programme in September in Oslo; 5) Innovation Programme in November in Oslo; and also in Research and Scholarships Programme seminar for all POs/FPs of Scholarships programmes in June in Tromso and Trondheim; and in Innovation Programme experience sharing and communication workshop for all POs/FPs of Green Innovation programmes in September in Bergen.</p> <p>Organized Annual Meeting in Riga in June.</p> <p>Maintained websites <a href="http://www.eeagrants.lv">www.eeagrants.lv</a> and <a href="http://www.norwaygrants.lv">www.norwaygrants.lv</a>.</p> <p>Distributed information (press releases) in the mass media, social media (twitter.com) and for specific list of other recipients; updated and published the information (press releases and short news) on these websites.</p> <p>Performed media monitoring of the FMs.</p> <p>Submitted the IFRs # 10 -12 to FMO.</p>		
2.Certifying Authority	Participation in elaboration of amendments in legal documents, guidelines and system description, update of the internal procedures to ensure responsibilities of the CA, verification and certification of IFRs, analysis of the auditors' reports, preparation and submission of Forecast of Likely Payment Applications.		
3.Audit Authority	1.	System audits	<p>Assessed the effective functioning of MCS at the level of BS and individual programmes by performing three system audits (two system audits are fully concluded and for one system audit the audit work is completed and the draft report is in the stage of contradictory procedures with the auditees).</p> <p>One follow-up audit has been started.</p> <p>In order to assess the effective functioning of the MCS at the level of the BS one system audit was carried out:</p> <ul style="list-style-type: none"> <li>• on the Operational Effectiveness of MCS of FMs in the area of procurement.</li> </ul> <p>In order to assess the effective functioning of MCS at the level of programmes one system audit was carried out:</p> <ul style="list-style-type: none"> <li>• Audit on the Operational Effectiveness of MCS established for Climate Programme and Capacity-Building Programme in MoEPRD and SRDA.</li> <li>• Audit on the Operational Effectiveness of MCS established for Correctional Services Reform Programme in MoJ and MoI.</li> </ul> <p>The follow-up system was started:</p> <ul style="list-style-type: none"> <li>• on functioning of MCS established for Innovation Programme in MoE and LIDA.</li> </ul>



	2.	Project audits	Assessed the expenditures which were incurred during the period from 01.01.2014 to 31.12.2014. One project audit was carried out covering 15 projects in total, from which: <ul style="list-style-type: none"> <li>- 10 were from NGO Fund;</li> <li>- 2 were from Cultural Heritage Programme;</li> <li>- 1 was from Innovation Programme;</li> <li>- 1 was from Capacity-Building Programme;</li> <li>- 1 was from Correctional Services Reform Programme.</li> </ul> Project audits have been carried out from 06.05.2015 to 17.12.2015.
	3.	AAR and Opinion	AAR and Opinion for the reference period from 01.07.2014 to 30.06.2015 were submitted to FMO on 28.12.2015.
	4.	Expert consultations	Several legal consultations from the experts in legal area were received when performing system and project audits.
4.Other entities (Procurement Monitoring Bureau)	Carried out: 1) ex-ante checks of 33 procurement procedures and made 64 conclusions (34 positive conclusions, 30 conclusions with objections) and 2) carried out ex-post checks of 6 procurement procedures, which were verified previously by 6 POs involved in programmes management.		
5.Entity responsible for irregularity reporting	All irregularities received from PO, CA and AA were reviewed. In total 40 reports (23 new irregularity reports and 17 follow-up reports) were submitted to FMO. The Irregularity Register maintained regularly.		

## 2.BUDGET OVERVIEW in EUR

Actual expenditure till 31.12.2015.	Planned expenditure till 31.12.2015.	Unused amount in EUR, %
1 027 178	1 125 550	98 372 EUR/ 8,7%
Disbursements till 31.12.2015.	Total TA budget	Absorption rate in %
953 874	1 459 000	65,38
Planned expenditure for 2016 (forecast of 17.09.2015.)	Planned expenditure for 2016 (forecast of 10.02.2016.)	Justification for changes, if any
367 586	248 411	119 175*

\* The difference arose because some project's activities implementation moved from 2016 to 2017

## 3.PROCUREMENTS (for amounts that exceed the national thresholds for the procurement)

Activity outsourced by national level institution	National entities	Value of the procurement EUR without VAT	Name of the provider
Media monitoring analysis	FP	16 380,00 EUR (2 280,00 EUR LV - 01)	Ltd "LETA"

Evaluation of the FMs system	FP	7 593,48 EUR	Ltd "Safege Baltija"
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#### 4.STAFFING

<b>National Focal Point – The Ministry of Finance</b>				
<b>Name of staff</b>	<b>Official position</b>	<b>Main tasks</b>	<b>Level of effort (% of working time)</b>	<b>Funded through the Grants (Y/N)</b>
Armands Eberhards	Head of FP, Deputy State Secretary of MoF	Main responsible authority of FP	1%	N
Diāna Rancāne	Head of EU Funds Monitoring Department	Overall management and monitoring of FMs' programmes in Latvia	10%	N
Diāna Atkauķe <i>from May 2012 till now</i>	EU Funds Monitoring Department, EEA, Head of Norway and Switzerland Projects Monitoring Division	Overall management and monitoring of FMs	80%	Y
Guntra Želve <i>from May 2012 till now</i>	EU Funds Monitoring Department, EEA, Norway and Switzerland Projects Monitoring Division, Deputy Head	Overall management and monitoring FMs (including Innovation Programme)	80%	Y
Gita Tenisone <i>from July 2012 till June 2014</i> Diāna Bremšmite <i>from June 2014 till October 2015</i> Aija Paleja <i>from October 2015 till now</i>	EU Funds Monitoring Department, EEA, Norwegian and Swiss Projects Monitoring Unit, Senior Expert	Management and monitoring of TAF activities (including NBF). Planning and monitoring of TAF budget (monthly/yearly)	50%	Y
Signe Gulbe <i>from July 2013 till now</i>	EU Funds Monitoring Department, EEA, Norway and Switzerland Projects Monitoring Division, Senior Expert	Management and monitoring of FM's programmes: NGO Fund, Cultural Heritage Programme and Correctional Services Reform Programme	100%	Y
Inga Vajevska <i>from May 2012 till now</i>	EU Funds Monitoring Department, EEA, Norway and Switzerland Projects Monitoring Division, Senior Expert	Management and monitoring of FMs' programmes: Climate Programme, Capacity-Building Programme and Research and Scholarships Programme	100%	Y
Solveiga Ozola	Director of EU funds Management system department	Supervision of department activities	1%	N

Alda Krieva	Deputy director of EU funds Management system department	Supervision of department activities	0,5%	N
Jekaterina Kapilova <i>from January 2012 till August 2014</i> Evita Loseva <i>from October 2014 till now</i>	EU Funds Management System Department EU Funds Legal Unit Legal advisor	Preparation of necessary amendments in national regulations regarding FMs. Provision of legal opinion on implementation and application of law and rules mentioned; on procedures and rules for implementation of FMs programmes and projects.	25%	Y
Gita Tenisone <i>from June 2014 till July 2015</i> Dita Tetere <i>from August 2015 till now</i>	Senior expert of EU funds Management system department	Development, coordination and amendment of national MCS; Monitoring of implementation of Programme MCS and submission to FMO; Coordination of risk management process; Analysis of MCS and system audit results and monitoring implementation of recommendations; other tasks related to MCS issues.	50%	Y
Natalja Lipina <i>from April 2014 till March 2015</i>	Senior officer of Finance and Maintenance Department	Carries out planning of TAF budget, financing plans, estimates, procurements. Prepares interim and annual reports. Participates in elaboration of regulatory documents.	15%	Y
Natalja Lipina <i>from April 2014 till now</i>	Head of Unit of Finance and Maintenance Department	Supervision of Unit activities	5%	N
Baiba Balode <i>from April 2014 till March 2015</i> Sintija Bērziņa <i>from September 2015 till now</i>	Deputy Head of Unit of Finance and Maintenance Department	Carries out planning of TAF budget, financing plans, estimates. Prepares interim reports and forecasts.	15%	Y
		Carries out planning of TAF budget, financing plans, estimates, procurements. Prepares interim reports and forecasts.	20 %	Y
Antra Bolgzde <i>from November 2011 till now</i>	Deputy Head of Unit of Finance and Maintenance Department	Carries out accounting (reports). Participates in elaboration of regulatory documents	20%	Y
Ilze Berga	Head of Unit/Chief accountant of Finance and Maintenance Department	Supervises Unit activities	3%	N
Laima Kalniņa	Senior accountant of Finance and Maintenance Department	Carry out accounting (reward, payments)	5%	N
Anta Freimane	Senior accountant of Finance and Maintenance Department		3%	N
Viktorija Grīnfelde	Head of Finance and Maintenance Department	Supervises department activities	5%	N

Ieva Pužule (Vilkaste) <i>from June 2014 till December 2015</i>	Senior officer of Communication Department	Coordinates FMs Communication Strategy; organises Communication Management group meetings, common activities and informative events for popularization of FMs; cooperates with media, ensuring information (press releases, news) and organis media events	20%	Y
Edgars Putins <i>from November 2012 till now</i>	Leading IT administrator of Finance and Maintenance Department	Maintains web pages <a href="http://www.eeagrants.lv">www.eeagrants.lv</a> and <a href="http://www.norwaygrants.lv">www.norwaygrants.lv</a>	10%	Y
CA – The State Treasure				
Name of staff	Official position	Main tasks	Level of effort (% of working time)	Funded through the Grants (Y/N)
Karīna Zencova	European Affairs Department, Director	Participation in elaboration of amendments in legal documents, guidelines and system description, update of the internal procedures to ensure responsibilities of CA, verification and certification of IFRs, approval of the auditors' reports analysis, verification of prepared forecast of likely payment applications	25%	N
Anda Pudāne	European Affairs Department, Deputy director	Participation in elaboration of amendments in legal documents, guidelines and system description, update of the internal procedures to ensure responsibilities of the CA, verification of IFRs, analysis of the auditors' reports, preparation of the forecast of likely payment applications	30%	N
Inga Cīrule	European Affairs Department, Deputy director		30%	N
Regīna Uljanova	European Affairs Department, Senior officer		50%	Y
Audit Authority - The Ministry of Finance				
Name of staff	Official position	Main tasks	Level of effort (% of working time)	Funded through the Grants (Y/N)
Nata Lasmane	Director of the EU Funds Audit Department – Head of the AA	To ensure overall management of AA. To supervise audits, including approval of the Overall audit strategy for every audit, approval of all audit reports, issuing opinions. To approve Single Audit Strategy for the whole FMs' period. To approve AAR annually on effectiveness of MCS. Issue Opinions annually on the basis of the controls and audits that have been carried out, as to whether MCS functions effectively.	1,5%	N
Olga Guza <i>from May 2012 till May 2015</i>	Chief Expert of the EU Funds	Elaborate methodology of AA for carrying out audits and for preparation Single Audit Strategy and AAR.	50%	Y

Jeļena Keirāne <i>from November 2015 till now</i>	Audit Department	Manage compliance assessment audits and audits on effective functioning of MCS at the level of BS. Manage audits on effective functioning of MCS at the level of programmes. Perform risk assessment of the project in order to establish sample for auditing. Manage audits on the projects. Prepare and submit to FMO Single Audit Strategy, AAR annually on effectiveness of MCS. Prepare and submit annually to NFP annual audit plans.		
Iļona Skorobogatova <i>from November 2012 till now</i>	Auditor of the EU Funds Audit Department	Carry out compliance assessment audits and audits on the projects. Carry out audits on effective functioning of MCS at the level of BS or at the level of programmes.	50%	Y
Svetlana Derjugina <i>from January 2015 till now</i>	Auditor of the EU Funds Audit Department		50%	Y
Jānis Gaišonoks <i>from June 2015 till October 2015</i>	Auditor of the EU Funds Audit Department	Participates in audits (in case of lack of human resources).	50%	Y

## 5.THE COMING YEAR 2016

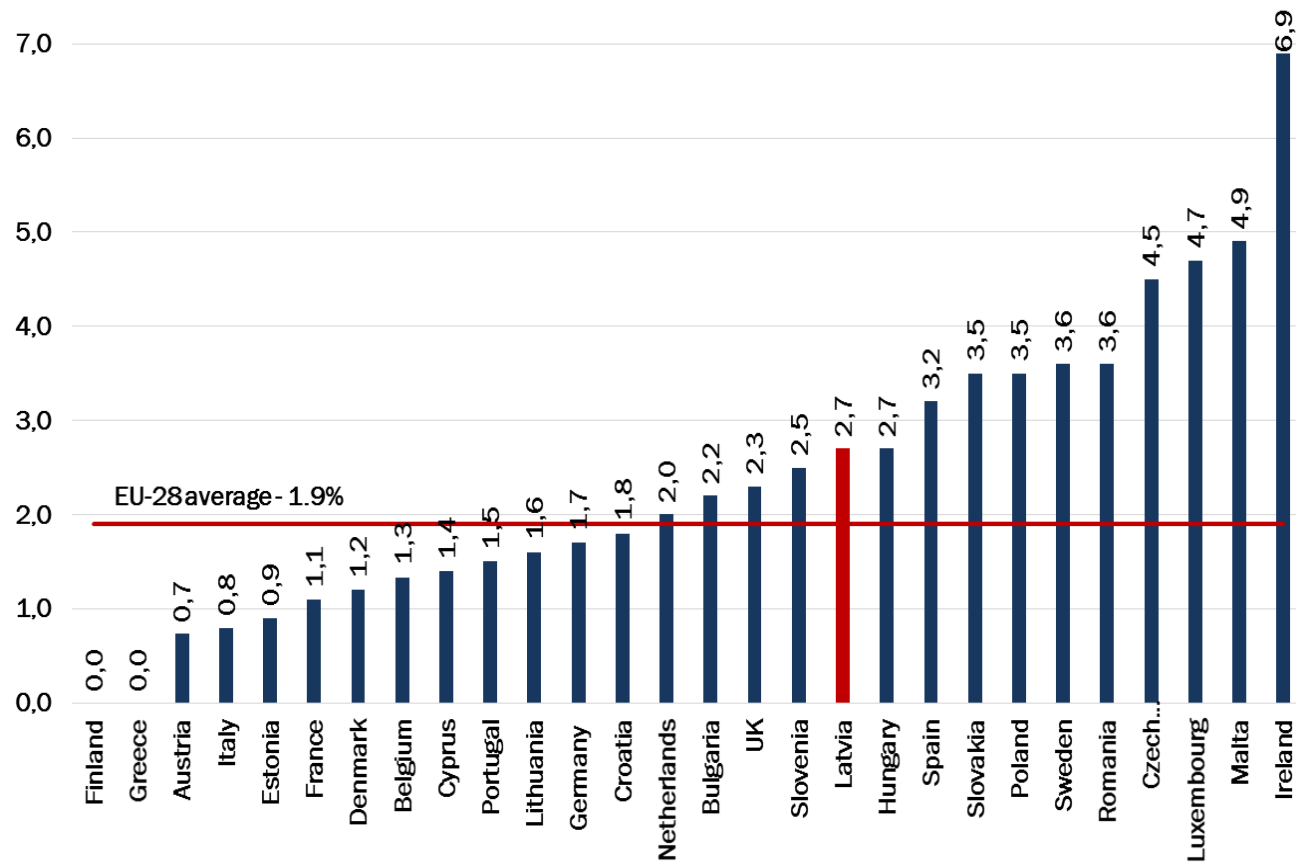
National entities	Overview of the principal tasks planned to be implemented
1.FP	The principal tasks will remain the same as in 2015
2.CA	
3.AA	
4.Other entities (PMB)	
5.Entity responsible for irregularity reporting	Regular reporting will be continued in accordance with procedures set in the Regulation.

## **Annex 6.9 Economic background of EU, Latvia and cooperation with Norway**

In 2015 the economic growth in EU continued at a moderate pace, accelerating to 1.9% in the first three quarters from 1.4% in 2014. The economic recovery was supported by low oil prices, the relatively weak exchange rate of the euro and accommodative stance of monetary policy. At the same time, negative factors including slower growth in China and other emerging market economies, the softness of global trade and high geopolitical tensions, were having a negative effect on growth. In 2016, the acceleration of economic activity is expected to be minor despite the supporting factors: GDP is forecasted to expand by 1.9%. Growth should pick up gradually in 2017 but this acceleration will depend largely on the rebound in investment.

For the Latvian economy, the year 2015 has been a complicated but overall successful. Despite unfavourable external conditions, the economic growth increased up to 2.7 % compared to 2.4% in 2014 and exceeds the EU average growth rate by about 0.8 percentage points. In 2015, Latvian exporters overcame successfully the sanctions imposed by Russia and dealt with the decreasing demand in the neighbouring country, which experienced a recession. Although exports of goods to Russia decreased by 24.4%, Latvia is the only Baltic country, which has managed to increase the total amount of exports, which grew by 1.2%.

*Chart 14 “Real GDP growth in the first three quarters of 2015 in EU (against the corresponding period of the previous year, %)”*



Source: Eurostat

In Latvia, similarly to previous years, the largest contribution to the growth in 2015 was provided by domestic demand and sectors related to it, while exports were negatively affected by tense geopolitical situation, Russia's sanctions on food products produced in the EU as well as weak economic growth in the euro area.

From the expenditure side, the main driver of Latvia's economic growth in 2015 has been private consumption that expanded by 3.3%. Strong growth was registered also in public consumption that increased by 3.1%, and investment growth resumed with a 2.6% increase. However, exports of goods and services developed weaker (+ 1.0%) due to geopolitical situation and exports drop to CIS countries.

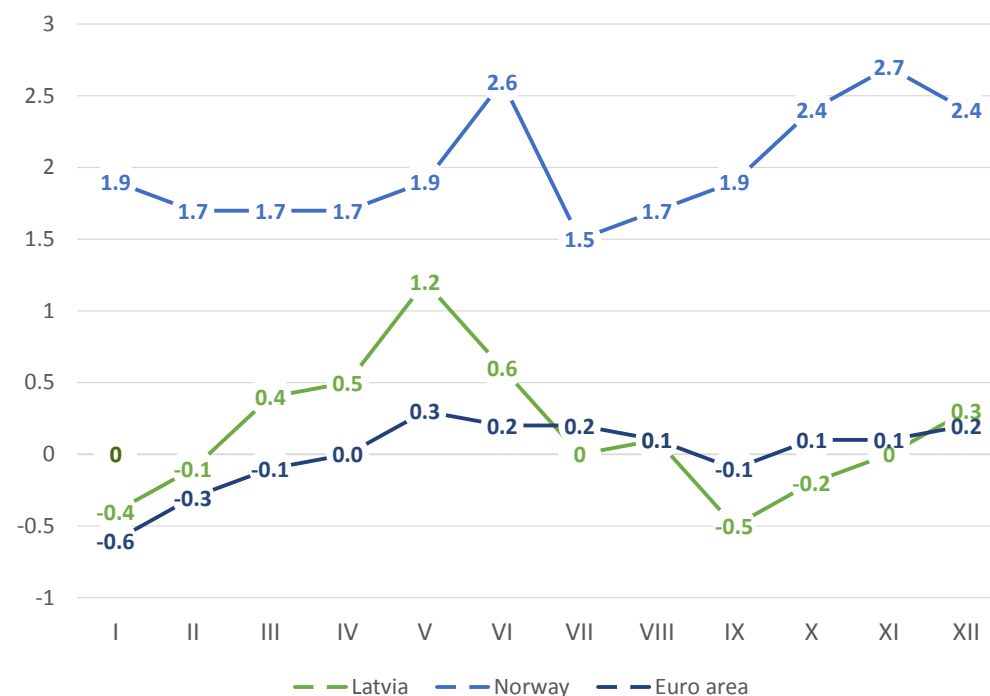
From the production side, the largest contribution to GDP growth was provided by trade, manufacturing, real estate as well as agriculture and forestry sector. The accommodation and food service activities, as well as agriculture, forestry and fishing and arts, entertainment and recreation increased the most in 2015, - by 6.0%, 5.0% and 4.7% respectively.

In 2015, the value added declined only in two sectors - in construction - by 1.1%, and transportation and storage sector - by 0.1%, that was determined by economic situation in Russia and contraction of freight transit volumes via Latvia's ports.

Economic growth is related with inflation dynamics. In 2015, changes in consumer price level remained very moderate in Latvia, as a result of declining oil and unprocessed food prices in the world market. Inflation dynamics in Latvia, Norway and euro area is shown in the chart below. In December 2015 consumer prices in Latvia were by 0.3% higher than a year ago. Annual average inflation in 2015 was at a historically low level of 0.2%. Prices for goods decreased by 0.7% in 2015, while prices for services had an upward trend mainly due to price and wage convergence to the EU average level, and increased by 2.5%. In the euro area falling energy and food prices, as well as the weak economic growth that remained below potential contributed to further decrease in annual average inflation to 0.0% in 2015.

*Chart 14 “Inflation rate dynamics in 2015, % (annual rate of change)”*





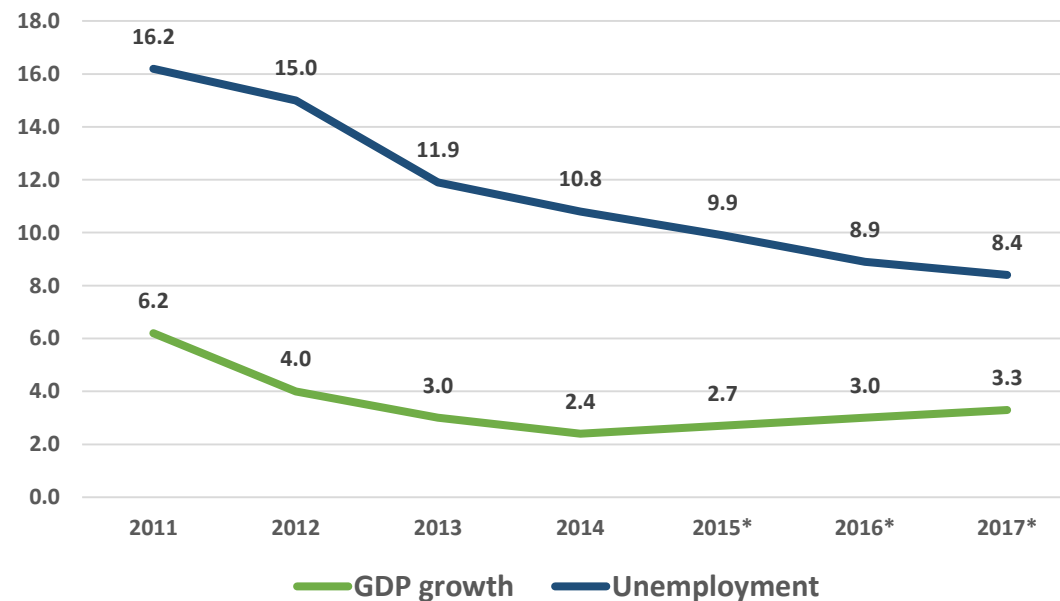
Source: Eurostat, Central Statistical Bureau of Latvia

The rapid economic growth of previous years continued to show up in rising earnings. The average gross wage in 2015 increased by 6.8% year on year, reaching 863 euro, while real wages grew by 7.4%, driven by low inflation and tax reduction on labour. In 2015 wages grew faster in the private sector where salary rose by 7.9%, while wages in the public sector increased by 5.2% year on year. The highest average gross wage still is recorded in Riga region - 925 euro, while the lowest – in Latgale region – 564 euro, demonstrating still evident regional disparities and challenges.

In 2015 the policy of lowering taxes on labour continued and personal income tax rate was decreased from 24% to 23%, while the minimum wage was raised to 360 euro. All these measures had a positive effect on real earnings, bolstering both domestic demand and private consumption, as well as business environment and investments thus reducing economic and social disparities between Latvian regions and EU. In 2016 the minimum wage is raised further to 370 euro.

Steady economic growth has a positive effect on the situation in labour market and according data of Chart 15 unemployment rates are decreasing since 2010. Following the noteworthy improvements in previous years, in 2015 improvements in the labour market slowed down a bit influenced by both lower economic growth rate and decline in the number of working age population. Still, the jobseeker rate in 2015 decreased to 9.9% - by 0.9 percentage point year on year, and was the lowest since the pre-crisis period.

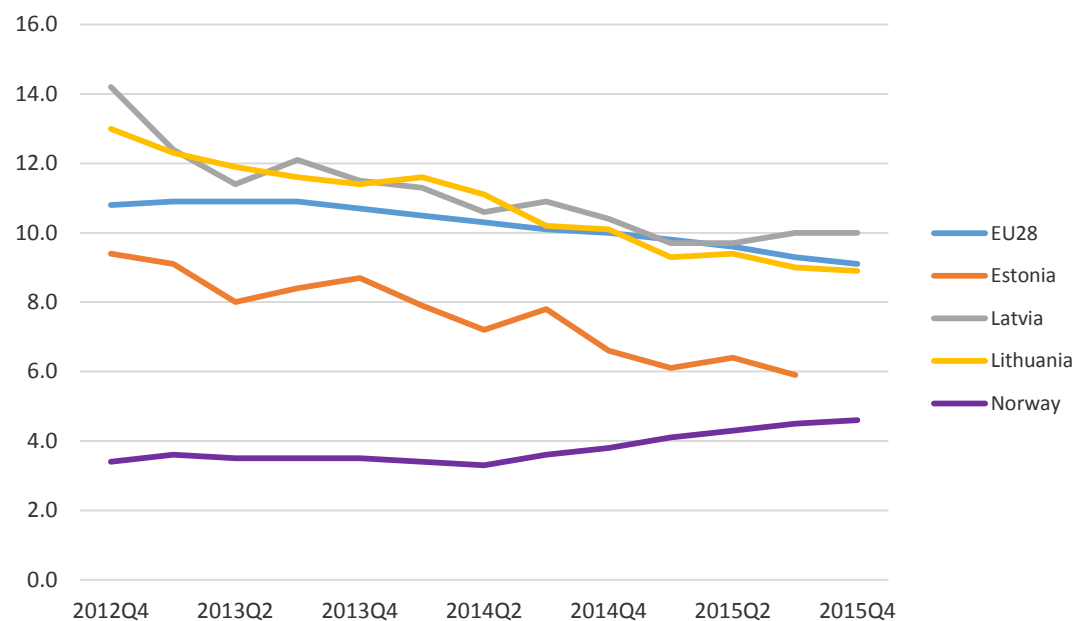
Chart 15 “GDP growth rate and unemployment dynamics in Latvia, %”



Source: Central Statistical Bureau of Latvia, Ministry of Finance forecast\*

The registered unemployment rate has also been declining but at a significantly slower pace than before – from 9.0% at the end of January 2015 it has decreased to 8.7% at the end of December 2015. The highest unemployment rate still was registered in Latgale region – 18.5%, while the lowest – in Riga region - 5.4%. According to statistics data (see the Chart below) the unemployment rate in Latvia still is relatively high comparing to neighbouring countries, the EU average and Norway.

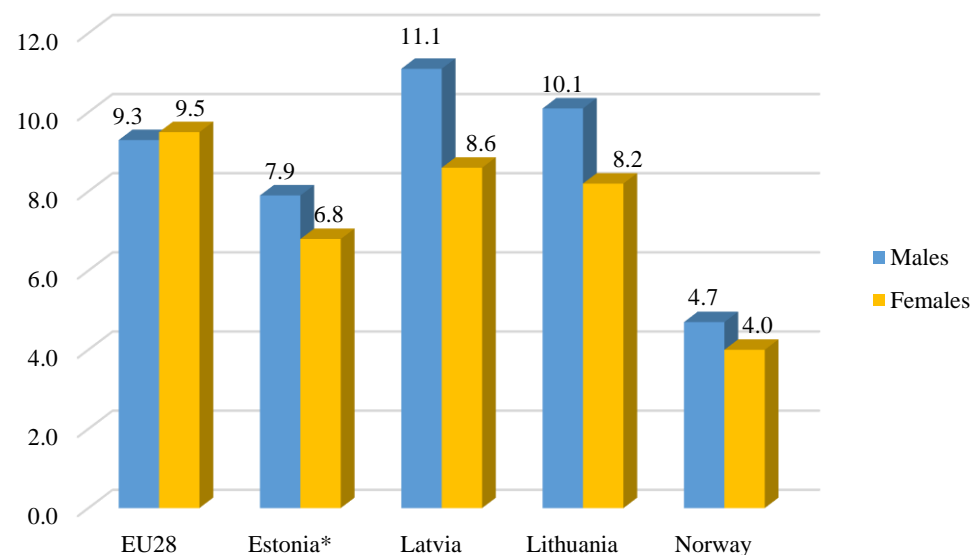
Chart 16 “Seasonally adjusted unemployment rate 2012-2015, %”



Source: Eurostat

Comparatively high unemployment is still related to cyclical factors, while features of structural unemployment are becoming more typical. Risk that part of current unemployed persons will not be able to find job in a longer term still remains, but is on a declining trend. In December 2015 the share of long-term unemployed persons (not working for more than a year) in the total number of unemployed persons accounted for 29.7%, having decreased from 33.0% a year ago.

Chart 17 “Unemployment rate by gender (2015, age 15 to 74 years), %”



Source: Eurostat \* - Estonia - 2014

The statistics show (see the Chart above) that in Latvia and its neighbouring countries male unemployment exceeds female unemployment, while in EU28 in average the situation is reversed. In Norway unemployment is low for both genders, with a slightly higher rate for males.

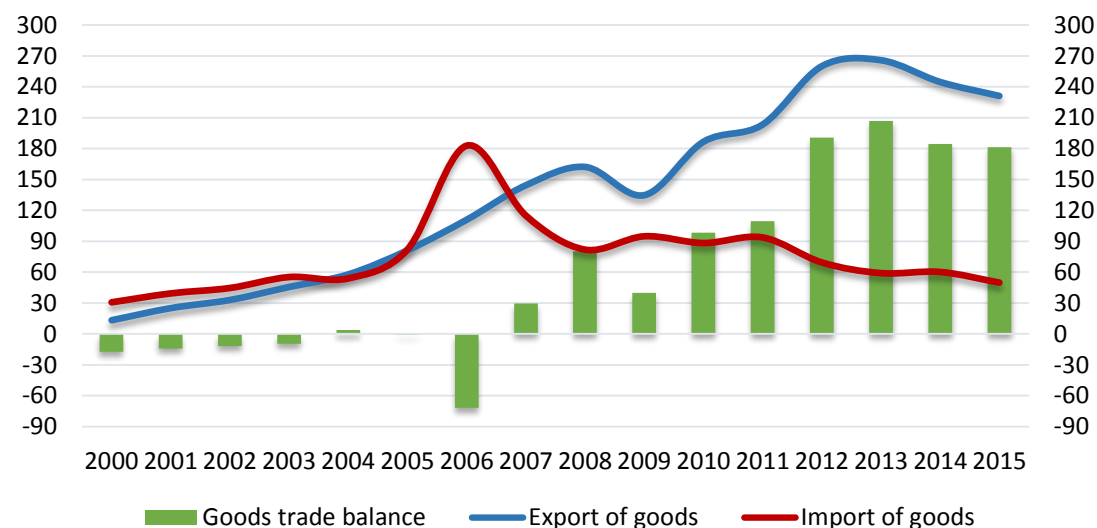
Main risks to Latvia's economic growth are still related to the geopolitical situation in the region and further slowdown of global economic growth. Other downside risks include consistently low investment level in Latvia as well as wage growth which exceeds productivity growth that could undermine Latvia's competitiveness. On the positive side, economic growth might be boosted by more rapid lending expansion and stronger economic growth in Latvia's main trade-partner countries. Upside risks also include ECB quantitative easing programme and the investment plan launched by the European Commission that could trigger faster economic growth in the EU than currently expected. As a result, economic growth is projected to be at 3.0% in 2016, accelerating to 3.3% in 2017 according to the latest Ministry of Finance of Latvia forecasts.

### Economic cooperation between Latvia and Norway

Trade is important pillar of the economic relationship between our countries. Economic ties between Latvia and Norway have become noticeably stronger and tighter during the last decade, thus contributing to the development of the economy of Latvia. Exports of goods to Norway has flourished after the Latvia's accession to EU in 2004. Moreover, Norway is among the ten largest Latvia's export markets since 2006 and remains important investment partner.

Goods trade balance surplus remained almost unchanged in 2015, however both exports and imports value declined by 5.5% and 17.1% respectively if compared to the previous year. Norwegian Krone depreciation and protracted period of low commodity prices on global markets negatively affected Latvia's export development to Norway. Despite the export's decline in 2015, goods export value was 231.1 mln euro and with 2.2% share of total Latvia's goods exports value Norway was the tenth largest export market.

Chart 18 "Latvian and Norwegian foreign trade of goods 2000-2015, M EUR"

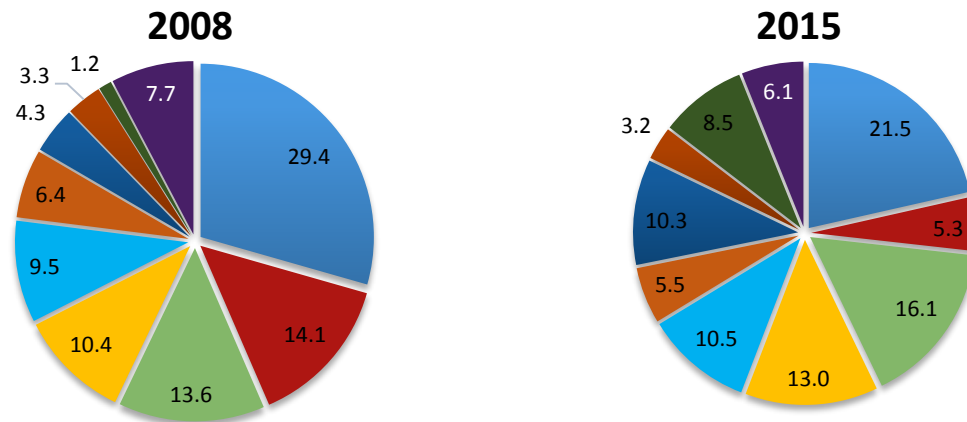


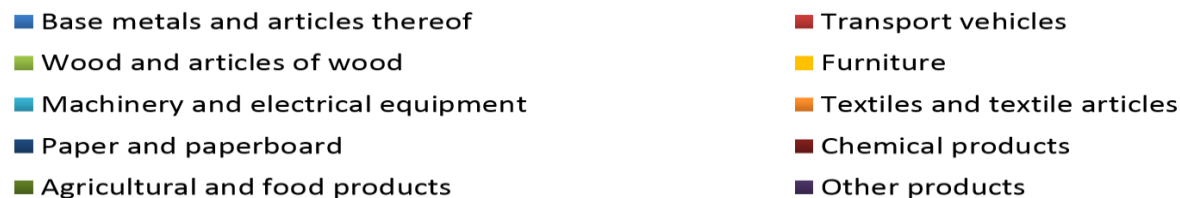
Source: Central Statistical Bureau of Latvia

In recent years, Latvia's commodity export structure to Norway became more diversified reducing the base metals and transport vehicles share in it. However, the base metals and article thereof with 21.5% share is still the largest commodity category in 2015. Due to the overproduction metal price decreased in the global markets and considerably constrained growth of metal industry in Europe overall, thereby metals exports value to Norway shrunk by 20.3% in 2015. Approximately three-fourths of total metal exports was articles of iron and steel.

The second largest export commodity category was wood and articles thereof with 16.1% share of total goods exports to Norway. Wood commodity category export value slightly decreased overall by 3.2% in 2015. It should be noted, however, that the highest decline was observed in fuel, as well as wood and timber exports, by 76.9% and 77.9% respectively. At the same time, high value added wood products such as particle board, plywood and builders' joinery and carpentry of wood showed steady increase. There are two more important export commodity categories, closely related to wood industry in Latvia, namely furniture and paper and paperboard. Furniture export value decreased by 5.8% in 2015, however the decline were compensated by the growth of paper and paperboard exports.

*Chart 19 "Structure of exports, % of total exports of goods to Norway in 2008 and 2015"*



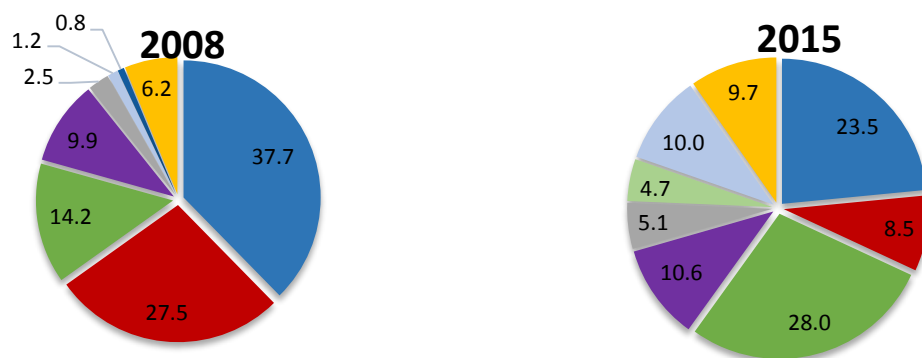


Source: The Central Statistical Bureau of Latvia

There were several rapidly growing commodity categories in 2015. The largest increase was observed in chemical products exports, which value went up by 62.5%, mostly due to the fertilisers, soap and other organic agents sharp exports increase. Considerable export value increase was observed also in textiles, machinery and electrical equipment and agricultural products, by 24.3%, 11.8% and 10.2% respectively.

Goods imports from Norway has been lower than exports contributing to positive Latvian trade balance with Norway since 2007. From 2005 until 2013, mineral products with 56.5% share on average was the largest imports goods category, but dramatic slump in 2014 by 40.9% reduced its share in total imports of goods to 24.7%. In 2015, mineral products continued to decrease, e.g., imports value fell by 21.4% compared to 2014.

Chart 20 “Structure of imports, % of total imports of goods to Norway in 2008 and 2015”

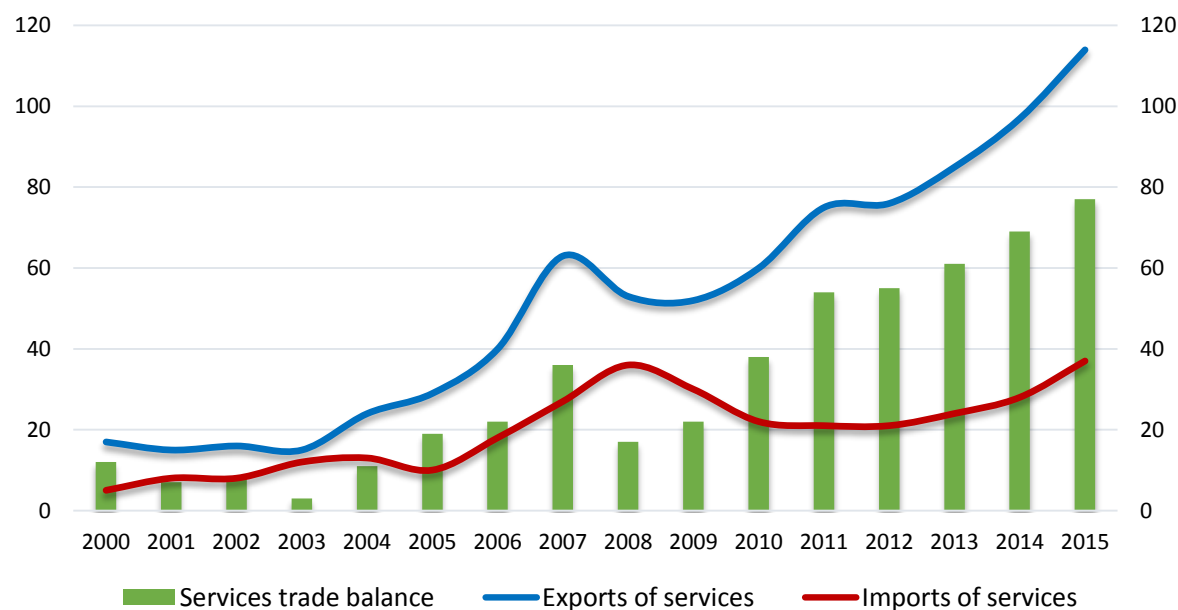




Source: The Central Statistical Bureau of Latvia

Total exports of agricultural and food products decreased by 11.5% mostly due to the fish and crustaceans imports value that in turn declined by 12.7%. At the same time, moderate imports value growth was observed in preparations of fish and meat and beverages. It should be noted that imports value decreased almost in all commodity categories. Only textiles and textile articles and transports vehicles categories achieved positive growth.

Chart 21 “Latvian and Norwegian foreign trade of services 2000-2015, M EUR”

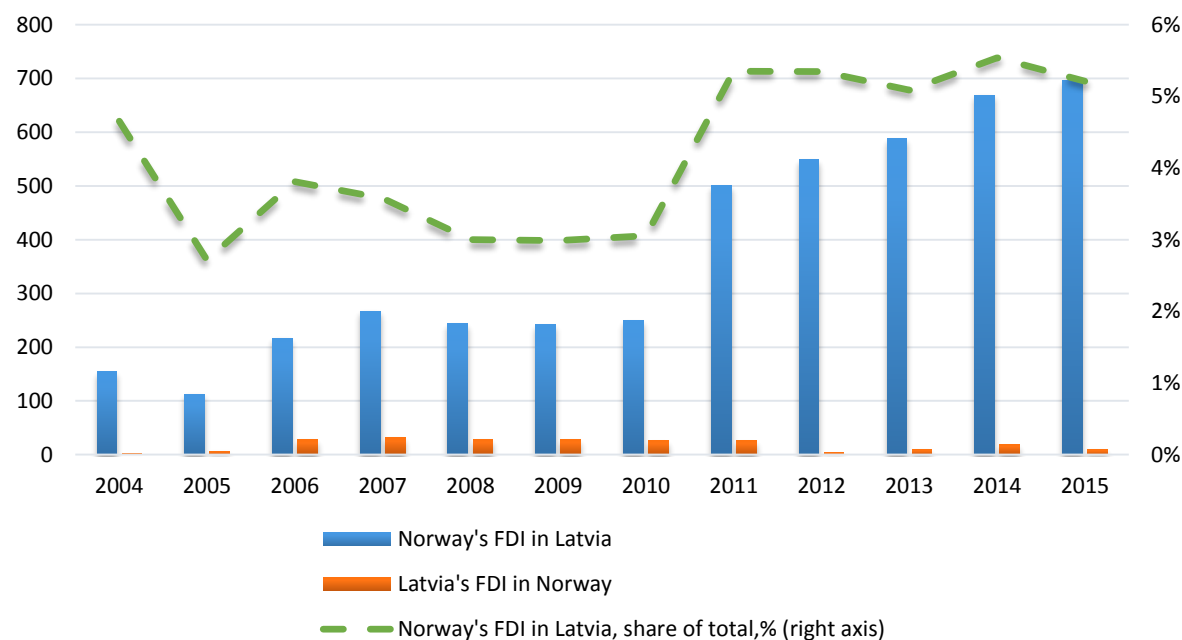




Source: The Bank of Latvia

Since 2010, the value of services' exports to Norway grew very rapidly, on average by 14% per year. Despite the moderate and stable services exports growth to Norway, its share in total Latvian services exports remained relatively low – only 2.8% in 2015. As in previous years, tourism sector provided the largest part of services offered by Latvian companies.

Chart 22 “Foreign direct investment stock 2004-2015, M EUR”



Source: The Bank of Latvia

Norway was the sixth biggest foreign investor in Latvia by the end of 2015. Compared to 2014, inward foreign direct investment to Latvia increased by 4.1% and reached 696.7 mln euro. In terms of industry, the foreign direct investments structure is diversified. However, the leading industry, which attracted the highest Norway investors' attention, is financial and insurance industry.

## Annex 6.10 Overall progress of programmes' outcomes and outputs

### Annex 6.10.1 Outcomes' progress

Outcome/ Outcome indicator	Measure- ment	Responsible institution	Baseline according to DoRIS	Target according to DoRIS <sup>1</sup>	Achieved by 30.04.2016.	Actual progress by 30.04.2016. vs Target value (%)	To be achieved in 2017	Total achieved	Clarification
1	2	3	4	5	6	7=6/5	8	9=6+8	10
LV02 National Climate Policy									
Outcome 1: Developed strategies and measures for adapting to a changing climate									
Number of adaptation strategies developed at national level	number	MoEPRD	0	1	0	0%	1	1	Methodology on assessment of achieved programme's outcomes (methods for collecting and processing data, justification) will be finalised in 3rd Q 2016 and 1st assessment is planned on 4th Q 2016. After approval of 12 extended projects' final reports 2nd assessment will be done in 3rd Q 2017.
Increased state institution, local municipality's and public awareness on climate change and adaptation issues	%	MoEPRD	0	30	0	0%	30	30	
Outcome 2: Improved environmental information on impact, status and trends									
Improved system for environment monitoring by increasing amount of national GHG inventory improvements	%	MoEPRD	50	85 (35)	0	0%	35	35	
Increased quality and sufficient amount of information of the national GHG projections, measures and the policy evaluation reports	%	MoEPRD	30	70 (40)	0	0%	40	40	

Outcome/ Outcome indicator	Measure- ment	Responsible institution	Baseline according to DoRIS	Target according to DoRIS <sup>1</sup>	Achieved by 30.04.2016.	Actual progress by 30.04.2016. vs Target value (%)	To be achieved in 2017	Total achieved	Clarification
<b>Outcome 3: A less carbon-dependent economy</b>									
Expected annual decrease of greenhouse gas emissions (GHG)	tonnes CO <sub>2</sub> /year)	MoEPRD	0	4300	0	0%	4300	4300	<p><b>Risk:</b> achievement of these Outcome is influenced by results achievement of indicators of Output 2 "Renewable energy projects implemented" and Output 3 "Low carbon technologies developed and demonstrated" because:</p> <ul style="list-style-type: none"> <li>- no renewable energy project application was approved due lack of quality;</li> <li>- only 2 innovative low carbon technologies' projects (instead of 3 planned) were approved due to same reason.</li> </ul> <p>Introduction of renewable energy/low carbon technologies was supposed to make the biggest influence on decrease of GHG emissions, therefore achievement of these Outcome is endangered.</p>
<b>LV03 NGO fund</b>									
<b>Outcome 1: Active citizenship fostered</b>									
Number of persons engaged on a regular basis in volunteering with civil society organisations	number	SIF	1442	4000 (2558)	779	30%	1779	2558	The data about all finalized projects are not gathered yet, as now verification of last implemented projects final reports are in process. All the remaining results will be reached/ overreached.
Number of NGOs whose activity is aimed at sustainable development of the organisation on local,	number	SIF	42	66 (24)	78	325%	0	78	

Outcome/ Outcome indicator	Measure- ment	Responsible institution	Baseline according to DoRIS	Target according to DoRIS¹	Achieved by 30.04.2016.	Actual progress by 30.04.2016. vs Target value (%)	To be achieved in 2017	Total achieved	Clarification
regional or national level, increased									
Number of NGOs that have increased their participation in policy development and decision making together with the local and national government	number	SIF	28	36 (8)	5	63%	3	8	
Number of newly established or enlarged international/ national/ local NGO coalitions	number	SIF	0	5	8	160%	0	8	
Outcome 2: Provision of welfare and basic services to defined target groups increased									
Number of basic and welfare services that meet needs of defined target groups	number	SIF	16	20 (4)	9	225%	0	9	Already overreached.
Increased number of innovative social services and social measures for children and youth at risk, and families with children that potentially more often experience crisis situation	number	SIF	0	38	37	97%	1	38	PO considers that indicator will be reached.
Number of measures aimed at embodiment and integration of the gender equality principle in all areas of life	number	SIF	1	6 (5)	8	160%	0	8	Already overreached.
Outcome 3: Democratic values, including human rights, promoted									

Outcome/ Outcome indicator	Measure- ment	Responsible institution	Baseline according to DoRIS	Target according to DoRIS <sup>1</sup>	Achieved by 30.04.2016.	Actual progress by 30.04.2016. vs Target value (%)	To be achieved in 2017	Total achieved	Clarification
Number of NGOs promoting democratic values, including human rights	number	SIF	0	12	6	50%	6	12	PO considers that indicators will be reached.
Number of NGOs facilitating accessibility to the rights of citizens	number	SIF	0	10	3	30%	7	10	
Outcome 4: Strengthened capacity of NGOs and an enabling environment for the sector promoted									
Laws and regulations developed and research carried out for the improvement of the legal and fiscal environment for NGOs	number	SIF	0	5	4	80%	1	5	PO considers that indicator will be reached.
LV04 Conservation and Revitalisation of Cultural and Natural Heritage									
Outcome 1: Cultural heritage restored, renovated and protected									
Number of objects of cultural heritage value restored/preserved	number	MoC	0	8	6	75%	3	9	PO considers that indicator will be overreached.
Outcome 2: Cultural heritage made accessible to the public									
Number of items of cultural heritage value made available to the public in electronic format	number	MoC	0	1000	0	0%	1000	1000	PO considers that indicator will be reached.
Number of buildings of cultural heritage value opened or reopened to the public	number	MoC	0	2	1	50%	1	2	
Outcome 3: Contemporary art and culture presented and reaching a broader audience									
Number of cultural performances held	number	MoC	0	20	28	140%	0	28	Already overreached.

Outcome/ Outcome indicator	Measure- ment	Responsible institution	Baseline according to DoRIS	Target according to DoRIS <sup>1</sup>	Achieved by 30.04.2016.	Actual progress by 30.04.2016. vs Target value (%)	To be achieved in 2017	Total achieved	Clarification
Number of persons taking part in cultural performances	number	MoC	0	1000	70360	7036%	0	70360	
LV05 Research and Scholarships									
Outcome 1: Increased higher education student and staff mobility between Beneficiary and EEA EFTA States									
Number of students with received ECTS credits	number	MoES	0	35	5	14%	61	66	Wil be measured based on projects' interim and final reports. PO considers that indicators will be overachieved.
Increased skills/competences of staff involved in mobility	number	MoES	0	22	5	23%	82	87	
Outcome 2: Increased higher education student and staff mobility between Beneficiary States and Norway									
Number of students with received ECTS credits	number	MoES	0	35	11	31%	43	54	
Increased skills/competences of staff involved in mobility	number	MoES	0	22	16	73%	82	98	
Outcome 3: Increased research cooperation between Norway and the Beneficiary States									
Number of joint publications authored by project participants from both BS and DS	number	MoES	0	38	0	0%	38	38	PO considers that indicators will be reached.
Outcome 4: Strengthened research capacity in the Beneficiary States and increased application of research results through research cooperation between Norway and the Beneficiary States									
Number of published international peer reviewed publications	number	MoES	0	40	0	0%	40	40	

1 - In case when baseline is set, the actual target to be achieved in the Programme is difference between baseline and target value - indicated in the brackets

## Annex 6.10.2 Outputs` progress

Output indicator	Measure- ment	Responsible institution	Baseline	Target value according to Programme Agreement <sup>1</sup>	Achieved by 30.04.2016.	Actual progress by 30.04.2016. vs Target value (%)	To be achieved in 2017	Total expected achievement
1	2	3	4	5	6	7=6/5	8	9=6+8
<b>LV02 National Climate Policy</b>								
Developed climate change and impact scenario for 2050 - 2100.	number	MoEPRD	0	1	0	0%	1	1
Developed reports on indicators, risks and adaptation measures	number	MoEPRD	1	13 (12)	3	25%	9	12
Implemented researches on climate research methodologies, indicator systems and horizontal issues <i>NOTE: Indicator will be not achieved because SGS financing was sufficient for supporting 6 climate research projects</i>	number	MoEPRD	0	7	5	71%	1	6
Developed professional education program modules on climate change and adaptation	number	MoEPRD	0	4	6	150%	2	8
Information and planning events (seminars and campaigns) carried out	number	MoEPRD	0	12	9	75%	3	12
Conferences, training seminars and other experience sharing events carried out to increase the capacity of Latvian inventory experts	number	MoEPRD	0	5	4	80%	1	5
Developed an integrated database for climate change and air quality data aggregation and preparation of reports to different international institutions	number	MoEPRD	0	1	0	0%	1	1
Implemented studies undertaken for inventory improvement	number	MoEPRD	0	4	4	100%	0	4

Output indicator	Measure- ment	Responsible institution	Baseline	Target value according to Programme Agreement <sup>1</sup>	Achieved by 30.04.2016.	Actual progress by 30.04.2016. vs Target value (%)	To be achieved in 2017	Total expected achievement
Developed model system for climate change mitigation policy evaluation, including guidelines for cost assessment of different policy measures and ex-ante and ex-post policy assessment	number	MoEPRD	0	1	0	0%	1	1
Carried out education events for sectoral experts from institutions involved in the national system for policies and measures and projections	number	MoEPRD	0	3	3	100%	0	3
Developed unified data tool for greenhouse gas projection preparation for international reporting	number	MoEPRD	0	1	0	0%	1	1
Energy efficiency projects implemented	number	MoEPRD	0	3	2	67%	3	5
Level of energy consumption assessed for buildings as result of implementation of energy saving technologies	kWh/m <sup>2</sup> / year	MoEPRD	195	25	0	0%	25	25
Average planned emission savings calculated <i>NOTE: There is a risks that indicator will not be achieved considering that no renewable energy projects were approved due to lack of qualitative applicationsnd and interest from applicants</i>	tonnes CO <sup>2</sup> / year	MoEPRD	300	500 (200)	0	0%	200	200
Innovative low carbon technologies demonstrated within the programme <i>NOTE: Indicator will not be achieved as 2 innovative low carbon technologies' projects (instead of 3) were approved due to lack of qualitative applications and interest from applicants</i>	number	MoEPRD	0	3	1	33%	1	2
<b>LV03 NGO fund</b>								
Number of NGO members	number	SIF	1399	2200 (201)	263	131%	538	801



Output indicator	Measure- ment	Responsible institution	Baseline	Target value according to Programme Agreement <sup>1</sup>	Achieved by 30.04.2016.	Actual progress by 30.04.2016. vs Target value (%)	To be achieved in 2017	Total expected achievement
Number of people involved in NGOs as volunteers	number	SIF	43	1800 (1757)	516	29%	1 241	1 757
NGO operational programmes on local level implemented	number	SIF	21	32 (11)	28	255%	0	28
NGO operational programmes on regional and national level implemented	number	SIF	19	34 (15)	50	333%	0	50
Number of measures/ meetings with local governments	number	SIF	80	110 (30)	13	43%	17	30
Number of measures/ meetings with regional or national institutions	number	SIF	38	50 (12)	52	433%	0	52
Number of NGOs involved in cooperation networks on local level	number	SIF	0	3	1	33%	2	3
Number of NGOs involved in cooperation networks on regional, national or international level	number	SIF	0	2	17	850%	0	17
Number of people with improved access to innovative social services and measures <i>NOTE: There is a risk that indicator will not be reached, because of difficulties to count these persons, whos access to innovative social services have improved. Also, NGO`s have low activity for creation of innovative social services. PO will include this indicator in the evaluation (planned in 2016) on results achieved in programme to get real number.</i>	number	SIF	30 516	57868 (27352)	721	3%	0	721
Number of children and youth at risk of social exclusion, and families with children that potentially more often experience crisis situation, with improved access to innovative social services and measures increased	number	SIF	0	570	2695	473%	0	2695

<b>Output indicator</b>	<b>Measure- ment</b>	<b>Responsible institution</b>	<b>Baseline</b>	<b>Target value according to Programme Agreement<sup>1</sup></b>	<b>Achieved by 30.04.2016.</b>	<b>Actual progress by 30.04.2016. vs Target value (%)</b>	<b>To be achieved in 2017</b>	<b>Total expected achievement</b>
Number of people who have participated in activities aimed at gender equality	number	SIF	15	120 (105)	166	158%	0	166
Number of partnership agreements with partners from donor countries	number	SIF	0	10	24	240%	0	24
Number of partnership agreements with partners from other beneficiary countries and Russian Federation and Republic of Belarus	number	SIF	0	5	11	220%	0	11
Level of satisfaction with partnership from donor countries (percentage from partnership agreements)	%	SIF	0	8	12	150%	0	12
Level of satisfaction with partnership from other beneficiary countries and Russian Federation and Republic of Belarus (percentage from partnership agreements)	%	SIF	0	4	6	150%	0	6
Number of NGOs whose activity is aimed at ethnic minorities	number	SIF	19	23 (4)	3	75%	1	4
Percentage of NGOs whose activity is aimed at intercultural communication, promotes tolerance and eliminates discrimination	%	SIF	28	30 (2)	2	100%	0	2
Number of people who have studied the Latvian language and acquired knowledge about Latvian history and culture	number	SIF	60	200 (140)	336	240%	0	336
Number of non-citizens who have participated in activities promoting acquisition of citizenship	number	SIF	0	200	466	233%	0	466
Number of project partnership agreements with partners from donor countries	number	SIF	0	2	5	250%	0	5

Output indicator	Measure- ment	Responsible institution	Baseline	Target value according to Programme Agreement <sup>1</sup>	Achieved by 30.04.2016.	Actual progress by 30.04.2016. vs Target value (%)	To be achieved in 2017	Total expected achievement
Number of project partnership agreements with partners from other beneficiary countries and Russian Federation and Republic of Belarus	number	SIF	0	1	1	100%	0	1
High level of satisfaction with partnership from donor countries (percentage from partnership agreements)	%	SIF	0	1	2	200%	0	2
Level of satisfaction with partnership from other beneficiary countries and Russian Federation and Republic of Belarus (percentage from partnership agreements)	%	SIF	0	1	0	0%	1	1
Number of research carried out	number	SIF	0	4	3	75%	1	4
Developed regulatory and methodological materials for the improvement of the legal and fiscal environment for NGOs	number	SIF	0	1	1	100%	0	1
<b>LV04 Conservation and Revitalisation of Cultural and Natural Heritage</b>								
Number of restored and conserved cultural heritage objects (wooden architecture)	number	MoC	0	5	4	80%	2	6
Number of restored and conserved cultural heritage objects (Art Nouveau) <i>NOTE: Indicator will not be reached, because during OC no project applications were submitted. Instead of Art Nouveau other cultural heritage objects will be restored.</i>	number	MoC	0	1	0	0%	0	0
Number of restored and conserved cultural heritage objects (other)	number	MoC	0	2	2	100%	1	3
Developed electronic data base on cultural heritage	number	MoC	0	1	0	0%	1	1

Output indicator	Measure- ment	Responsible institution	Baseline	Target value according to Programme Agreement <sup>1</sup>	Achieved by 30.04.2016.	Actual progress by 30.04.2016. vs Target value (%)	To be achieved in 2017	Total expected achievement
Number of visitors in the restored cultural heritage object per year	number	MoC	0	115 000	0	0%	115 000	115 000
Number of a newly established and promoted existing partnership	number	MoC	0	10	23	230%	0	23
Number of employees working in the sphere of culture and art whose mobility is promoted as a result of the Programme implementation	number	MoC	0	100	118	118%	0	118
<b>LV05 Research and scholarships</b>								
Number of mobility project (between LV and EEA EFTA States) <u>applications</u> received by PO <b>NOTE:</b> Indicator is not achieved because 15 applications instead of 35 anticipated applications were received	number	MoES	0	35	15*	43%	0	15
Number of mobile students as part of new or existing mobility agreements (between LV and EEA EFTA States)	number	MoES	0	35	5	14%	61	66
Number of mobile staff (including teachers) as part of new or existing mobility agreements (between LV and EEA EFTA States)	number	MoES	0	22	5	23%	82	87
Number of mobility project (between LV and Norway) <u>applications</u> received by PO <b>NOTE:</b> Indicator is not achieved because 18 applications instead of 35 anticipated applications were received	number	MoES	0	35	18*	51%	0	18
Number of mobile students as part of new or existing mobility agreements (between LV and Norway)	number	MoES	0	35	11	31%	43	54

Output indicator	Measure- ment	Responsible institution	Baseline	Target value according to Programme Agreement <sup>1</sup>	Achieved by 30.04.2016.	Actual progress by 30.04.2016. vs Target value (%)	To be achieved in 2017	Total expected achievement
Number of mobile staff (including teachers) as part of new or existing mobility agreements (between LV and Norway)	number	MoES	0	22	16	73%	82	98
Number of cooperating research institutions within the programme <i>NOTE: Due to structural reorganization in University of Latvia, 2 project partners in research project "Technology transfer in the processing of mineral resources in earlier times" have become as one, thus number of cooperating institutions is lower than expected.</i>	number	MoES	0	36	35	97%	0	35
Number of international publications in preparation	number	MoES	0	40	17	43%	23	40
Number of PhD students and postdocs trained within the projects	number	MoES	0	20	24	120%	6	30
Percentage of female PhD students and postdocs trained within the projects	percentage	MoES	0	50	58	116%	67	67

1 - In case when baseline is set, the actual target to be achieved in the Programme is difference between baseline and target value - indicated in the brackets