Norwegian Financial Mechanism 2021-2028

PROGRAMME AGREEMENT

between

The Norwegian Ministry of Foreign Affairs

and

The Ministry of Finance,
hereinafter referred to as the "National Focal Point",

representing Latvia,
hereinafter referred to as the "Beneficiary State"

together hereinafter referred to as the "Parties"

for the financing of the Programme "Correctional Services"
hereinafter referred to as the "Programme"

Table of Contents

Chapter 1 Scope, legal framework, and definitions 3
Article 1.1 Scope 3
Article 1.2 Legal Framework 3
Article 1.3 Definitions 3
Article 1.4 Annexes and hierarchy of documents 3
Chapter 2 The Programme 3
Article 2.1 Co-operation 3
Article 2.2 Main responsibilities of the Parties 3
Article 2.3 Objective(s) of the Programme 4
Article 2.4 Programme grant 4
Article 2.5 Special conditions and programme specific rules 4
Article 2.6 Reporting 4
Article 2.7 Monitoring and audits 4
Article 2.8 Modification of the Programme 4
Article 2.9 Communication 5
Article 2.10 Contact information 5
Article 2.11 Representations and warranties 5
Chapter 3 Projects 5
Article 3.1 Selection of projects and award of grants 5
Article 3.2 Project contract 5
Article 3.3 Project partners and partnership agreements 5
Chapter 4 Finance 6
Article 4.1 Eligible expenditures 6
Article 4.2 Proof of expenditure 6
Article 4.3 Proof of conditions fulfilled for simplified cost options 6
Article 4.4 Payments 6
Article 4.5 Transparency and availability of documents 6
Article 4.6 Irregularities, suspension and reimbursements 6
Chapter 5 Final provisions 6
Article 5.1 Dispute settlement 6
Article 5.2 Termination 7
Article 5.3 Waiver of responsibility 7
Article 5.4 Entry into force and duration 7

Chapter 1
Scope, legal framework, and definitions

Article 1.1
Scope

This Programme Agreement between the Norwegian Ministry of Foreign Affairs (hereinafter referred to as the NMFA) and the National Focal Point lays down the rights and obligations of the Parties regarding the implementation of the Programme and the financial contribution from the Norwegian Financial Mechanism 2021-2028 to the Programme.

Article 1.2
Legal Framework

1. This Programme Agreement shall be read in conjunction with the following documents which, together with this Programme Agreement, constitute the legal framework of the Norwegian Financial Mechanism 2021-2028:

a) the Agreement between the Kingdom of Norway and the European Union on a Norwegian Financial Mechanism for the period May 2021–April 2028;

b) the Regulation on the implementation of the Norwegian Financial Mechanism 2021-2028 (hereinafter referred to as the "Regulation");

c) the Memorandum of Understanding on the Implementation of the Norwegian Financial Mechanism 2021-2028, entered into between Norway and the Beneficiary State; and

d) any guidelines adopted by the NMFA in accordance with the Regulation.

2. In case of an inconsistency between this Programme Agreement and the Regulation, the Regulation shall prevail.

3. The legal framework is binding for the Parties. An act or omission by a Party to this Programme Agreement that is incompatible with the legal framework constitutes a breach of this Programme Agreement by that Party.

Article 1.3
Definitions

Terms used and institutions and documents referred to in this Programme Agreement shall be understood in accordance with the Regulation, in particular Article 1.6 thereof, and the legal framework referred to in Article 1.2 of this Programme Agreement.

Article 1.4
Annexes and hierarchy of documents

1. Annexes attached hereto form an integral part of this Programme Agreement. Any reference to this Programme Agreement includes a reference to its annexes unless otherwise stated or clear from the context.

2. The provisions of the annexes shall be interpreted in a manner consistent with this Programme Agreement. Should the meaning of any provision of the said annexes, so interpreted, remain inconsistent with this Programme Agreement, the provisions of the annexes shall prevail, provided that these provisions are compatible with the Regulation.

3. Commitments, statements and guarantees, explicit as well as implicit, made in the preparation of the programme are binding for the National Focal Point and the Programme Operator unless otherwise explicitly stipulated in this Programme Agreement.

Chapter 2
The Programme

Article 2.1
Co-operation

1. The Parties shall take all appropriate and necessary measures to ensure fulfilment of the obligations and objectives arising out of this Programme Agreement.

2. The Parties agree to provide all information necessary for the good functioning of this Programme Agreement, including risk assessment and response analysis, and to apply the principles of implementation as set out in the Regulation.

3. The Parties shall promptly inform each other of any circumstances that interfere or threaten to interfere with the successful implementation of the Programme.

4. In executing this Programme Agreement the Parties declare to counteract corrupt practices. Further, they declare not to accept, either directly or indirectly, any kind of offer, gift, payments or benefits which would or could be construed as illegal or corrupt practice or giving rise to a conflict of interest. The Parties shall immediately inform each other of any indication of corruption or misuse of resources related to this Programme Agreement.

Article 2.2
Main responsibilities of the Parties

1. The National Focal Point is responsible and accountable for the overall management of the Norwegian Financial Mechanism 2021-2028 in the Beneficiary State and for the full and correct

implementation of this Programme Agreement. In particular, the National Focal Point undertakes to:

a) comply with its obligations stipulated in the Regulation and this Programme Agreement;

b) ensure that the Certifying Authority, the Audit Authority and the Programme Operator properly perform the tasks assigned to them in the Regulation and this Programme Agreement;

c) take all necessary steps to ensure that the Programme Operator is fully committed and able to implement and manage the Programme, including ensuring the appropriate allocation of staff and other resources, throughout the programme period;

d) take the necessary measures to remedy irregularities in the implementation of the Programme and ensure that the Programme Operator takes appropriate measures to remedy irregularities in projects within the Programme, including measures to recover misspent funds; and

e) make all the necessary and appropriate arrangements in order to strengthen or change the way the Programme is managed.

2. The NMFA shall, subject to the rules stipulated in the legal framework referred to in Article 1.2 of this Programme Agreement, make available to the Beneficiary State a financial contribution (hereinafter referred to as "the programme grant") to be used exclusively to finance the eligible cost of the Programme.

Article 2.3
Objective(s) of the Programme

1. This Programme Agreement sets out the objective(s), outcome(s), outputs, indicators and targets for the Programme.

2. The National Focal Point shall ensure that the Programme Operator implements and completes the Programme in accordance with the objective(s), outcome(s), outputs, indicators and targets set for the Programme.

Article 2.4
Programme grant

1. The maximum amount of the programme grant, the programme grant rate, and the estimated eligible cost of the Programme shall be as specified in this Programme Agreement.

2. The programme budget annexed to this Programme Agreement shall:

a) contain a breakdown between the Programme's budget headings; and

b) indicate the agreed advance payment, if any.

3. The management cost of the Programme Operator shall not exceed the amount specified in this Programme Agreement.

Article 2.5
Special conditions and programme specific rules

1. This Programme Agreement shall list any conditions set by the NMFA with reference to Article 6.3.2 of the Regulation. The National Focal Point shall ensure compliance with these conditions and take the necessary steps to ensure their fulfilment.

2. The National Focal Point shall ensure compliance with any other programme specific rules laid down in this Programme Agreement.

Article 2.6
Reporting

The National Focal Point shall ensure that the Programme Operator provides financial reports and a Final Programme Report in accordance with Chapter 9 and Article 6.8 of the Regulation as well as other reporting in accordance with guidelines adopted by the NMFA.

Article 2.7
Monitoring and audits

The monitoring and audits referred to in Chapter 10 and Chapter 11 of the Regulation shall not in any way relieve the National Focal Point or the Programme Operator of their obligations under the legal framework regarding monitoring of the Programme and/or its projects, financial control and audit.

Article 2.8
Modification of the Programme

1. Unless otherwise explicitly stipulated in this Programme Agreement, any modification of the Programme is subject to prior approval by the NMFA.

2. Budget reallocations to and from calls and pre-defined projects (both within the same outcome and between outcomes) are permitted without a modification of the Programme Agreement or prior approval by the NMFA for an amount of up to 10% of the total allocation for each planned call or pre-defined project.

3. Changes to the Programme which have been agreed in their entirety through a modification of the relevant Memorandum of Understanding do not require a modification of the Programme Agreement. In such cases, the Programme Agreement shall be updated by the NMFA.

4. Programme specific exceptions from paragraph 1, if any, are set in the annexes to this Programme Agreement.

5. Expenditures in breach of this Article are not eligible.

6. Should there be a doubt as to whether a modification of the Programme Agreement is required, the National Focal Point shall consult the NMFA before such modifications take effect.

7. Requests for modifications shall be submitted and assessed in accordance with Article 6.7 of the Regulation.

Article 2.9
Communication

1. All communication to the NMFA regarding this Programme Agreement shall take place in English and be directed to the Financial Mechanism Office (hereinafter referred to as the FMO), which represents the NMFA towards the National Focal Point and the Programme Operator in relation to the implementation of the Programme.

2. To the extent that original documents are not available in the English language, the documents shall be accompanied by full and accurate translations in English. The National Focal Point shall bear the responsibility for the accuracy of the translation that it provides and the possible consequences that might arise from any inaccurate translations.

Article 2.10
Contact information

1. The contact information of the Programme Operator is as specified in this Programme Agreement.

2. The contact information for the NMFA and the Financial Mechanism Office are:

Financial Mechanism Office Att: Managing Director EFTA House Avenue des Arts, 19H 1000 Brussels Telephone: +32 (0)2 286 1701 E-mail: fmo@efta.int

3. Changes of or corrections to the contact information referred to in this Article shall be given in writing without undue delay by the Parties to this Programme Agreement.

Article 2.11
Representations and warranties

1. This Programme Agreement and the awarding of the programme grant is based on information provided by, through, or on behalf of the National Focal Point to the NMFA prior to the signing of this Programme Agreement.

2. The National Focal Point represents and warrants that the information provided by, through, or on behalf of the National Focal Point, in connection with the implementation or conclusion of this Programme Agreement are authentic, accurate and complete.

Chapter 3
Projects

Article 3.1
Selection of projects and award of grants

1. The National Focal Point shall ensure that the Programme Operator selects projects in accordance with Chapter 7 of the Regulation and this Programme Agreement.

2. Eligibility of Project Promoters and project partners is stipulated in Article 7.2 of the Regulation and, in accordance with paragraph 4 thereof, subject only to the limitations stipulated in this Programme Agreement.

3. Pre-defined projects shall be outlined in this Programme Agreement.

4. The National Focal Point shall take proactive steps to ensure that the Programme Operator complies fully with Article 7.5.2 of the Regulation.

Article 3.2
Project contract

1. For each approved project a project contract shall be concluded between the Programme Operator and the Project Promoter.

2. In cases where a project contract cannot, due to provisions in the national legislation, be made between the Programme Operator and the Project Promoter, the Beneficiary State may instead issue a legislative or administrative act of similar effect and content.

3. The content and form or the project contract shall comply with Article 7.9 of the Regulation.

4. The National Focal Point shall ensure that the obligations of the Project Promoter under the project contract are valid and enforceable under the applicable law of the Beneficiary State.

Article 3.3
Project partners and partnership agreements

1. A project may be implemented in a partnership between the Project Promoter and project partners as defined in point (y) of Article 1.6 of the Regulation. If a project is implemented in such a partnership, the Project Promoter shall sign a partnership agreement with the project partners with the content and in the form stipulated in Article 7.10 of the Regulation.

2. If one of the parties to the agreement is an entity from Norway, the partnership agreement shall be in English and shall be based on a template provided by the NMFA.

3. The eligibility of expenditures declared by a project partner is subject to the same rules as would apply if the expenditures were declared by the Project Promoter.

4. The National Focal Point shall ensure that the Programme Operator verifies that the partnership agreement complies with this Article. A draft partnership agreement or letter of intent shall be submitted to the Programme Operator before the signing of the project contract.

Chapter 4
Finance

Article 4.1
Eligible expenditures

1. Without prejudice to Article 8.9 of the Regulation, eligible expenditures of this Programme are:

a) management costs of the Programme Operator in accordance with the detailed budget in the financial plan;

b) payments to projects within this Programme in accordance with the Regulation, this Programme Agreement and the project contract; and

c) payments to activities funded by the bilateral funds allocated to the programme.

2. Expenditures of Project Promoters and project partners are eligible provided that they are in accordance with the provisions of Chapter 8 of the Regulation and any further provisions contained in this Programme Agreement.

3. The first date of eligibility of expenditures in projects shall be set in the project contract in accordance with Article 8.14 of the Regulation. The first date of eligibility of any pre-defined project shall be no earlier than the date of entry into force of the Programme Agreement.

4. The maximum eligible costs of the categories referred to in paragraph 1 are set in this Programme Agreement. Programme specific rules on the eligibility of expenditure set in this Programme Agreement shall be complied with.

Article 4.2
Proof of expenditure

Costs incurred by Programme Operators, Project Promoters and project partners shall be supported by documentary evidence as required in Article 8.12 of the Regulation.

Article 4.3
Proof of conditions fulfilled for simplified cost options

Costs of the Programme Operators, Project Promoters and project partners that are covered by simplified cost options shall be supported by the proof of conditions fulfilled in accordance with Article 8.13 of the Regulation.

Article 4.4
Payments

1. Payments to the Programme shall be made when all relevant conditions for payments stipulated in this Programme Agreement and the Regulation have been fulfilled.

2. Payments to the Programme shall take the form of an advance payment, interim payments and payment of the final balance and shall be made in accordance with Articles 9.2, 9.3 and 9.5 of the Regulation.

3. Payments of the project grant to the Project Promoters may take the form of advance payments, interim payments and payments of the final balance.

4. The National Focal Point shall ensure that payments are transferred in accordance with Article 9.1.2 of the Regulation.

5. Chapter 9 of the Regulation shall apply to all aspects related to payments, including currency exchange rules and handling of interests on bank accounts.

Article 4.5
Transparency and availability of documents

The National Focal Point shall ensure an audit trail for financial contributions from the Norwegian Financial Mechanism 2021-2028 to the Programme in accordance with Article 9.8 of the Regulation.

Article 4.6
Irregularities, suspension and reimbursements

The NMFA has the right to make use of the remedies provided in the Regulation, in particular Chapter 13 thereof. The National Focal Point has a duty to take all necessary measures to ensure that the provisions in Chapter 12 and 13 of the Regulation regarding irregularities, suspension of payments, financial corrections and reimbursement are complied with.

Chapter 5
Final provisions

Article 5.1
Dispute settlement

1. The Parties waive their rights to bring any dispute related to the Programme Agreement before any

national or international court and agree to settle such a dispute in an amicable manner.

2. If a demand for reimbursement to the NMFA is not complied with by the Beneficiary State, or a dispute related to a demand for reimbursement arises that cannot be solved in accordance with paragraph 1, the Parties may bring the dispute before Oslo Tingrett.

Article 5.2
Termination

1. The NMFA may, after consultation with the National Focal Point, terminate this Programme Agreement if:

a) a general suspension decision according to Article 13.6 of the Regulation or a decision to suspend payments according to point (h) of Article 13.1.1 of the Regulation has not been lifted within 6 months of such a decision;

b) a suspension of payments according to Article 13.1 of the Regulation, other than under point (h) of Article 13.1.1, has not been lifted within one year of such a decision;

c) a request for reimbursement according to Article 13.2 of the Regulation has not been complied with within one year from such a decision;

d) the Programme Operator becomes bankrupt, is deemed to be insolvent, or declares that it does not have the financial capacity to continue with the implementation of the Programme; or

e) the Programme Operator has, in the opinion of the NMFA, been engaged in corruption, fraud or similar activities or has not taken the appropriate measures to detect or prevent such activities or, if they have occurred, nullify their effects.

2. This Programme Agreement can be terminated by mutual agreement between the Parties.

3. Termination does not affect the right of the Parties to make use of the dispute settlement mechanism referred to in Article 5.1 or the right of the NMFA to make use of the remedies provided in Chapter 13 of the Regulation.

Article 5.3
Waiver of responsibility

1. Any appraisal of the Programme undertaken before or after its approval by the NMFA, does not in any way diminish the responsibility of the National Focal Point and the Programme Operator to verify and confirm the correctness of the documents and information forming the basis of the Programme Agreement.

2. Nothing contained in the Programme Agreement shall be construed as imposing upon the NMFA or the FMO any responsibility of any kind for the supervision, execution, completion, or operation of the Programme or its projects.

3. The NMFA does not assume any risk or responsibility whatsoever for any damages, injuries, or other possible adverse effects caused by the Programme or its projects including, but not limited to inconsistencies in the planning of the Programme or its projects, other project(s) that might affect it or that it might affect, or public discontent. It is the full and sole responsibility of the National Focal Point and the Programme Operator to satisfactorily address such issues.

4. Neither the National Focal Point, the Programme Operator, entities involved in the implementation of projects, nor any other party shall have recourse to the NMFA for further financial support or assistance to the Programme in whatsoever form over and above what has been provided for in the Programme Agreement.

5. Neither the European Free Trade Association, its Secretariat, including the FMO, its officials or employees, nor the NMFA, its officials or employees, can be held liable for any damages or injuries of whatever nature sustained by the National Focal Point or the Beneficiary State, the Programme Operator, Project Promoters or any other third person, in connection, be it direct or indirect, with this Programme Agreement.

6. Nothing in this Programme Agreement shall be construed as a waiver of diplomatic immunities and privileges awarded to the European Free Trade Association, its assets, officials or employees.

Article 5.4
Entry into force and duration

1. This Programme Agreement shall enter into force on the date of the last signature of the Parties.

2. This Programme Agreement shall remain in force until five years have elapsed after the date of the acceptance of the Final Programme Report.

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This programme agreement is drawn up in two originals in the English language.

For the Norwegian Ministry of Foreign Affairs	For the National Focal Point
Signed in ..... on	Signed in ..... on .....
.....	.....

Annex I to the Programme Agreement

Roles	
Programme Operator:	Ministry of Justice of the Republic of Latvia
Donor Programme Partner:	Directorate of Norwegian Correctional Service
IPO:	Council of Europe (CoE)
Other Programme Partner(s):	-

Indicator	Disaggregation	Unit of measurement	Data source	Baseline	Planned Target[1]
PA12 objective: Improved correctional services in line with international and European human rights standards.					
Outcome 1: Enhanced correctional services that are secure, humane, gender-sensitive, and supported by competent staff in line with European and international standards					
Number of new prison facilities built in line with European standards, including gender-responsive design		Cumulative number	Project Promoter's records	0	1
Number of new or revised national normative acts aligned with European standards		Cumulative number	Programme Operator's records	0	1
Share of staff self-reporting improved know-how after the training	Gender	Percentage	Project Promoter's records	N/A	80 %
Output 1.1: Improved correctional and training infrastructure, including purpose-built facilities for women					
Number of prison places in the closed-regime prison set up in line with European standards, including gender-responsive design		Cumulative number	Project Promoter's records	0	92
Upgraded Training Centre infrastructure, including museum and the outdoor sports complex, is operational		Binary	Project Promoter's records	No	Yes
Output 1.2: Strengthened competence of correctional staff to apply gender-sensitive, humane, and informal hierarchy-free practices, including holistic security					
Share of staff self-reporting improved knowledge after the training	Gender	Percentage	Project Promoter's records	N/A	80 %
Enhanced MQPL+ study methodology developed incorporating deeper analysis, staff well-being and competencies, and the application of dynamic security		Binary	Project Promoter's records	No	Yes
Number of prisons where the elaborated dynamic security approach has been piloted		Cumulative number	Project Promoter's records	0	2
Improved dynamic security programme established		Binary	Project Promoter's records	No	Yes

[1] Planned targets included in the above table represent the level of ambition at the time of Programme Agreement conclusion or following major modifications of the Programme. These targets shall not be used to measure the level of success of the programme. Actual targets following project contracting shall be reported on annually in the Country Reports and the Final Programme Report.

Multi-level training system for the prison administration staff developed		Binary	Project Promoter's records	No	Yes
Output 1.3: Improved resocialization and targeted support measures for women prisoners, including through cooperation with civil society organizations					
Number of joint initiatives developed by correctional services with CSOs		Cumulative number	Project Promoter's records	0	5
Number of women prisoners who have participated in resocialization activities conducted by CSOs		Cumulative number	Project Promoter's records	0	40
Trauma-oriented programme for work with women developed		Binary	Project Promoter's records	No	Yes
Number of women prisoners reporting improved emotional well-being or coping skills		Cumulative number	Project Promoter's records	0	20
PA12 objective: Improved correctional services in line with international and European human rights standards.					
Outcome 2: Strengthened access to continuous, coordinated, and structured treatment and reintegration services for substance-affected minors					
Collaborative model for the provision of sequential treatment for minors developed and implemented		Binary	Project Promoter's records	No	Yes
Number of regions with operational services available for substance-affected minors		Cumulative number	Project Promoter's records	0	1
Number of substance-affected minors who received sequential treatment through the implemented collaborative model and reintegration services	Gender	Cumulative number	Project Promoter's records	0	45
Output 2.1: Improved inter-institutional cooperation between health and social services to provide continuous, coordinated support for substance-affected minors					
Number of healthcare and social services institutions implementing the collaborative model for sequential treatment of minors		Cumulative number	Project Promoter's records	0	3
Service before rehabilitation programme for substance-affected minors developed to be functional and accessible to target group		Binary	Project Promoter's records	No	Yes
Criteria matrix for targeted admission to social rehabilitation programmes operationalized		Binary	Project Promoter's records	No	Yes
Sequential transition mechanism implemented across participating hospitals and community-based service providers		Binary	Project Promoter's records	No	Yes
Output 2.2: Strengthened competencies of healthcare and social service providers and guardians/parents to deliver structured assessment, motivational and aftercare services to minors including reintegration					
Number of specialists providing treatment to minors who have completed a training course	Gender	Cumulative number	Project Promoter's records	0	5

Number of guardian institutions that have completed a training course/support programme on reintegration		Cumulative number	Project Promoter's records	0	1
Number of parents of substance-affected minors who have completed a training course/support programme on reintegration		Cumulative number	Project Promoter's records	0	30
Output 2.3: Increased effectiveness of service delivery for substance-affected minors and their families through adapted infrastructure at the "Ģintermuiža" Hospital					
Renovation of a separate building of "Ģintermuiža" Hospital completed		Binary	Project Promoter's records	No	Yes
Number of upgraded or newly created functional spaces in the "Ģintermuiža" Hospital (living rooms, therapy rooms, a relaxation area, a kitchen area, etc.)		Cumulative number	Project Promoter's records	0	20
Residential rehabilitation programme can be fully delivered within the reconstructed facility		Binary	Project Promoter's records	No	Yes
Bilateral Outcome: Enhanced collaboration between beneficiary and donor state entities involved in the programme					
Level of relevance of the partnership		Scale 1-5	FMO survey	N/A	4
Level of effectiveness of the partnership		Scale 1-5	FMO survey	N/A	4
Level of efficiency of the partnership		Scale 1-5	FMO survey	N/A	4
Level of added value of the partnership		Scale 1-5	FMO survey	N/A	4
Level of sustainability of the partnership		Scale 1-5	FMO survey	N/A	4
Level of involvement of the project partner in the project		Scale 1-5	FMO survey	N/A	4
Level of trust between partners		Scale 1-5	FMO survey	N/A	4
Level of overall satisfaction with the partnership		Scale 1-5	FMO survey	N/A	4
Number of exchange programmes or study visits organized between bilateral partners		Cumulative number	Project Promoter's records	0	55
Number of participants in exchange programmes or study visits[2]	State type	Cumulative number	Project Promoter's records	0	250

[2] This cumulative figure represents total participations rather than unique participants. The breakdown of participations by country is as follows: 125 participants from Latvia and 125 participants from Norway.

Conditions

General

1. The maximum level of funding for investment in infrastructure and equipment (hard measures) is set at 60% of the total eligible expenditure of the Programme.

2. The National Focal Point shall ensure that the Programme Operator ensures that Project Promoters:

a) Keep any buildings purchased, constructed, renovated or reconstructed under the project in their ownership for a period of at least 5 years following the completion of the project and continue to use such buildings for the benefit of the overall objectives of the project for the same period;

b) Keep any buildings purchased, constructed, renovated or reconstructed under the project properly insured against losses such as fire, theft and other normally insurable incidents both during project implementation and for at least 5 years following the completion of the project; and

c) Set aside appropriate resources for the maintenance of any buildings purchased, constructed, renovated or reconstructed under the project for at least 5 years following the completion of the project. The specific means for implementation of this obligation shall be specified in the project contract.

Pre-eligibility

Not applicable

Pre-payment

Not applicable

Pre-completion

Not applicable

Post-completion

Not applicable

Eligibility of costs - period	**First date**	**Final date**
Eligibility of costs	10/10/2025	30/04/2032
Grant rate and co-financing		
Programme eligible expenditure (€)		€ 17,747,058.82
Programme grant rate (%)		85.00 %
Maximum amount of Programme grant - EEA Financial Mechanism (€)		-
Maximum amount of Programme grant - Norwegian Financial Mechanism (€)		€ 15,100,000.00
Maximum amount of Programme grant - Total (€)		€ 15,100,000.00

PA	Budget Heading	Norway Grants	Total grant	Programme grant rate	Programme co-financing	Programme eligible expenditure	Grant advance payment
PM	Programme management	€ 1,305,000.00	€ 1,305,000.00	85.00 %	€ 230,294.12	€ 1,535,294.12	€ 0.00
PA12	Outcome 1 (Norway Grants)	€ 10,956,000.00	€ 10,956,000.00	85.00 %	€ 1,933,411.76	€ 12,889,411.76	€ 0.00
PA12	Outcome 2 (Norway Grants)	€ 2,739,000.00	€ 2,739,000.00	85.00 %	€ 483,352.94	€ 3,222,352.94	€ 0.00
BF	Bilateral funds at programme level	€ 100,000.00	€ 100,000.00	n/a[3]	n/a[4]	€ 100,000.00	n/a
Total[5]		**€ 15,100,000.00**	**€ 15,100,000.00**	**85.00 %**	**€ 2,647,058.82**	**€ 17,747,058.82**	**€ 0.00**

Retention of management costs	
Retention of management costs - Percentage of the management costs	10.00 %
Retention of management costs - Planned Euro value	€ 153,529.41

[3] Grant amount of bilateral funds at programme level is not relevant for the calculation of programme grant rate.

[4] Grant amount of bilateral funds at programme level is not relevant for the calculation of programme co-financing.

[5] The MoU was signed with rounded figures according to standard financial rules for rounding. The figures in the budget tables in Annex I to this Programme Agreement include the two decimals behind the rounded figures in the MoU.

Correctional Services

Operational rules (Annex II)

1. Programme summary

This Annex sets out the operational rules for the programme. The Programme Agreement is based on the MoUs, the Concept Note, and comments made by the NMFA. Commitments, statements and guarantees, explicit as well as implicit, made in the Concept Note, are binding for the National Focal Point and the Programme Operator unless otherwise explicitly stipulated in the annexes to this Programme Agreement.

The programme will cover one programme area, i.e., Correctional Services (PA12), and will tackle systematic weaknesses and structural challenges in this programme area through two predefined projects (PDPs).

The programme objective “Improved correctional services in line with international and European human rights standards” shall be achieved through projects contributing to enhanced correctional services that are secure, humane, gender-sensitive, and supported by competent staff in line with European and international standards (Outcome 1) and strengthened access to continuous, coordinated, and structured treatment and reintegration services for substance-affected minors (Outcome 2).

Under Outcome 1, the pre-defined project “Steps of Learning, Integration and Support (SOLIS)” aims to improve correctional services in line with European and international standards. This shall be achieved by enhancing prison infrastructure adapted to women and by improving training infrastructure (Output 1.1). The project shall also improve the competence of correctional staff to apply gender-sensitive, humane and other good practices, including holistic security (Output 1.2) and strengthen resocialisation support for women prisoners (Output 1.3).

Under Outcome 2, the pre-defined project “Collaborative Approach to Reintegration of Substance-Affected Minors" introduces targeted efforts to assist substance-affected minors who run the risk of committing criminal offences. The project shall improve cooperation between health and social services to provide continuous and coordinated support (Output 2.1) and strengthen the competencies of health care and social services providers, as well as parents/guardians, to facilitate the delivery of aftercare services and support resocialisation (Output 2.2). The project shall also increase the effectiveness of service delivery through adapted hospital care for substance-affected minors at the Ģintermuiža Hospital (Output 2.3).

2. Selection of projects

2.1 Calls and availability of funds (including number of calls, duration of calls, and estimated size):

The project grant rate shall in all cases be set at a level that complies with the State Aid rules in force and takes into account any and all other forms of public support granted to projects. Any remaining costs of the project shall be provided or obtained by the Project Promoter and/or project partners.

2.2 Eligible applicants and project partners:

N/A

2.3 Selection procedures:

N/A

3. Pre-defined projects

1) "Steps of learning, integration and support (SOLIS)"

Project Promoter:	Latvian Prison Administration (LPA)
Donor project partner(s):	Directorate of Norwegian Correctional Service (KDI) The University College of the Norwegian Correctional Service (KRUS)
Other project partner(s):	Council of Europe (CoE)
Total maximum eligible costs:	€ 12,889,412.00
Project grant rate:	100.00 %
Maximum project grant amount:	€ 12,889,412.00
Estimated duration:	55 months

The SOLIS project focuses on introducing systemic improvements in the Latvian correctional services sector through the construction of modern and inclusive infrastructure, tailored support programmes and enhanced staff competence to support resocialization and reintegration of women prisoners into society. The project shall include the following activities:

1. The construction of a 92-place women's block within the premises of Cesis Correctional Institution for Juveniles, including preparation and expert review of the construction design documentation, construction works, installation of utility networks and security systems, as well as the development and modernisation of related infrastructure (access roads, parking facilities, landscaping works, external utility networks, and perimeter security solutions).
2. The construction of a 12-place Mother-Child unit within the premises of Cesis Correctional Institution for Juveniles.
3. Upgrading the outdoor infrastructure of the Latvian Prison Administration Training Centre, including sports facilities aimed at enabling staff to meet the required physical standards and performance requirements.
4. Establishing and equipping the Museum of the Latvian Prison Administration at the Training Centre, aimed at creating an attractive and interactive exhibition targeting correctional services staff and visitors, as well as increasing public accessibility.

5. Resocialisation activities and targeted support measures for imprisoned women in Cesis Prison, including:
    - The development and implementation of a trauma-informed resocialisation programme for incarcerated women who have experienced violence.
    - Continuation of support measures established under the ESF+ project "DARI", including assistance for incarcerated women and mothers with children, while strengthening cooperation with Civil Society Organisations.
    - In addition, targeted activities towards vulnerable groups of women prisoners such as Latvian language learning, social integration initiatives, and personal development programmes to promote social inclusion, enhance skills and self-confidence, and support successful reintegration after release.
6. Training, capacity building and job-shadowing of correctional services staff in all Latvian prisons, with focus on staff of the women's prison and the new Liepaja Prison, to be provided by the Donor project partners and the Council of Europe. Trainings shall include topics such as dynamic security, the principle of normality, management training, reducing informal prison hierarchies and acquiring specialised skills for working with women prisoners.
7. Measures targeting the proper functioning of the Training Centre, such as supporting further development of Training Centre staff through consultation, experience exchange visits, and Train the Trainer programmes delivered by the Donor project partners.
8. A study related to staff shortages within the correctional services identifying the key factors that encourage or discourage individuals from pursuing employment within the prison service, resulting in an information and media campaign developed to attract new staff.
9. The introduction of an electronic library at the Training Centre to facilitate access to relevant academic electronic library resources for staff of the Training Centre and the Latvian Prison Administration.
10. Support to the daily operations of the Addiction Centre within Olaine Prison, in the form of consultations, study visits and job shadowing activities. Other activities to support the Addiction Centre may be agreed with the Donor project partner(s).
11. Proportionate publicity activities aimed at communicating the objectives and results of the project, such as targeted information events and conferences.
12. Participation in relevant international conferences and visits to other European countries, where proportionate and necessary for the implementation of the project.

2) "Collaborative Approach to Reintegration of Substance-Affected Minors"

Project Promoter:	National Health Service (NHS)
Donor project partner(s):	Directorate of Norwegian Correctional Service (KDI)
Other project partner(s):	Ministry of Health of the Republic of Latvia Ministry of Welfare of the Republic of Latvia Ģintermuiža Hospital
Total maximum eligible costs:	€ 3,222,353.00
Project grant rate:	100.00 %
Maximum project grant amount:	€ 3,222,353.00

Estimated duration: 36 months

The project addresses gaps in the treatment pathway for substance-affected minors in Latvia by strengthening continuity in care, integrating social rehabilitation services with treatment, introducing parental support programmes and adapting the infrastructure of Ģintermuiža Hospital to ensure high quality service delivery. The project shall include the following activities:

1. Adaptation of medical services to the specific needs of individual minors.
2. Assessment of minors' needs and referral to a motivational programme or alternative services.
3. Development and delivery of a social rehabilitation component within the motivational programme.
4. Development and delivery of support services for parents and family members to be provided during and after treatment.
5. Adaptation of the infrastructure at Ģintermuiža Hospital to support the implementation of the motivational programme, including the reconstruction of the adolescent narcological rehabilitation building, the reconstruction and improvement of the sports hall and surrounding areas (outdoor training area, climbing wall, recreation zone), furnishing of the rehabilitation building and purchasing of equipment and inventory.
6. Development of follow-up services to ensure continuity of treatment after the completion of the motivational programme.
7. Exchange of experience and best practices between professionals from Latvia and the Donor project partner involved in project implementation.
8. Capacity building for staff and participation in conferences and seminars relevant to the project's core subject.

4. Bilateral relations

The fund for bilateral relations shall be used to strengthen cooperation between correctional services institutions of Latvia and Norway, including other institutions as relevant. Support shall be provided for a variety of activities, *inter alia*, expert seminars, conferences, working groups, knowledge exchange, thematic workshops, study visits and capacity-building. The fund may also be used to facilitate cooperation between correctional services institutions in Estonia, Latvia and Norway.

The use of the funds for bilateral relations allocated to the programme shall be agreed by the Cooperation Committee.

The Cooperation Committee shall consist of representatives from the Programme Operator, the Donor Programme Partner and the International Partner Organisation, the Council of Europe.

5. Programme management and financial parameters

5.1 Special rules on eligibility of costs:

- Programme management costs shall take the form of eligible expenditure actually incurred.
- The forms of grants available to Latvian project promoters and partners shall be limited to eligible expenditure actually incurred, in accordance with Articles 8.3.1 (a) and 8.3.4 of the Regulation.

5.2 Programme administrative structures:

N/A

6. Miscellaneous

N/A