Norwegian Financial Mechanism 2014-2021

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"

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 2014-2021 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 2014-2021:

(a) Agreement between the Kingdom of Norway and the European Union on the Norwegian Financial Mechanism 2014-2021 (hereinafter referred to as the Agreement);(b) the Regulation on the implementation of the Norwegian Financial Mechanism 2014-2021 (hereinafter referred to as the "Regulation") issued by Norway in accordance with Article 10(5) of the Agreement;

(c) the Memorandum of Understanding on the Implementation of the Norwegian Financial Mechanism 2014-2021 (hereinafter referred to as the "MoU"), 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 the annexes to 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 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. 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 2014-2021 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, the Irregularities Authority and the Programme Operator properly perform the tasks assigned to them in the Regulation, this programme agreement and the programme implementation agreement;

(c) take all necessary steps to ensure that the Programme Operator is fully committed and able to implement and manage the Programme;

(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;

(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 and outcomes of the Programme

1. This programme agreement sets out the objective, 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, 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. In case the Programme is also supported by the EEA Financial Mechanism, this programme agreement shall be interpreted in conjunction with the agreement regulating that support.

3. The financial plan annexed to this programme agreement shall:

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

(b) indicate the agreed advance payment, if any.

4. 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 paragraph 2 of Article 6.3 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
Programme implementation agreement

With reference to Article 6.8 of the Regulation and without prejudice to paragraph 2 thereof, the National Focal Point shall, before any payment is made to the Programme, sign a programme implementation agreement with the Programme Operator. The National Focal Point shall notify the NMFA of such signing.

Article 2.7
Reporting

The National Focal Point shall ensure that the Programme Operator provides financial reports, annual programme reports and a final programme report in accordance with Chapter 9 and Articles 6.11 and 6.12 of the Regulation as well as statistical reporting in accordance with guidelines adopted by the NMFA.

Article 2.8
External monitoring

The external monitoring and audit referred to in Articles 11.1, 11.2, 11.3 and 11.4 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 2.9
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. Programme specific exceptions from paragraph 1, if any, are set in the annexes to this programme agreement.

3. Expenditures incurred in breach of this article are not eligible.

4. Should there be a doubt as to whether the proposed modifications require approval by the NMFA, the National Focal Point shall consult the NMFA before such modifications take effect.

5. Requests for modifications shall be submitted and assessed in accordance with Article 6.9 of the Regulation.

Article 2.10
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 into 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 2.11
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: Director
EFTA Secretariat
Rue Joseph II, 12-16
1000 Brussels
Telephone: +32 (0)2 286 1701
Telefax (general): +32 (0)2 211 1889
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 2.12
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 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 7.6 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 paragraph 1(w) 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 7.7 of the Regulation.

2. The partnership agreement shall be in English if one of the parties to the agreement is an entity from Norway.

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

4. The creation and implementation of the relationship between the Project Promoter and the project partner shall comply with the applicable national and European Union law on public procurement as well as Article 8.15 of the Regulation.

5. 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. Subject to Article 8.7 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.

2. Eligible expenditures of projects are those actually incurred by the Project Promoter or project partners, meet the criteria set in Article 8.2 of the Regulation and fall within the categories and fulfil the conditions of direct eligible expenditure set in Article 8.3 of the Regulation, the conditions regarding the use of standard scales of unit costs set in Article 8.4 of the Regulation as well as indirect costs in accordance with Article 8.5 of the Regulation.

4. The first date of eligibility of expenditures in projects shall be set in the project contract in accordance with Article 8.13 of the Regulation. The first date of eligibility of any pre-defined projects shall be no earlier than the date on which the National Focal Point notifies the NMFA of a positive appraisal of the pre-defined projects by the Programme Operator in accordance with paragraph 3 of Article 6.5 of the Regulation.

5. 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
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 9.4 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. The level of advance payments and their off-set mechanism is set in this programme agreement.

4. The National Focal Point shall ensure that payments are transferred in accordance with paragraph 2 of Article 9.1 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 4.4
Transparency and availability of documents

The National Focal Point shall ensure an audit trail for financial contributions from the Norwegian Financial Mechanism 2014-2021 to the Programme in accordance with Article 9.8 of the Regulation.

Article 4.5
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 paragraph 1(h) of Article 13.1 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 paragraph 1(h), 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 Donors	For the National Focal Point
Signed in Brussels on 13/02/2019	Signed in Riga on 22/03/2019
.....	.....
Niels Engelshiøn Director General, Norwegian Ministry of Foreign Affairs	Armand Eberhards, Deputy State Secretary on EU Structural Funds and Cohesion Funds Issues, Ministry of Finance of the Republic of Latvia

Annex I to the Programme Agreement

Programme Operators and Partners	
Programme Operator:	Ministry of Justice of the Republic of Latvia
Donor Programme Partner:	Directorate of Norwegian Correctional Service (KDI)
IPO:	-
Other Programme Partner(s):	-

Programme Objective	Improved correctional system

PA	Outcome/Output	Expected programme results	Indicator	Disaggregation	Unit of measurement	Source of verification	Frequency of reporting	Baseline values	Baseline year	Target value
PA19	Outcome 1	Improved correctional services	Number of national policies/laws influenced	N/A	Cumulative number	Formal responses, acknowledgement of input to consultations, Informal feedback, Survey responses	Annually (APR)	0	N/A	3
			Share of staff who report that improved facilities were important to their learning process[1]	N/A	Percentage	Survey results	2023	N/A	N/A	80 %
			Share of staff who self-report increased competence[2]	N/A	Percentage	Survey results	2023	N/A	N/A	80 %
	Output 1.1	New structure to train staff put in place	National training centre built	N/A	Binary	Construction acceptance act	Semi-annually (APR and September IFR)	No	N/A	Yes

[1] Staff involved in study programs in the Training Centre.

[2] Staff involved in study programs in the Training Centre. Competence in work with specific groups of prisoners and probation clients, new working methods, getting qualification for work in correction services.

			Technical design of model prison block completed	N/A	Binary	Technical design	Semi-annually (APR and September IFR)	No	N/A	Yes
			Number of training programmes approbated[3]	N/A	Cumulative number	Programme Operator's and Project Promoter`s records, approbation document	Semi-annually (APR and September IFR)	0	N/A	5
			Number of prison and probation staff that can be trained in the centre at one time	N/A	Cumulative number	Technical project of the centre, as well as internal processes regulations of the centre	Semi-annually (APR and September IFR)	0	N/A	150
			Number of prison and probation staff trained in the National training centre	Gender	Cumulative number	Programme Operator's and Project Promoters' records, Attendance sheets	Semi-annually (APR and September IFR)	0	N/A	50
	Output 1.2	Necessary legislation assessed	Number of study visits/expert consultations carried out	N/A	Cumulative number	Programme Operator`s and Project Promoter`s records	Semi-annually (APR and September IFR)	0	N/A	6
			Assessment of necessary changes in relevant legislation carried out	N/A	Binary	Assessment results	Semi-annually (APR and September IFR)	No	N/A	Yes
PA19	Bilateral Outcome	Enhanced collaboration	Level of trust between cooperating entities in	N/A	Scale 1-7	Survey results	Annually (APR)	6.8[4]	2020[5]	6

[3] Programmes that are approved within the ESF project No 9.1.3.0/16/I/001 "Strengthening of the efficiency of the resocialization system". Approbation within the context of NFI – adapting programmes for implementation in the Training Centre, which is the NFI indicator.
[4] Based on the survey carried out on behalf of the FMO
[5] Survey carried out on behalf of the FMO

		between beneficiary and donor state entities involved in the programme	Beneficiary States and Donor States							
			Level of satisfaction with the partnership	N/A	Scale 1-7	Survey results	Annually (APR)	6.7[6]	2020[7]	6
			Share of cooperating organisations that apply the knowledge acquired from bilateral partnership	N/A	Percentage	Survey results	Annually (APR)	N/A	N/A	50 %
			Number of joint initiatives in a Beneficiary State or a Donor State, beyond the scope of the programme	Donor State	Cumulative number	Programme Operator's and Project Promoter's records	Annually (APR)	0	N/A	2
	Bilateral Output 1	Cooperation between donor state and beneficiary state entities facilitated	Number of training courses co-organised by donor state and beneficiary state entities	N/A	Cumulative number	Programme Operator's and Project Promoter's records	Semi-annually (APR and September IFR)	0	N/A	4
			Number of staff from Beneficiary States in exchanges	Donor State, Gender, Type of exchange	Cumulative number	Programme Operator's and Project Promoter's records	Semi-annually (APR and September IFR)	0	N/A	50
			Number of staff from Donor States in exchanges	Donor State, Gender, Type of exchange	Cumulative number	Programme Operator's and Project Promoter's records	Semi-annually (APR and September IFR)	0	N/A	30
			Number of projects involving cooperation with a donor project partner	N/A	Cumulative number	Copies of contracts concluded with Project Promoters, Partnership agreements between Project Promoters and project partners	Semi-annually (APR and September IFR)	0	N/A	1

[6] Based on the survey carried out on behalf of the FMO
[7] Survey carried out on behalf of the FMO

Conditions

General

1) The maximum level of funding available from the total eligible expenditure of the programme for infrastructure (hard measures) shall be 85%.

2) The National Focal Point shall ensure that the Programme Operator, prior to signing a project contract/decision/administrative act for the pre-defined project set out under Section 5.1 of Annex II to the Programme Agreement, carries out an external and independent appraisal of the project, in order to verify its quality and contribution to the objectives of the programme as well as compliance with EU and national legislation.

3) The National Focal Point shall ensure that that the Programme Operator ensures that the project promoter:

- Keeps 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;
- Keeps 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
- Sets 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	15/12/2017	30/04/2025
Grant rate and co-financing		
Programme eligible expenditure (€)		€ 13,106,870
Programme grant rate (%)		85.00 %
Maximum amount of Programme grant - EEA Financial Mechanism (€)		-
Maximum amount of Programme grant - Norwegian Financial Mechanism (€)		€ 11,140,839
Maximum amount of Programme grant - Total (€)		€ 11,140,839

PA	Budget Heading	Norway Grants	Total grant	Programme grant rate	Programme co-financing	Programme eligible expenditure	Advance payment
PA19	Programme management	€ 1,033,250	€ 1,033,250	85.00 %	€ 182,338	€ 1,215,588	€ 0
PA19	Outcome 1 (Norway Grants)	€ 10,107,589	€ 10,107,589	85.00 %	€ 1,783,692	€ 11,891,281	€ 0
Total		**€ 11,140,839**	**€ 11,140,839**	**85.00 %**	**€ 1,966,030**	**€ 13,106,870**	**€ 0**

Retention of management costs	
Retention of management costs - Percentage of the management costs	10.00 %
Retention of management costs - Planned Euro value	€ 121,559

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 MoU, 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 Operator is Ministry of Justice of Republic of Latvia. The Donor Programme Partner is Directorate of Norwegian Correctional Service (KDI).

The Programme shall be implemented by way of one pre-defined project: "Establishment of training centre infrastructure and model prison blocks for training opportunities in the Olaine prison territory" supporting the outcome "Improved correctional services".

2. Eligibility

2.1 Eligible applicants:

Not applicable

2.2 Special rules on eligibility of costs:

Costs are eligible in accordance with chapter 8 of the Regulation.

3. Bilateral relations

3.1 Bilateral relations

The Programme shall contribute to strengthening bilateral relations between Latvia and Norway.

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

4. Selection of projects and financial parameters

4.1 Open calls and availability of funds (including number of calls, duration of calls, and estimated size):

Not applicable

4.2 Selection procedures:

Not applicable

4.3 Project grant rate:

The grant rate for the pre-defined project is set in section 5.1

5. Additional mechanisms within the Programme

5.1 Pre-defined projects

There will be one pre-defined project implemented under the programme.

1) "Establishment of training centre infrastructure and model prison blocks for training opportunities in the Olaine prison territory"

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) Romerike prison Oslo Red Cross Network after Imprisonment

Total maximum eligible costs:	€ 11,891,281
Project grant rate:	100.00 %
Maximum project grant amount:	€ 11,891,281

Programme outcome the project contributes to: “Improved correctional services”

The project aims to improve Latvia's correctional system by establishing a training centre in the Olaine prison area. This project will be part of a model which reflects the functioning of the whole justice chain, with a specific focus on alternative sanctions. In addition to investing in new infrastructure, the project will develop an effective training system for employees of the Latvian Prison Administration and the State Probation Service. The goal is to provide modern and efficient staff training based on identified needs. To ensure sustainability, the correctional service will adopt advanced working methods, which are expected to reduce recidivism and promote reintegration in the future.

The pre-defined project will include, inter alia, the following activities:

- construction of the Training Centre;
- improvement and development of normative acts;
- approbation of staff training programmes.

Originally part of the project, the planned construction of a model prison block in the Olaine prison will not be completed in this project. As a result other activities are included in the project:

- the completion of a technical plan (in accordance with national construction law) for the model prison block;
- the design of the Latvian Prison Administration‘s Museum in the Training Centre completed;
- exchange visit to country known for well-developed Juvenile Justice and Restorative Justice systems;
- additional training to implement the planned activities in prisons.

5.2 Financial Instruments

Not applicable

6. Programme Management

6.1 Payment flows

The Programme Operator shall ensure that payments to the project are made in a timely manner.

The expenditures incurred by the Project Promoter will be pre-financed from the State budget, thus no actual payments from Programme Operator to the Project Promoter will be made.

Project level reporting requirements, including periods and submission deadlines, shall be further detailed in the description of the Programme Operator’s management and control systems.

6.2 Verification of payment claims

Verifications to be carried out by the Programme Operator shall cover administrative, financial, technical and physical aspects of the project, as appropriate and be in accordance with the principle of proportionality.

Verifications shall include the following procedures:

- administrative verifications in respect of incurred expenditures reported by Project Promoter to be carried out before approval of each interim and final project report;

- on–the-spot verifications.

The requirements for proof of expenditures shall be set out in the project contract.

The procedures for administrative and on-the-spot verifications shall be further detailed in the description of the Programme Operator's management and control systems.

6.3 Monitoring and reporting

The Programme Operator shall monitor, record and report on progress towards the programme's outcomes in accordance with the provisions contained in the legal framework. The Programme Operator shall ensure that suitable and sufficient monitoring and reporting arrangements are made with the project promoters in order to enable the Programme Operator and the NFP to meet its obligations to the donors.

When reporting on progress achieved in Annual and Final Programme Reports, the Programme Operator shall disaggregate results achieved as appropriate and in accordance with instructions and templates received from the FMO.

6.4 Programme administrative structures

Not applicable

7. Communication

The Programme Operator shall comply with Article 3.3 of the Regulation, the Information and Communication Requirements in Annex 3 of the Regulation and the Communication plan for the programme.

8. Miscellaneous

Not applicable