EEA Financial Mechanism 2014-2021

PROGRAMME AGREEMENT

between

The Financial Mechanism Committee
established by Iceland, Liechtenstein and Norway

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 "International Police Cooperation and Combating Crime"

hereinafter referred to as the "Programme"

Chapter 1
Scope, Legal Framework, and Definitions

Article 1.1
Scope

This programme agreement between the Financial Mechanism Committee (hereinafter referred to as the FMC) 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 EEA 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 EEA Financial Mechanism 2014-2021:

(a) Protocol 38c to the EEA Agreement on the EEA Financial Mechanism 2014-2021;

(b) the Regulation on the implementation of the EEA Financial Mechanism 2014-2021 (hereinafter referred to as the "Regulation") issued by the Donor States in accordance with Article 10(5) of Protocol 38c;

(c) the Memorandum of Understanding on the Implementation of the EEA Financial Mechanism 2014-2021 (hereinafter referred to as the "MoU"), entered into between the Donor States and the Beneficiary State; and

(d) any guidelines adopted by the FMC 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 EEA 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 FMC 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 Norwegian 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 FMC 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 FMC 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 FMC.

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 FMC.

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 FMC, the National Focal Point shall consult the FMC 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 FMC 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 FMC 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 FMC 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 FMC 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 the Donor States.

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 FMC 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 EEA Financial

Mechanism 2014-2021 to the Programme in accordance with Article 9.8 of the Regulation.

Article 4.5
Irregularities, suspension and reimbursements

The FMC 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 FMC 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 FMC 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 FMC, 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 FMC 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 FMC, 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 FMC or the FMO any responsibility of any kind for the supervision, execution, completion, or operation of the Programme or its projects.

3. The FMC 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 FMC 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 FMC, its members or alternate members, nor the EFTA States, 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.

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.

Article 5.4
Entry into force and duration

****

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

For the Donors

Signed in Oslo on 22/11/2019

.....
Niels Engelschiøn
Director General. Department for European Affairs
Ministry of Foreign Affairs

For the National Focal Point

Signed in Riga on 04/12/2019

.....
Armands Eberhards

Head of National Focal Point

Annex I to the Programme Agreement

Programme Operators and Partners	
Programme Operator:	Ministry of Interior of the Republic of Latvia
Donor Programme Partner:	-
IPO:	Council of Europe (CoE)
Other Programme Partner(s):	-

Programme Objective	Improved crime prevention and investigation

PA	Outcome/Output	Expected programme results	Indicator	Disaggregation	Unit of measurement	Source of verification	Frequency of reporting	Baseline values	Baseline year	Target value
PA20	Outcome 1	Increased effectiveness in combating and preventing economic crime	Number of national policies and laws influenced	N/A	Cumulative number	Formal responses, acknowledgement of input to consultations, Informal feedback, Survey responses	Annually (APR)	0	N/A	5
			Share of investigated economic crime cases prosecuted	N/A	Percentage	Project Promoters' records	2021 and then annualy	10 %	2018	20 %
			Share of forensic case expertise cases taking more than 30 days	N/A	Percentage	Project Promoters' records	2021 and then annualy	71 %	2018	60 %
			Annual number of cash seizure cases on the border	N/A	Annual number	Internal record the project promoter	Annually (APR)	28	2016	31
			ECED caseload distribution per investigator[1]	N/A	Cumulative number	Project Promoters' records	2021 and then annually	22	2018	15
			Number of updated and improved forensic methods in line with EU practices	N/A	Cumulative number	Project Promoters' records	Semi-annually (APR and	0	N/A	2

[1] Total number of on-going cases divided by the total number of investigators (statistics as of March, 2018)

							September IFR)			
	Output 1.1	Interagency cooperation to combat economic crime reinforced	Common interagency IT system to combat economic crime developed	N/A	Binary	Project Promoters'records	Semi-annually (APR and September IFR)	No	N/A	Yes
			Number of professionals trained	Gender	Cumulative number	Project Promoters' records, Attendance sheets	Semi-annually (APR and September IFR)	0	N/A	50
	Output 1.2	Anti-corruption mechanisms enhanced	Digital whistle-blowing complaint platform developed	N/A	Binary	Live version of the digital platform	Semi-annually (APR and September IFR)	No	N/A	Yes
			Number of public-awareness and information-raising campaigns carried out	N/A	Cumulative number	Project Promoters' records, Audio/video/print material produced as part of the campaign	Semi-annually (APR and September IFR)	0	N/A	2
			Number of professionals who perform their duties in prevention and combating of corruption trained	Gender	Cumulative number	Project Promoters' records, Attendance sheets	Semi-annually (APR and September IFR)	0	N/A	30
	Output 1.3	Case-processing capacity strengthened	Infrastructure of forensic laboratories upgraded	N/A	Binary	Construction acceptance report	Semi-annually (APR and September IFR)	No	N/A	Yes
			New forensic expertise method introduced	N/A	Binary	Project Promoters' records	Semi-annually (APR and September IFR)	No	N/A	Yes

			Number of professionals trained	Gender	Cumulative number	Project Promoters' records, Attendance sheets	Semi-annually (APR and September IFR)	0	N/A	50
	Output 1.4	Capacity development of authorities engaged in preventing and combating economic crime supported	Number of professionals trained on combating economic crime and corruption	Gender	Cumulative number	Project Promoters' records, Attendance sheets	Semi-annually (APR and September IFR)	0	N/A	75
			ECED headquarters expanded and upgraded	N/A	Binary	Construction acceptance report	Semi-annually (APR and September IFR)	No	N/A	Yes
	Output 1.5	Capacity development of competent authorities on money laundering matters supported	Number of professionals trained	Gender	Cumulative number	Project Promoters' records, Attendance sheets	Semi-annually (APR and September IFR)	0	N/A	20
	Output 1.6	Capacity development of authorities engaged in combating economic crime on borders supported	Infrastructure of BCP Terehova upgraded	N/A	Binary	Construction acceptance report	Semi-annually (APR and September IFR)	No	N/A	Yes
			Number of professionals trained	Gender	Cumulative number	Project Promoters' records, Attendance sheets	Semi-annually (APR and September IFR)	0	N/A	50
			Number of training facilities of the Cynology service upgraded	N/A	Cumulative number	Construction acceptance report	Semi-annually (APR and September IFR)	0	N/A	2

	Output 1.7	Capacity of forensic authorities (SP, SFSB, SCFME) developed	Number of professionals trained	Gender	Cumulative number	Project Promoters' records; Attendance sheets	Semi-annually (APR and September IFR)	0	N/A	48
			Number of renewed and improved technical equipment	N/A	Cumulative number	Contract; Act of delivery and acceptance	Semi-annually (APR and September IFR)	0	N/A	8
PA22	Outcome 2	Improved child protection system	Number of national policies and laws influenced	N/A	Cumulative number	Formal responses, acknowledgement of input to consultations, Informal feedback, Survey responses	Annually (APR)	0	N/A	5
	Output 2.1	Barnahus model replicated	Number of specialists trained	Gender	Cumulative number	Project Promoters' records, Attendance sheets	Semi-annually (APR and September IFR)	0	N/A	200
			Number of awareness raising campaigns carried out	N/A	Cumulative number	Project Promoters' records, Audio/video/print material produced as part of the campaign	Semi-annually (APR and September IFR)	0	N/A	2
			Number of premises upgraded to the European Barnahus Quality Standards	N/A	Cumulative number	Project Promoters' records	Semi-annually (APR and September IFR)	0	N/A	1
			Model of multidisciplinary interagency services for child victims of violence developed	N/A	Binary	Document describing the model, Project Promoters' records	Semi-annually (APR and September IFR)	No	N/A	Yes

PA20	Bilateral Outcome	Enhanced collaboration between national police, international entities and territorial self-government	Level of trust between cooperating entities in Beneficiary States and Donor States	N/A	Scale 1-7	Survey results	Annually (APR)	7[2]	2021	4.5[3]
			Level of satisfaction with the partnership	N/A	Scale 1-7	Survey results	Annually (APR)	7[4]	2021	4.5[5]
			Share of cooperating organisations that apply the knowledge acquired from bilateral partnership	N/A	Percentage	Survey results	Annually (APR)	N/A	N/A	50 %[6]
	Bilateral Output 1	Bilateral networks supported	Number of training courses co-organised by donor state and beneficiary state entities	N/A	Cumulative number	Project Promoter's records	Semi-annually (APR and September IFR)	0	N/A	3
			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	2
			Number of participants from Beneficiary States in exchanges	Donor State, Gender, Type of exchange	Cumulative number	Project Promoter's records	Semi-annually (APR and September IFR)	0	N/A	20
			Number of participants from Donor States in exchanges	Donor State, Gender, Type of exchange	Cumulative number	Project Promoter's records	Semi-annually (APR and	0	N/A	10

[2] Survey to be carried out by the FMO
[3] Target is ≥4.5, and an increase on the baseline value
[4] Survey to be carried out by the FMO
[5] Target is ≥4.5, and an increase on the baseline value
[6] Target is minimum 50%

							September IFR)			

Conditions

General

1. The maximum level of funding available from the total eligible expenditure of the programme for infrastructure (hard measures) shall be 75% under outcome 1 and 50% under outcome 2.

2. The National Focal Point shall ensure 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 (€)		€ 19,346,550
Programme grant rate (%)		85.00 %
Maximum amount of Programme grant - EEA Financial Mechanism (€)		€ 16,444,568
Maximum amount of Programme grant - Norwegian Financial Mechanism (€)		-
Maximum amount of Programme grant - Total (€)		€ 16,444,568

PA	Budget Heading	EEA Grants	Total grant	Programme grant rate	Programme co-financing	Programme eligible expenditure	Advance payment
PA20	Programme management	€ 1,007,250	€ 1,007,250	85.00 %	€ 177,750	€ 1,185,000	€ 0
PA20	Outcome 1 (EEA Grants)	€ 13,875,888	€ 13,875,888	85.00 %	€ 2,448,686	€ 16,324,574	€ 0
PA22	Outcome 2 (EEA Grants)	€ 1,561,430	€ 1,561,430	85.00 %	€ 275,546	€ 1,836,976	€ 0
Total		**€ 16,444,568**	**€ 16,444,568**	**85.00 %**	**€ 2,901,983**	**€ 19,346,550**	**€ 0**

Retention of management costs	
Retention of management costs - Percentage of the management costs	10.00 %
Retention of management costs - Planned Euro value	€ 118,500

International Police Cooperation and Combating Crime

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 FMC. 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 the Ministry of the Interior of the Republic of Latvia. The Council of Europe is the International Programme Partner.

The programme objective "Improved crime prevention and investigation" shall be attained through two outcomes.

The programme shall support the outcome "Increased effectiveness in combating and preventing economic crime" (PA20) by way of six pre-defined projects:

- "Promoting cooperation between law enforcement authorities in preventing and combating economic crime in Latvia" (PDP 1);
- "Preventing and combating economic crime at the Border Crossing Point Terehova" (PDP 2);
- "Support for the establishment of a whistle-blowing system in Latvia" (PDP 3)
- "Support to the State Police for increasing effectiveness and quality of economic crime investigation in Latvia" (PDP 4);
- "Improvement of employees' knowledge in combating money laundering in Latvia" (PDP 5);
- "Strengthening of the capacity of forensic system and inspection of the site of event (PDP7).

The programme shall support the outcome "Improved child protection system'" (PA22) by way of one pre-defined project: "Support for Barnahus implementation in Latvia" (PDP 6).

---

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 the donor states.

The further use of the funds for bilateral relations allocated to the programme shall be agreed in the Cooperation Committee. In line with the MoU € 113 077,10 of the Fund for bilateral relations under the Norwegian Financial Mechanism 2014-2021 is earmarked for the initiative "Strengthening capacity

of the forensic system" in bilateral cooperation with the National Criminal Investigation Service (NCIS/KRIPOS) in relation to the pre-defined project 7 ‘Strengthening capacity of the forensic system and inspection of the site of the event’.

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:

Project grant rates for the pre-defined projects are set in section 5.1.

5. Additional mechanisms within the Programme

5.1 Pre-defined projects

Therewill be six pre-defined projects in the Programme.

---

1) "Promoting cooperation between law enforcement authorities in preventing and combating economic crime in Latvia"

Project Promoter:	State Revenue Service of the Republic of Latvia
Other project partner(s):	Latvian State Police
Total maximum eligible costs:	€ 2,112,225
Project grant rate:	100.00 %
Maximum project grant amount:	€ 2,112,225
Estimated duration:	52 months

The main aim of the pre-defined project is to develop a joint digital intelligence environment and enhance the expertise of professionals in order to facilitate information exchange among the Latvian law enforcement agencies, while fully and effectively utilizing available information to combat organized crime. The project addresses the need to formalize the cooperation between different law-enforcement agencies in Latvia, and thereby facilitate effective information exchange. This need was highlighted in the Fifth Round Mutual Evaluation Report by the Committee of Experts of the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism, 2018 (Moneyval report in 2018).

The main activities in the project include:

- development and implementation of legal procedures for inter-agency information exchange (regulatory proposals, procedures and inter-agency procedural roadmaps);
- software development;
- infrastructure development (infrastructure solution for State Revenue Service) developed and encryption equipment acquired;
- data analysis improvement;
- software integration with the State Police;
- analytics training;
- specialized training on special techniques (surveillance, covert operations and locksmith).

2) "Preventing and combating economic crime at the Border Crossing Point Terehova"

Project Promoter:	State Revenue Service of the Republic of Latvia
Other project partner(s):	SJSC "State Real Estate" of the Republic of Latvia Organisation for Economic Co-operation and Development (OECD)
Total maximum eligible costs:	€ 2,519,200
Project grant rate:	100.00 %
Maximum project grant amount:	€ 2,519,200
Estimated duration:	52 months

The main aim of the project is to contribute to combating and preventing economic crime by increasing the effectiveness of the work of the border crossing point "Terehova" located on the Latvian – Russian border. The project is seeking to achieve an increase in the annual number of cash seizure cases on the border, improving the knowledge and skills of the customs and border control authorities, strengthening the capacity of the cynology service of the National Customs Board of Latvia, by the reconstruction and renovation of existing facilities, and improving the border control infrastructure at border crossing point "Terehova".

The main activities in the project include:

- enhancement of the inter-agency cooperation among border control institutions (customs, border guards, and Food and Veterinary Service) by holding seminars for three control institutions performing their tasks in the border crossing point to ensure efficient border control management, united action and fight against economic crimes;
- development of an inter-agency procedure and secure method for exchange of information among control institutions;
- Improvement of the existing infrastructure (development of technical design for luggage control terminal, asphalt surface restoration, boiler house reconstruction, replacement of electricity distribution in the utility building, acquisition and connection of guaranteed uninterrupted power supply equipment (UPS), change of deep-well water pumps (including well flushing), and installation of ventilation in control pavilions;
- reconstruction of facilities for cynology needs, including training grounds for dog training;
- training of staff (dog handlers) in the latest methods and techniques for dog training, in accordance with up-to-date requirements and training of detection dogs;
- advanced training sessions for service dogs;
- research activities , which will result in two papers: one focusing on the analysis of substances or ingredients used in cigarette manufacturing, and another evaluating the efficiency of the use of modern teaching and learning aids in customs service dog training
- study visits for dog handlers;
- further development of the existing DOIS (information system for automated distribution of tasks for customs officials at BCP.

3) "Support for the establishment of a whistle-blowing system in Latvia"

Project Promoter:	Corruption Prevention and Combating Bureau of Latvia
Total maximum eligible costs:	€ 648,923
Project grant rate:	100.00 %

Maximum project grant amount:	€ 648,923
Estimated duration:	52 months

The main objective of the project is to develop an effective whistle-blowing system in Latvia and to improve combating and prevention of corruption and other economic crimes.

The main activities in the project include:

- developing and implementing an online whistle-blowing platform;
- organizing two targeted public awareness campaigns aiming at informing the society about signs of corruption, available channels for whistle blowing as well as reducing tolerance towards corruption;
- training and peer exchange visits on processing whistle-blower reports and managing whistle-blowers for officials working on prevention and law enforcement personnel.

4) "Support to the State Police for increasing effectiveness and quality of economic crime investigation in Latvia"

Project Promoter:	State Police of Latvia
Donor project partner(s):	National Authority for the Investigation and Prosecution of Economic and Environmental Crime (Økokrim)
Other project partner(s):	Organisation for Economic Co-operation and Development (OECD) Information Centre of the Ministry of the Interior Provision State Agency
Total maximum eligible costs:	€ 8,162,251
Project grant rate:	100.00 %
Maximum project grant amount:	€ 8,162,251
Estimated duration:	52 months

The main aim of the project is to strengthen the capacity of the State Police of Latvia in combating economic crimes by improving both the technical capacity of the responsible departments and raising the knowledge and skills of officers, to make the process of the investigation of economic crimes more effective and reliable. There will be activities aimed at improving the professional skills and improving inter-agency cooperation, which follows the recommendations in the Moneyval report.

The main activities in the project include:

- strengthening the economic crime case-processing capacity, by
    - upgrading the infrastructure of the forensic laboratories at the Forensic Service Department;
    - introducing new forensic method;
    - training of staff (seminars, training sessions, conferences);
- supporting the capacity development of law enforcement authorities, by
    - training of professionals on the combating of economic crime and corruption
    - expanding and upgrading the Economic Crime Enforcement Department;
    - performing a gap analysis on existing cooperation and coordination mechanisms;
    - capacity building and peer exchange visits to enhance knowledge and skills of the Latvian State Police;
    - peer exchange visits on good practices regarding investigation of complex crimes.

- peer exchange visits on good practices regarding investigation of environmental crimes

5) "Improvement of employees' knowledge in combating money laundering in Latvia"

Project Promoter:	Latvian Financial Intelligence Unit
Other project partner(s):	Bank of Latvia
Total maximum eligible costs:	€ 225,630
Project grant rate:	100.00 %
Maximum project grant amount:	€ 225,630
Estimated duration:	28 months

The main aim of the project is increasing the capacity, knowledge and efficiency of the Financial Intelligence Unit and the Bank of Latvia (Latvijas Banka) focusing on increasing the supervisory capacity in the area of prevention of money laundering as well as international sanctions requirements. This is in line with the recommendations in the Moneyval report. The objective of the pre-defined project is improved crime prevention and investigation.

The main activities of the project include:

- development training of staff (Harvard courses in leadership for managers and Coursera courses for employees)
- bilateral study visits to supervisory institutions abroad;
- arrange international conference on the combating of money laundering using virtual currencies and on sanction matters;
- expert workshop concerning the latest developments on issues related to anti-money laundering, terrorism, proliferation financing and sanctions;
- training (certification) in prevention of money laundering, financing of terrorism and proliferation, including the use of virtual currencies and on sanctions.

6) "Support for Barnahus implementation in Latvia"

Project Promoter:	Ministry of Welfare of the Republic of Latvia
Donor project partner(s):	Government Agency for Child Protection
Other project partner(s):	Children's Clinical University Hospital Organisation for Economic Co-operation and Development (OECD) State Inspectorate for Protection of Children's Rights of the Republic of Latvia
Total maximum eligible costs:	€ 1,836,976
Project grant rate:	100.00 %
Maximum project grant amount:	€ 1,836,976
Estimated duration:	52 months

The main aim of the project is to strengthen child-friendly justice by developing, testing and implementing a multisectoral and multi-disciplinary institution that is focused on child victims of violence/abuse. The project is aiming to develop, test and implement a multisectoral and multi-

disciplinary victim centered institutional cooperation model for cases of violence against children – Barnahus model

The main activities in the project include:

- establishing more effective and efficient procedures for investigation of child abuse;
- increasing the knowledge of staff and potential witnesses;
- raising public awareness (two public campaigns);
- upgrading facilities in line with the European quality standards for Barnahus;
- staff will be trained in responding to concerns of child abuse;
- development of a multi-disciplinary model (teams of professionals) for inter-agency cooperation and coordination;
- providing relevant guidelines and methodology to respond to the cases effectively and taking into consideration the needs of the victims.

---

7) ""Strengthening of the capacity of forensic system and inspection of the site of the event""

Project Promoter:	Ministry of Justice of the Republic of Latvia
Donor project partner(s):	National Criminal Investigation Service (NCIS) of Norway
Other project partner(s):	State Police of Latvia State Centre for Forensic Medical Examination of the Republic of Latvia (SCFME) Provision State Agency
Total maximum eligible costs:	€ 2,656,345
Project grant rate:	100.00 %
Maximum project grant amount:	€ 2,656,345
Estimated duration:	26 months

The main aim of the project is to improve the efficiency and qualification of forensic specialists through training and strengthening the capacity of forensic authorities (SP, SFSB, SCFME) as part of comprehensive forensic system reform, and to increase the quality of forensic facilities and mobility of site experts by providing them with specialised forensic vehicles and equipment. The project responds to the need of ensuring the continuity and availability of forensic expertise, as well as the deployment of modern technologies and innovative solutions to support the development of new methods of expertise. It will also provide for the establishment of an international model of practical cooperation among forensic experts, through bilateral cooperation with the NCIS and through joint hands-on training in the field of disaster victim identification (DVI) and three-dimensional (3D) scanning.

The main activities in the project include:

- training of forensic experts and site experts;
- developing and updating training content in cooperation with Donor State partners;
- upgrading of facilities, including updating of forensic expertise methods and acquiring specialised equipment;
- experience exchange visits in Latvia and Norway;
- upgrading the forensic vehicle fleet with specialised mechanical road vehicles and high-penetration vehicles with trailers and their equipment.

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.

Notwithstanding the above description of the financial flows, the Programme Operator shall ensure that, in the case of projects implemented by or in partnership with international organisations, or a body or an agency thereof, advance payments and all subsequent payments to the project from the Programme are sufficient to ensure that pre-financing requirements can be met and that all payments due to the international organisation, or a body or an agency thereof, are made without delay.

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

The tasks of the Programme Operator shall be carried out by the International Project Coordination Division of the European Affairs and International Cooperation Department of the Ministry of Interior. The Project Control Division of the Ministry of Interior will carry out the tasks related to verification of incurred expenditure and approval of payments.

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.