Standard Summary Project Fiche

1. Basic Information
   1.1 Désirée Number: 2002/000-579.08.03
      Twinning EE02-IB-SPP-01
      Twinning Light EE02-IB-SPP-02
   1.2 Title: Completing preparations for the management of EU structural funds – Phase II
   1.3 Sector: Economic and Social Cohesion
   1.4 Location:
      Estonia

2. Objectives

   2.1 Overall Objective: Administrative capacity in place and sufficient absorption capacity for the implementation of Structural Funds upon Accession in order to enhance economic and structural development and contribute to balanced regional development.

   2.2 Project purpose: Complete administrative readiness to implement the Structural Funds and Community Initiatives in Estonia is needed. Therefore the project aims at raising the capacity of central government and of the potential final beneficiaries through training and finalising the relevant structures in the regions.

   2.3 Accession Partnership and NPAA priority

      The following issues that need particularly urgent attention are foreseen in the Accession Partnership (2001) intermediate objective of regional policy and co-ordination of structural instruments:

      “Ensure that the designated managing authority and paying authorities will progressively build up their capacity in order to be able, upon accession, to fulfil their responsibilities and deliver the tasks assigned to each of them according to the Structural Funds Regulations.”

      “Set up monitoring and evaluation systems; align financial management and control procedures with the specific requirements of the Structural Funds regulations.”

      “Develop the technical preparation of projects eligible for Structural and Cohesion Funds assistance”

      Social Policy and Employment:
“Continue to support social partners’ capacity-building efforts in particular with a view to their future role in the elaboration and implementation of EU employment and social policy, including the European Social Fund, notably through autonomous bipartite social dialogue”.

Agriculture:
“Reinforce the administrative structures needed for the design, implementation, management, monitoring, control and evaluation upon Accession of EC funded rural development programmes”.

With the exception of preparation of projects for the Cohesion Fund, the current project aims to finalise preparations in all the mentioned fields.

The European Commission Regular Report of 2001 for Estonia draws attention to the fact that (ch. 21.) in the field of regional policy and cohesion the priority of the Government of the Republic is to set up legal and administrative framework to use the aid of the EU structural funds efficiently and to ensure the administrative capacity of relevant state institutions.

Chapter III.21 - Regional Policy and Co-ordination of Structural Instruments - of Estonia’s National Programme for the Adoption of the Acquis 2001 foresees that the Estonian administration will have to be developed in order to reach the necessary level of capacity for assuming the obligations in managing and conducting control over the Community funded projects. The current project (together with SPP+ and other projects that provide assistance to administrative preparations regarding the Structural Funds assistance) is directly contributing to fulfil chapter 21 of the NPAA. The project is highly relevant in creating the necessary capacity in Estonia in order to ensure that the Community assistance is implemented correctly and efficiently.

2.4 Contribution to National Development Plan

The project focuses on capacity building in the central administration, but will also provide project preparation assistance to all eligible final beneficiaries of the Structural Funds. The eligible fields and beneficiaries will be determined in the framework of the Single Programming Document/National Development Plan for 2003-2006. Thus, the project will support the implementation of the priorities set out in the Plan. By the time the project starts the SPD measures will be defined and agreed by the Estonian authorities. This project is aimed to facilitate the start of implementation of all measures of the SPD.

2.5 Cross Border Impact

N/A

3. Description
3.1 Background and justification:

In April 16 2002 the Estonian Government has enforced by its decision the revised document “Basic Principles for Preparing for the Implementation of the European Union Structural Funds’ and the Cohesion Fund's Assistance in Estonia”. According to this the future Managing Authority shall be the Ministry of Finance, which will be responsible for the general management of Cohesion Fund as well. The future Paying Authorities shall be the Ministry of Finance (ERDF and CF), the Ministry of Social Affairs (ESF) and Agricultural Registers and Information Board (EAGGF and FIFG). The future Intermediate Bodies have nominated as written in annex 8, where the translation of the whole document is provided. The document will be elaborated further after the SPD measures are agreed on among Estonian authorities and social and economic partners. This can be anticipated during the summer 2002.

Estonia will have to fulfil the responsibilities of the Managing Authority and the Paying Authority of the EU Structural Funds by the date of Accession. This involves the achievement of readiness in many areas:

• Administrative structures have to be set up and finalised (this includes both the legal establishment and training of staff, but also selecting and assigning staff and elaboration of procedures to follow)

• Linked to the readiness of the administrative structures is the existence of a fully functioning information system to fulfil the control and reporting requirements set for the MA and the PA.

• The Intermediate Bodies have to achieve full readiness in fulfilling the numerous tasks delegated to them by the MA and the PA.

• In order to ensure the efficient and effective use of the EU Structural Funds, a project pipeline has to be established prior to accession to allow Estonia to have projects ready for Structural Fund support immediately upon Accession and thereby make an optimum use of Structural funds available to Estonia until the end of the programming period 2000-2006. For the same purpose, the project preparation and management skills have to be developed among the final beneficiaries.

The preparations to achieve full administrative capacity at all levels (including the final beneficiaries) will continue until accession and beyond. The SPP+ project is providing its assistance mainly at the central level, i.e. the Managing and Paying authority level assisting also the Intermediate Bodies. Most activities are holistic in nature. The target of the current project is the Intermediate Bodies’ and final beneficiaries’ level, concentrating more on single organisations and providing the bulk of relevant training. The Managing Authority will audit the Intermediate Bodies by the end of 2003. The current project is designed, among other things, to provide assistance in preparing the IBs for this audit, i.e. to assure that the requirements set by the MA have been met. At the moment 13 bodies have been
identified as the Intermediate Bodies for the SFs in Estonia. This number is likely to rise by few.

By the end of 2002 all decisions regarding the administrative systems and detailed administrative capacity needs, incl. staff predictions will have been made and the main legal framework will be in place. SPP+ is concentrating on primary legislation. The secondary legislation and the contractual agreements between different bodies involved (cascade agreements) for the implementation of the measures is still to be put in place. The current project will provide assistance in this field.

The SPP+ project will provide training for the MA and PA and IBs, that is related to other activities in this project. Regarding more specific training activities (i.e. that are directly related to future tasks), it will prepare a thorough training needs evaluation together with a timetable (i.e. a detailed training programme for each unit). This training programme will be implemented by the current (SPP++) project.

The structure and the principles for the Monitoring Committee will be defined in December 2002. At that time also the secretariat for the Monitoring Committee will be officially nominated. Procedures for the Monitoring Committee will be prepared by July 2003. A manual for the Monitoring Unit of the Ministry of Finance on how to use performance indicators for assessing efficiency, effectiveness and impact of the Structural Funds programmes will be created by July 2003. I.e. with the assistance of SPP+ the system of management and monitoring structures is created. The detailed procedures, compositions etc at the lower level of monitoring hierarchy is not described under the SPP+ activities. The current project will finalise the preparations in this field.

Estonia will join the Interreg, Urban, Equal and Leader programmes in the first programming period until 2006. In the case of Urban and Leader, there will not be separate administrative structures set up, but the activities will be planned into the SPD and implemented in the framework of the SPD.

For Interreg implementation the current structure for implementing the cross-border programme in the Ministry of Internal affairs will be developed further with assistance provided by a separate twinning light.

For Equal as well a separate management system has to be developed, therefore separate assistance in this respect is needed and will be provided by a twinning light under the current project.

3.2 Linked activities:

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<th>Subject</th>
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<th>Project Description</th>
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<td>1</td>
<td>Special Preparatory Programme ES9803.04.01</td>
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<td>Completed</td>
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<td>2</td>
<td>PHARE Consensus III Horizontal Programme</td>
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<td>3</td>
<td>Fisheries project ES9803.01.03</td>
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<td>4</td>
<td>PHARE 2000 projects: Economic and Human Resources development project of Ida-Viru;</td>
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<td>Economic and Human Resources development project of South-Estonia.</td>
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<td>PHARE 2000 Balanced Employment project ES0004-1</td>
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<td>Structures and Instruments for the implementation of Business Support measures</td>
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<td>8</td>
<td>Twinning Light for Regional Development (EIO pot)</td>
<td>Phare 2001</td>
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3.2.1. ES9803.04.01 The Special Preparatory Programme (SPP)

The objectives of the SPP were as follows:

- Legal and administrative framework for the preparation and implementation of a National Development Programme (NDP);
- Appropriate institutional framework and budgetary procedures for the sound financial control and management of pre-structural funds;
- National Development Programme which is similar to Single Programming Document of EU Member States which receive EU support under Objective 1;
- Administrative capacity to manage the pre-accession instruments: ISPA and SAPARD.

It has been identified that Estonian line ministries have gained most from the SPP project in the following areas:

- SPP helped a lot to increase the awareness of the Ministries about EC Regulations on EU Structural Funds' and EU Member States respective management practices;
- Learned from SPP how to harmonise Estonian legislation with the acquis. Representative of the Ministry of Finance chaired the legal working group, which elaborated the Regulation on procedure for application and use of external assistance, for monitoring the use of external assistance and for assessment of the effectiveness of external assistance of the Government of the Republic;
• SPP helped also to increase awareness of different methods that are used in the EU Member States for the programming of Structural Funds. Officials of the Ministry learned how to prepare a National Development Plan;
• Learned new macro-economic modelling and forecasting techniques that are in use in EU Member States and in other candidate countries;
• Gained experience from SPP in how to prepare implementing agencies for accreditation;
• Got experience in how to prepare procedures manuals for the management of EU pre-structural funds ISPA and SAPARD;
• Learned EU sound financial management and control practices;
• Estonian public officials and representatives of the local municipalities have learned networking via SPP e-mail list;
• Estonian public officials have established contacts in EU Member States for the exchange of information on EU Structural Funds management practices.

The project was completed in April 2001.

3.2.2. PHARE Consensus III Programme

PHARE Consensus III Programme increases administrative capacity of the Ministry of Social Affairs to operate according to the EU standards and to implement the social Acquis. The programme helps to prepare the administration for joining the ESF. Specific training is provided for preparing action programmes; drafting preliminary secondary legislation; designing ESF implementation scheme(s), programming guidelines and evaluation procedures.

The expected results of the project are as follows:

- assessment on necessary legislative changes completed;
- administrative guidelines ready for the management;
- ESF training plan ready (will be an input to SPP+);
- IT requirements for ESF administration assessed and recommended;
- The ESF audit system drafted and described;

Some activities of this project are done in parallel with SPP+, therefore close cooperation mechanisms are set.

The project is followed also by SPP++, under which the bulk of training activities regarding the ESF implementation is provided. Following some changes in decisions taken by the Estonian authorities (e.g. nomination of the Ministry of Social Affairs as a Paying Authority) it results that some activities need to be performed under SPP++.

3.2.3. ES9803.01.03 Fisheries project

The objective of the project was to prepare the Estonian fisheries sector for the accession to the EU by rising the institutional and technical capacity of institutions in the fisheries sector and by improving the management of marine fisheries resources according to Council Regulation (EC) No 3699/93, which lays down the criteria and arrangements regarding Community structural assistance in
the fisheries and aquaculture sector and for the processing and marketing of its products.

This Project enabled to identify EU legislative requirements for controls to be applied to structural measures in the fisheries sector and provides advise on the implementation of such legislation in Estonian law. The project provided a manual for handling structural assistance tools and monitoring the implementation according to EU requirements together with appropriate training of the available staff. In the framework of the project also draft ministerial guidelines for financial assistance in the priority fields of operation (fishing fleet, ports) have been prepared.

The project was completed in October 2001.

3.2.4. PHARE 2000 ESC projects:

ES 0007-2 Economic and Human Resources development project of Ida-Viru;

ES 0007-3 Economic and Human Resources development project of South-Estonia.

Projects “Economic and Human Resources Development Project of South Estonia” and “Economic and Human Resources Development Project of Ida-Viru” will strengthen administrative capacity of the South-Estonian Development Agency (SEDA) and Ida-Viru Development Agency (IVDA). The projects will support also the development of the common information system.

3.2.5. ES0004-1 project “Support to the Balanced Development of the Labour Market Services”

The PHARE 2000 project “Support to the Balanced Development of the Labour Market Services” improves the scope and quality of public employment services. This is a step towards participation in European Employment Service (EURES) and the broader European Employment Strategy. The project builds upon previous PHARE support to the National Labour Market Board of Estonia. PHARE funds will be used for establishing new standards for labour market services; upgrading skills of public employment service (PES) personnel; improving work of tripartite employment councils and investing in updating the PES information technology network.

3.2.6. PHARE 2001 project proposal: ESC Structures and Instruments for implementation of Business Support measures

This project will increase the administrative capacity of the Enterprise Estonia sector agencies and regional bureaux for the implementation of Business
Support Schemes and management of the European Regional Development Funds’ (ERDF) aid.

The project supports the establishment of a Project preparation facility and provides TA for the preparation of projects for SME and R&D schemes (feasibility studies, EIAs, preparation of procurement documentation) in order to prepare for the ERDF. The project will provide training and workshops for EE, incl. management of EU SF and MS best practice in the use of SF.

3.2.7 ESC 2001: Completing preparations for the management of EU structural funds (SPP+)

The SPP+ project provides assistance in four areas:

- Preparation of the draft SPD and draft Programme Complement in close co-operation with associated partners according to Council regulation 1260/1999;
- Development of the capacity of the bodies designated by the Estonian authorities as future MA and PA and the respective Intermediate Bodies of the SPD;
- Preparation of legal, budgetary and administrative framework for the implementation of the acquis and harmonisation of tasks related to payment, public internal financial control and audit of SFs assistance;
- Training needs analysis and a sustainable training plan for the key persons responsible for programming and implementing SPD and SFs.

Nevertheless, the SPP+ project will not cover all the activities that have to be undertaken for the full readiness for EU Structural Funds at all levels. The SPP+ project will achieve the following results by the beginning of 2003:

- Advice and assistance given to draft Single Programming Document and draft Programme Complement prepared, key principles defined;
- Inter-ministerial co-ordination decided and partnership involvement defined for SPD;
- Assessment of national co-financing and compatibility of public procurement procedures of SFs checked and developed;
- The team for ex-ante evaluation set-up and readiness to carry out independent ex-ante evaluation;
- Decisions concerning MA and PA taken and the draft of a legal act laying down MA, PA and IB responsibilities and the relevant administrative structures created. The secondary legislation and implementation agreements are not subject to the SPP+ project, as these can be finalised during the year 2003, after the measures have been agreed also by the EC authorities;
- Tasks for MA, PA and Intermediate bodies described, manuals, job descriptions, description of work-flows, procedures and controls in place;
- Principles, membership and procedures for Monitoring Committee has been defined;
• Management and monitoring system on the way to be established for the usage of implementation of SPD with SFs assistance. The project however does not provide for the elaboration of procedures for various ministerial and inter-ministerial working groups that shall facilitate management and monitoring;
• Manual for on spot and ex ante control verification on SFs;
• Macroeconomic modelling and forecasting framework for SPD developed
• Training activities, work shops, traineeships etc. for civil servants in Estonia concerning the SFs. This concentrates however at a general level and is related to the other activities done under the project. More specific training (specified for each activity/post) is not provided under SPP+ project;
• Training needs’ assessment and a detailed training plan in the field of Structural Funds’ implementation and project pipeline procedures to achieve sustainable professionalism.

As the SPP+ project is scheduled to finish in May 2003, the two Twinning projects (SPP+ and SPP++) will run in parallel approximately 4 months in 2003. To assure close co-operation and to avoid any kind of overlap in activities, representatives from both projects shall participate at project planning and progress meetings of both projects and to the Steering Committee of each project. Separate meetings will be held between project actors already during the phase of writing the Covenant of SPP++.

3.2.8 ESC 2001: Twinning Light on Regional Development – Interreg preparations in the Ministry of Internal Affairs. Assistance to the Ministry of Internal Affairs in setting up the MA, PA and Intermediate Body for the Interreg programme, including: legal and administrative framework; procedures’ manuals for all activities; HRD plans for related officials for the period until 2006; training of relevant officials; assistance in ensuring the adequate project pipeline and further mechanisms to ensure sustainability.

3.3 Project components

Results1:

3.3.1 The guaranteed results of Twinning in SFs implementation:
• Training according to the training plan (provided under SPP+) provided;
• MA/PA and IB staff trained to manage the funds,
• Training and awareness rising of final beneficiaries:
Final beneficiaries (e.g. local municipalities, water-companies, training centres, SMEs etc) ready to propose and implement projects.

1 For the indicators please see ANNEX 1 Logical Framework Matrix
• Cascade agreement formats for SPD measures prepared and available;
• Ministerial and inter-ministerial working groups that facilitate the management and monitoring process (e.g. project selection committees) set up and ready to operate;
• Financial management and money flow procedures elaborated for each position and understood by all parties. Coherence of procedures achieved
• Ad hoc issues solved during the implementation of SFs.
• SFs support network in place.

3.3.2 Project preparation facility set up, applications reviewed and fund provided for the final beneficiaries

3.3.3 Twinning Light for the administrative preparations of Equal
• The administrative readiness to implement Equal achieved
• The project pipeline for Equal established

Activities:

3.3.1 Twinning in SF implementation (duration: 12 months)

3.3.1.1 PAA for 12 months, 150 000 EUR

Tasks:
• Co-ordination of the activities of the project experts, including those contracted under the TA.
• Information gathering and co-ordination between the institutions involved.
• Overall co-ordination of the project activities between different related units.
• Advice in setting up ministerial and inter-ministerial working groups at IB level, to draft the procedures for the working groups. These working groups will involve also final beneficiaries.
• Assistance in finalisation of the financial management arrangements.
• Assistance in setting up the project preparation facility (incl. administrative arrangements and detailed implementation mechanisms).
• Assistance in ad hoc questions during the implementation of the SFs after Estonia’s accession (1-2 months).

Profile:
• University Degree (preferably at Master’s level)
• Working experience at least 10 years
• Extensive knowledge of EU regulations
• Experience in programming and managing of Structural Funds.
• Familiarity with the Member States’ financial control/audit systems will be advantage
• Experience in negotiations of SF programming documents will be an advantage
• excellent knowledge of English
• good computer proficiency

3.3.1.2 PAA assistant (full time assistant for 12 months, 12 000 EUR)

Tasks:
• assisting PAA
• co-ordination of project activities
• arranging training events
• organising translation

Profile:
• experience in Phare / Twinning project (management) is an advantage
• good knowledge of English
• good knowledge of Estonian
• good computer proficiency

3.3.1.3 MS Project Leader (3 days per month and 2 days per trainee over 12 months and 20 trainees, 21 000 EUR)

Tasks:
• Assists the PAA with the project management:
• monitoring and guidance of the whole project;
• provision of legal and technical advice and analysis;
• Overviews on the development of all key project outputs and the corresponding procedural/operational manuals, plus the provision of related skills development activities.
• Previous experience with SF management;
• tutors the 20 trainees during their stay in the MS administration.

Profile:
• 15 years working experience
• Working experience in EU structures or other Accessions countries
• Fluent English
• Excellent inter-cultural communication skills

3.3.1.4 STEs for preparation of management tools (25 man-months over 12 months, 400 000 EUR)

• Assuring the coherence of procedures’ manuals in different bodies and common understanding by all officials involved.
• Training of MA, PA and IB staff according to the detailed training plan to be developed within the SPP+ project. The bulk of training activities that is
directed to the officials responsible for the management and monitoring of Community assistance shall be carried out from the current facility.

- Assistance in linking internal financial system, internal auditing, accounting system of IBs to SPD management systems and assuring that the systems meet the requirements that are set by EC and Estonian authorities.
- Administration of EAGGF and FIFG SPD measures. Completion and implementation of EAGGF and FIFG measures, including assistance in the preparation of procedures and manuals, training of IB and PA staff.
- Administration of EAGGF Guidance measures. Completion and implementation of EAGGF Guidance measures, including assistance in the preparation of procedures and manuals and training of IB and PA staff.
- Administration of ERDF SPD measures. Completion and implementation of ERDF measures, including assistance in the preparation of procedures and manuals, training of MA, PA, IB staff.
- Administration of ESF SPD measures. Completion and implementation of ESF measures, including assistance in preparation of procedures and manuals, training of MA, PA, IB staff.
- Assistance in finalising the establishment of the SF monitoring system according to the progress made under SPP+ project (i.e. mostly procedural and training aspects in the IBs).

There will be several experts employed under this component, covering all the Structural Funds. The experts will be attached to the SF Intermediate Bodies. They will remain at the Bodies after Estonia’s accession to monitor and assist in the initial months of implementing the SPD measures. Experience in auditing and Estonian administration preferred. Providing that from the MS administrations the relevant expertise is not found, the MS may use experts from mandated bodies.

The MS experts may be reinforced by local experts.

3.3.1.5 STE for SF advising on the preparations of the implementation agreements (2 man-months over 12 months, 32000 EUR)

Tasks:
- Overview and recommendations of the existing contracts between government bodies
- Providing the format for the cascade agreements for measures. I.e. drafting relevant contracts (implementation agreements) between involved bodies to ensure proper and legally established implementation of measures.

Profile: at least 5 years of experience in SF practical legal issues in a MS. Experience in drafting implementation agreements (contracts) in MS regarding SF implementation.

The expert will be accompanied by a local expert.
3.3.1.6 STEs for establishment of the SF support structure (8
man-months during 12 months, 128 000 EUR)

Tasks:
- Establishment of the SF support structure on the existing offices in counties:
  - Assistance in developing the legal and administrative framework,
  - Assistance in developing the existing structures, selecting the units and
    preparing the support structure staff,
  - Assistance in preparing the HR plans and selecting the support structure
    staff,
  - Training of staff. The staff of the support structure will be selected and
    trained (at least 15 people, one per county) as well as provided with
    training tools during the first half of 2003. Training will be based on the
    functions of the support structure (see annex 7)
- Assistance in providing to the final beneficiaries clear and detailed
  guidance material on how to apply for Community assistance

Profile: at least 5 years of experience in MS administration in the field on SFs
promotion and project preparation/implementation training and/or support
structures.

3.3.1.7 Traineeships in MS

Around 15 officials will be seconded to a MS for an approximate period of 1
month each, for a budget of 72 000 EUR (every traineeship is 50% financed
from national budget and 50% financed from Phare facilities). The visits will
include all the Structural Funds.

In spring 2002 it is indicated that in order to assure smooth implementation of
SPD and Community Initiatives’ activities, on-spot practical training in MS
administrations is required in the following areas:
- PA/MA/IB activities regarding ESF funded measures
- PA/MA/IB activities regarding ERDF funded measures
- PA/MA/IB activities regarding EAGGF funded measures
- mid-term evaluation of the implementation of programmes
- administering activities related to forestry
- administering activities related to soil improvement works
- compilation of implementation/evaluation reports in case of ERDF and ESF
  funded measures

Only the officials designated for the specific tasks in future shall be seconded for
the traineeships provided under the current projects.

The needs for traineeships will be clarified with the help of MS in the process of
preparing the training needs analysis. Every single traineeship shall require ex-
ante approval by the EC Delegation in Tallinn.
3.3.1.8 Training and awareness rising of final beneficiaries (to be contracted by the CFCU in the framework of the twinning covenant, 150,000 EUR of which 75,000 is financed by Phare)

A thorough awareness rising and training programme will be carried out prior to signing of the SPD to ensure the early flow of applications of sufficiently good quality. The training and awareness rising programme will be carried out by the twinning team, including the Structural Funds support structure experts, in cooperation with Estonian officials. If necessary, some of the components will be procured (not the campaign itself, but activities such as the printing of brochures and handbooks, developing the www-page).

The target group of this programme will be all the potential final beneficiaries of the EU Structural Funds in Estonia as defined in the SPD measures (the defining of the final beneficiaries is currently ongoing in the SPD preparation process and will include local governments, NGOs and entrepreneurs).

Training will be carried out all over Estonia. The goal of training the final beneficiaries is to encourage them to start preparing project applications prior to accession with the assistance of the project preparation fund to ensure maximum absorption capacity upon accession. The training will be carried out locally in counties by the people selected to be the Structural Funds support structure representation in the counties (at least 1 person per county). The experts of the support structure (self-employed) will be contracted by the Estonian authorities and trained by MS experts.

Training and awareness rising on the structural funds of the final beneficiaries will be carried out during the second half of 2003. It will include:

- Translating, editing, publishing, printing and introducing materials concerning the SFs in Estonia, including establishing a SFs www-page;
- provision of project preparation and project management training to final beneficiaries according to the requirements set out in the SPD Programme Complement;
- presenting the support structure for project preparation and implementation;
- presenting the Intermediate Bodies;
- introducing the available handbooks and guidelines for project preparation;
- provision of general SFs training.

The training and awareness rising will be co-ordinated centrally from the Ministry of Finance with the assistance of the twinning partner.

The SF support network experts will be selected as a result of an open competition in the beginning of 2003, organised by the Ministry of Finance with, as necessary, the assistance of the MS of the twinning covenant. They will be
trained within the twinning (during spring and summer 2003) and employed subsequently as experts to carry out the training and awareness rising campaign to the final beneficiaries of the SFs later in 2003. The sustainability of these activities is ensured through implementing the SPD TA measures.

Of the 150 000 EUR, 75 000 EUR is foreseen from Phare for supporting the activities of experts (contract with a local company - 12 man months to deliver specific training in Estonian to final beneficiaries, publishing, developing SF www-page etc) and 75 000 from national co-financing is used to hire 15 experts to carry out the training and awareness rising campaigns (Support Structure). Please see annex 7 for additional description of the Structural Funds support structure in Estonia.

3.3.2 Twinning Light in Equal administrative set-up (6 man-months over 12 months, 96 000 EUR)

Assistance to the Ministry of Social Affairs in setting up the MA, PA and Intermediate Body for the Equal programme, including:
- Legal and administrative framework
- Procedures’ manuals for all activities
- HRD plans for related officials for the period until 2006
- Training of relevant officials
- Assistance in ensuring the adequate project pipeline and further mechanisms to assure sustainability

3.3.3 Project Preparation Facility: Establishment of a project preparation fund for the final beneficiaries.

A project preparation fund will be established in the Ministry of Finance to provide the necessary funding for projects’ feasibility studies and cost benefit analysis, detailed technical design and project engineering. The fund will also be used by the IBs to prepare tender documentation after the project has been approved and in case the final beneficiaries are unable to do it themselves.

The eligible activities to be financed from this facility are:
- Preparation of feasibility studies, market studies, surveys, environmental impact assessments, cost-benefit analyses for investment components in the projects as well as preparation of technical designs and bills of quantity (1 000 000 EUR).

For the future SFs projects, the investments have to be covered with feasibility studies. Market studies will be conducted, where applicable. The exact
number of studies and expertise needed for each project will be determined by the nature of project proposals. The projects to be supported under this facility will be based on applications from the final beneficiaries of the structural funds and selected by the Ministry of Finance with the assistance of the Intermediate Bodies. The contracting will be carried out by the CFCU. The goal is to ensure the preparation of a sufficient number of good projects for the SFs measures prior to accession. The more detailed implementation structures and mechanisms shall be determined and agreed before starting the activities. The structures shall be prepared with the assistance under the Twinning contract (see 3.3.1). To ensure sustainability, as far as possible, future SPD implementation units shall be used to administer the activities under the current facility.

Project preparation support under this facility will be made available to projects that are eligible for support under the SFs measures of the Estonian SPD and for projects that are eligible for Phare ESC financing.

The current facility is closely related to the Business Support framework under Phare 2001, which aims at preparing ground for ERDF funded measures. These two facilities should be complementary to each other and potential overlap needs to be avoided. Therefore it is essential that during the phase when the project selection and implementation criteria is defined the two projects would be closely co-ordinated.

3.4 Lessons learned:

The experience with the Irish Twinning (Sound Financial Management) from Phare 2001 facilities has shown that a traineeship (approximately 4 weeks) for one or two persons at a time has a much greater impact than ordinary study tours or seminars for a group of people.

The previous experience with both SPP and SPP+ has shown that Estonian authorities tend to be over-ambitious while programming a project. Both referred projects have foreseen too little time and resources for too many activities. This time (regarding SPP++) it has been tried to be more realistic while planning.

4 Institutional Framework

4.1 The twinning covenant will include all the Intermediate Bodies of the SPD. (See annex 8 for the SFs set-up). All the Intermediate Bodies, Managing Authority and the Paying Authorities will be the direct beneficiaries. Also the final beneficiaries of the Structural Funds will be the beneficiaries of the first twinning covenant.
The Ministry of Finance will play a leading role. The PAA will be situated in the Ministry of Finance, the STEs in the Ministry of Finance but to a large extent in the Intermediate Bodies.

The training and awareness rising will be carried out by the SF support structure staff. The staff (approximately 15 persons for 6 months) will be hired by the Estonian authorities. The sustainability of the SF support structure will be established within the SPD Technical Assistance measure.

4.2 The project preparation facility will be implemented by the Ministry of Finance. The selection of projects to be supported under the facility will be done in close co-operation with the representatives of the respective SPD measure Intermediate Bodies from where the project could be applicable for financing in the future. Any application to be supported under the facility will be approved by the relevant Intermediate body and the Ministry of Finance (as the Managing Authority) as well as the CFCU. The EC Delegation will perform ex-ante control before financing under the PPF. Beneficiaries of the PPF will be the final beneficiaries of the SFs as identified in the Estonian SPD 2003-2006. Also Phare ESC activities are eligible.

4.4 The twinning light component on Equal will be carried out by the Ministry of Social Affairs who shall be the MA and the PA of the programme. Also the project partners and the location of each STE is decided by the Ministry of Social Affairs.

5 Detailed Budget

<table>
<thead>
<tr>
<th>Phare Support</th>
<th>Investment Support</th>
<th>Institution Building</th>
<th>Total Phare (=I+IB)</th>
<th>National Cofinancing</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contract 1 Twinning in SF implementation</td>
<td>820 350</td>
<td>820 350</td>
<td>277 000</td>
<td>1 097 350</td>
<td></td>
</tr>
<tr>
<td>PAA for 12 months</td>
<td>150 000</td>
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<td>20 000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Twinning covenant preparation</td>
<td>18 000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PAA assistant</td>
<td>12 000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MS Project Leader</td>
<td>21 000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>STEs for preparation of management tools</td>
<td>400 000</td>
<td></td>
<td>100 000</td>
<td></td>
<td></td>
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<tr>
<td>STE for SF legal expertise</td>
<td>32 000</td>
<td></td>
<td>12 000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>STE for establishment of the SF support structure</td>
<td>128 000</td>
<td></td>
<td>25 000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Traineeships</td>
<td>36 000</td>
<td></td>
<td>45 000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reserve 2.8%</td>
<td>23 350</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contract 2 Training and awareness rising of final</td>
<td>75 000</td>
<td>75 000</td>
<td>75 000</td>
<td>150 000</td>
<td></td>
</tr>
</tbody>
</table>

2 The cofinancing data will be made available to the steering committee quarterly
Co-financing for the project will include the local experts (e.g. cascade agreements) as well as necessary costs associated with office facilities for the twinnings. It should also be kept in mind that a significant part of the Estonian administration both in the Ministry of Finance but also in the line ministries and the Intermediate Bodies will be involved in the preparations for the EU Structural Funds. Estonia will be ready for the implementation of the SFs by the time of accession. All activities that do not fall under Phare assistance will be covered by the Estonian authorities. Indicative co-financing table is presented in more details in annex 9, which is considered an integral part of this project fiche.

Co-financing will be parallel except for the twinning where the co-financing will be included in the covenant.

### 6 Implementation Arrangements

The CFCU is the Implementing Agency responsible for tendering, contracting and accounting. Responsibility for technical preparation and control will remain with the beneficiary:

**CFCU:** Mr. Hennart Arismaa tel. +372 6113012, fax +372 6966810  
Ministry of Finance, Suur-Ameerika 1, Tallinn 15006

**PAO:** Mr. Renaldo Mändmets, Deputy Secretary-General,  
fax +372 6966810  
Ministry of Finance, Suur-Ameerika 1, Tallinn 15006

**PO:** Mr. Andres Kuningas  
Head of the International Relations Department  
Ministry of Finance, Suur Ameerika 1, Tallinn 15006

**Project Leader:** The Ministry of Finance will hire the project leader in autumn 2002 upon approval of the project by the Phare Management Committee. The requirements for the project leader are as follows: higher education, excellent knowledge of English language, previous project management experience needed, previous experience in managing Phare/Phare Twinning is an

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The final beneficiaries applying for assistance from the project preparation fund will provide 25% of co-financing for the studies.
advantage, computer literacy required, previous knowledge in SF matters is an advantage.

Contact person
Until the appointment of the project leader, the contact person in the Ministry of Finance will be mr. Klas Klaas, chief specialist of the Administration Unit, Foreign Financing Department, Ministry of Finance, tel: 06113514.

From the beginning of 2003 several new employees will be recruited to support the activities described in the current document. All related ministries in Estonia have applied from the next years state budget for more funds to recruit additional staff in order to facilitate the process of preparing for SFs.

The lead group (consisting of the SPD ministries’ deputy secretaries general) will act as the project steering committee. The following ministries are involved: Ministry of Finance, Ministry of Agriculture, Ministry of Transport and Communication, Ministry of Environment, Ministry of Internal Affairs, Ministry of Economic Affairs, Ministry of Social Affairs, Ministry of Education.

6.4 Twinning
The first twinning will be implemented under the Foreign Financing Department of the Ministry of Finance. The line ministries that have functions as the Paying Authority or Intermediate Bodies will be closely involved in the implementation of the project (see Annex 8 for further information).

The PAA will be situated in the Ministry of Finance but he/she will co-operate closely with other beneficiary institutions. STEs will stay in the institution that the specific assistance is provided for. Contact person is mr Klas Klaas.

6.5 Project preparation facility
The projects to be supported under this facility will be based on applications from the final beneficiaries of the structural funds and selected by the Ministry of Finance with the assistance of the Intermediate Bodies. The contracting will be carried out by the CFCU. The administrative structures along with detailed project selection mechanisms and implementation arrangements shall be determined with the help of SF implementation Twinning during the first half of 2003, i.e. before the PPF will be launched. The arrangements shall be agreed with all related ministries. As far as possible, future SF structures will be used in order to ensure maximum sustainability from the PPF component. The beneficiaries that are eligible for SF assistance are under similar conditions eligible also for the PPF assistance. The individual projects will be selected by the Ministry of Finance together with the relevant Intermediate Bodies. The project selection
procedures as well as individual projects need to receive the ex-ante approval by the EC Delegation in Tallinn.

6.6 Contracts

<table>
<thead>
<tr>
<th>Contract</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Twinning in SF implementation</td>
<td>820 350 EUR</td>
</tr>
<tr>
<td>Training and awareness rising of final beneficiaries (TA)</td>
<td>75 000 EUR</td>
</tr>
<tr>
<td>Various contracts under PPF</td>
<td>1 000 000 EUR</td>
</tr>
<tr>
<td>Twinning Light in Equal preparations</td>
<td>96 000 EUR</td>
</tr>
</tbody>
</table>

7 Implementation Schedule

7.1 Start of tendering/call for proposals  
   August 2002

7.2 Start of project activity  
   January 2003

7.3 Project Completion  
   January 2005

8 Equal Opportunity

During the implementation of the project there will be no discrimination on the grounds of race, sex, sexual orientation, mother tongue, religion, political or other opinion, national or social origin, birth or other status. Equal opportunities for women, men and minorities will be ensured by the Steering Committee during the implementation of the project. The Estonian laws and regulations concerning the equal opportunities for women, men and minorities will strictly be followed. Equal opportunity for men and women to participate in the project will be measured by recording the experts and consultants employed.

9 Environment

The project in itself will not have an impact on the environment. Implementation of the SPD 2003-2006 will have one, however. The strategic environmental impact assessment of the SPD will be carried out during 2002. Large infrastructure investment projects will have to be accompanied by an environmental impact assessment in accordance with the legislation.

10 Rates of return

The project focuses on administrative capacity building and as such will not have a rate of return comparable to investment projects.

11 Investment criteria
11.1 Catalytic effect:
Phare’s support must catalyse a priority accession driven action which would otherwise not have taken place or which would have taken place at a later date

11.2 Co-financing:
Co-financing is a separate issue within the SFs preparation. It will be mainly analysed within the SPP+ project.

11.3 Additionality:
Phare grants shall not displace other financiers

11.4 Project readiness and Size:
All the activities of the project are ready to be contracted either immediately or within 6 months of signing the Financing Memorandum.

11.5 Sustainability:
The SFs implementation, management, monitoring and control systems will be sustained by the Government of Estonia, specifically by the respective ministries implementing the SPD.
The SFs support structure and the project preparation fund will be sustained with the assistance of the SPD Technical Assistance measure.

11.6 Compliance with state aids provisions
Specific attention will be paid to state aid issues in the framework of preparing and implementing the SFs.

11.7 Contribution to National Development Plan
The project will contribute to the successful implementation of the SPD 2003-2006.

12 Conditionality and sequencing

The twinning component builds largely on ongoing twinning projects. Therefore, it has to take full account of the outputs of the currently running projects.

Before the start of the project activities Estonian authorities will define the potential final beneficiaries.

Before the training and awareness rising of the final beneficiaries can start, the SF support structure will have to be established, the staff selected and trained. The project preparation will not be available until the SFs support structure has been developed and SPD measures approved by the Government of Estonia. This shall be finalised in the framework of Twinning (see 3.3.1.6).

Before the Covenant is signed the Ministry of Finance will:
• Establish a working group for the SF support structure where also the representatives of counties are represented;
• Designate full-time project leader for the management, preparation and activities of the support structure;
• Propose the draft administrative structures and draft work plan to the EC Delegation in Tallinn.
• The terms of reference for the awareness campaign must be presented before the selection of the twinning partner as the twinning covenant will have to be co-ordinated with them.

For the awareness campaign, the local company cannot be contracted before the support structure is settled.

As far as FIFG is concerned, close co-operation will be ensured with the Phare project 2002-000-579.06.01, with cross-participation in both steering committees.

The SPP+ project is scheduled to finish in May 2003. To assure close co-operation and to avoid any kind of overlap in activities, representatives from both projects shall participate at project planning and progress-meetings of both projects. Separate meetings will be held between project actors already during the phase of writing the Covenant of SPP++.

In order to ensure adequate capability to absorb two twinning projects in parallel, additional official will be employed before signing the Twinning Covenant and designated for supporting the SPP++ activities.

The Inter-ministerial steering committee for SPP+ needs to be appointed also as the steering committee for SPP++. If not possible then separate inter-ministerial steering committee for SPP++ needs to be established before signing the Twinning Covenant.

Successful implementation of the SPP+ project, including the provision of national co-financing, must be considered as a conditionality to implement the current project as it is currently laid out.

The terms of reference for the Twinning Light for Equal preparations will be prepared in July 2002 by the Ministry of Social Affairs.

The mechanisms for managing the PPF component (see 3.3.3) will be presented and approved by the EC Delegation in Tallinn before first requests for funding are submitted.

A full-time project leader will be recruited before starting the project activities.

**ANNEXES TO PROJECT FICHE**

Annex 1: Phare log frame
**LOGFRAME PLANNING MATRIX FOR**

**Project – Completing preparations for the management of EU structural funds – Phase II**

<table>
<thead>
<tr>
<th>Programme name and number</th>
<th>Contracting period expires</th>
<th>Disbursement period expires</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>30 November 2004</td>
<td>30 November 2005</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Total budget :</th>
<th>Phare budget :</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 268 350 €</td>
<td>1 741 350 €</td>
</tr>
</tbody>
</table>

**Overall objective**

Administrative capacity in place and sufficient absorption capacity for the implementation of Structural Funds upon Accession in order to enhance economic and structural development and contribute to balanced regional development.

<table>
<thead>
<tr>
<th>Objectively verifiable indicators</th>
<th>Sources of Verification</th>
</tr>
</thead>
<tbody>
<tr>
<td>Decreased socio-economic differences between Estonia and EU</td>
<td>Annual Reports, monitoring data</td>
</tr>
</tbody>
</table>

**Project purpose**

Complete administrative readiness to implement the Structural Funds and Community Initiatives in Estonia is needed and therefore the capacity of central government and of the potential final beneficiaries needs to be raised through training and finalising the relevant structures in the regions.

<table>
<thead>
<tr>
<th>Objectively verifiable indicators</th>
<th>Sources of Verification</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of projects approved</td>
<td>The % of SFs available for Estonia used during 2004-2006</td>
<td>Annual Reports, monitoring data</td>
</tr>
</tbody>
</table>

**Results**

- Training according to the training plan (provided under SPP+) provided;
- Cascade agreement formats for SPD measures prepared and available;
- Ministerial and inter-ministerial working groups that facilitate the management and monitoring process (e.g. project selection committees) set up and ready to operate;
- Financial management and money flow procedures elaborated for each position and understood by all parties. Coherence of procedures achieved;
- Ad hoc issues solved during the implementation of SFs.

<table>
<thead>
<tr>
<th>Objectively verifiable indicators</th>
<th>Sources of Verification</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of projects submitted by the final beneficiaries for financing from the SFs. Managing, paying and implementing authorities approved by the EC</td>
<td>•</td>
<td>•</td>
</tr>
</tbody>
</table>
- MA/PA and IB staff trained to manage the funds,
- SFs support network in place.
- Final beneficiaries (e.g. local municipalities, water-companies, training centres, SMEs etc) ready to propose and implement projects.
- Project preparation facility set up, applications reviewed and project preparation fund provided for the final beneficiaries
- The administrative readiness to implement Equal achieved
- The project pipeline established

<table>
<thead>
<tr>
<th>Activities</th>
<th>Means</th>
<th>EUR</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Co-ordination of the activities of the project experts, including those contracted under the TA. Why should be done with MS experts</td>
<td>1.1 Twinning (12 months)</td>
<td>Short term experts</td>
<td></td>
</tr>
<tr>
<td>- Information gathering and co-ordination between the institutions involved.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Overall co-ordination of the project activities between different related units.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Advice in setting up ministerial and inter-ministerial working groups at IB level, to draft the procedures for the working groups. These working groups will involve also final beneficiaries.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Assistance in finalisation of the financial management arrangements.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Assistance in setting up the project preparation facility (incl. administrative arrangements and detailed implementation mechanisms).</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Assistance in ad hoc questions during the implementation of the SFs after Estonia’s accession. (1-2 months)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Assuring the coherence of procedures' manuals in different bodies and common understanding by all officials involved.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Training of MA, PA and IB staff according to the detailed training plan to be developed within the SPP+ project. The bulk of training activities that directed to the officials responsible for the management and monitoring of Community assistance shall be carried out from the current facility.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Assistance in linking internal financial system, internal auditing, accounting system of IBs to SPD management systems and assuring that the systems meet the requirements that are set by EC and Estonian authorities.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Administration of EAGGF and FIFG SPD measures. Completion and implementation of EAGGF and FIFG measures, including assistance in preparation of procedures and manuals, training of IB and PA staff.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Administration of EAGGF Guidance measures. Completion and implementation of EAGGF Guidance measures, including assistance in preparation of procedures and manuals and training of IB and PA staff.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Administration of ERDF SPD measures. Completion and implementation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

ERDF measures, including assistance in preparation of procedures and manuals, training of MA, PA, IB staff.
- Administration of ESF SPD measures. Completion and implementation
  of ESF measures, including assistance in preparation of procedures and manuals, training of MA, PA, IB staff.
- Assistance in finalising of the establishment of the SF monitoring arrangements according to the progress made under SPP+ project (i.e. mostly procedural and training aspects in the IBs).
- Facility for short-term local expertise in order to carry out single and well defined activities. The need for such a contract must be fully justified case by case.
- Overview and recommendations of the existing contracts between government bodies
- Providing the format for the cascade agreements for measures. I.e. drafting relevant contracts (implementation agreements) between involved bodies to ensure proper and legally established implementation of measures

Traineeships for 15 officials from SF administration;

Establishment of the SF support structure on the existing offices in counties:
- Assistance in developing the legal and administrative framework,
- Assistance in developing the existing structures,
- Assistance in preparing the HR plans and selecting the support structure staff,
- Training of staff. The staff of the support structure will be selected and trained as well as provided with training tools during the first half of 2003. Training will be based on the functions of the support structure
- Assistance in providing to the final beneficiaries clear and detailed guidance material on how to apply for Community assistance
- A thorough awareness rising and training programme will be carried out prior to signing of the SPD to ensure the early flow of applications of sufficiently good quality.

A project preparation fund will be established

Assistance to the Ministry of Social Affairs in setting up the MA, PA and Intermediate Body for the Equal programme, including:
- Legal and administrative framework
- Procedures’ manuals for all activities
- HRD plans for related officials for the period until 2006
- Training of relevant officials

<table>
<thead>
<tr>
<th>Short term expert</th>
<th>SF support structure staff, contracted by the Estonian authorities.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Contract with a local company</td>
</tr>
<tr>
<td></td>
<td>Project preparation facility</td>
</tr>
<tr>
<td></td>
<td>Twinning Light</td>
</tr>
</tbody>
</table>
- Assistance in ensuring the adequate project pipeline and further mechanisms to assure sustainability
Annex 2: Time Implementation Chart

Project No:

Project Title: Completing preparations for the management of EU structural funds – Phase II

<table>
<thead>
<tr>
<th></th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contract 1</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Twinning in SF</td>
<td>T</td>
<td>T</td>
<td>T</td>
</tr>
<tr>
<td>implementation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contract 2</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Training and</td>
<td>T</td>
<td>T</td>
<td>C</td>
</tr>
<tr>
<td>awareness rising</td>
<td></td>
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</tr>
<tr>
<td>Contract 3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Project</td>
<td>T</td>
<td>T</td>
<td>C</td>
</tr>
<tr>
<td>Preparation</td>
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<td></td>
</tr>
<tr>
<td>Facility</td>
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<tr>
<td>Contract 4</td>
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<tr>
<td>Twinning Light</td>
<td>T</td>
<td>T</td>
<td>C</td>
</tr>
<tr>
<td>for Equal</td>
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</tbody>
</table>
Annex 3: Cumulative Contracting Schedule

Project No:

Project Title: Completing preparations for the management of EU structural funds – Phase II

<table>
<thead>
<tr>
<th>Contract 1 Twinning in SF implementation</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>31.03</td>
<td>30.06</td>
<td>30.09</td>
</tr>
<tr>
<td></td>
<td>820 350</td>
<td>820 350</td>
<td>820 350</td>
</tr>
<tr>
<td>Contract 2 Training and awareness rising</td>
<td>75 000</td>
<td>75 000</td>
<td>75 000</td>
</tr>
<tr>
<td>Contract 3 Twinning Light Equal</td>
<td>96 000</td>
<td>96 000</td>
<td>96 000</td>
</tr>
<tr>
<td>Contract 4 Project Preparation Facility (various contracts)</td>
<td>250 000</td>
<td>500 000</td>
<td>750 000</td>
</tr>
<tr>
<td>TOTAL</td>
<td>96 000</td>
<td>991 350</td>
<td>991 350</td>
</tr>
</tbody>
</table>
Annex 3 B: Cumulative Disbursement Schedule

Project No:

Project Title: Completing preparations for the management of EU structural funds – Phase II

<table>
<thead>
<tr>
<th>Contract 1 Twinning in SF implementation</th>
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<th>2003</th>
<th>2004</th>
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</thead>
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<td></td>
<td>31.03</td>
<td>30.06</td>
<td>30.09</td>
</tr>
<tr>
<td></td>
<td>191 470</td>
<td>337 940</td>
<td>529 410</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Contract 2 Training and awareness rising</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>31.03</td>
<td>30.06</td>
<td>30.09</td>
</tr>
<tr>
<td></td>
<td>45 000</td>
<td>45 000</td>
<td>45 000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Contract 2 Twinning Light Equal</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>31.03</td>
<td>30.06</td>
<td>30.09</td>
</tr>
<tr>
<td></td>
<td>24 000</td>
<td>48 000</td>
<td>72 000</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Contract 3 Project Preparation Facility (various contracts)</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>31.03</td>
<td>30.06</td>
<td>30.09</td>
</tr>
<tr>
<td></td>
<td>250 000</td>
<td>500 000</td>
<td>750 000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>TOTAL</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>31.03</td>
<td>30.06</td>
<td>30.09</td>
</tr>
<tr>
<td></td>
<td>215 470</td>
<td>430 940</td>
<td>896 410</td>
</tr>
</tbody>
</table>
Reference to feasibility/pre-feasibility studies

N/a
ANNEX 5 List of relevant laws and regulations

Co-ordination Regulation:

Council Regulation (EC) No 1260/1999 of 21 June 1999 on the tasks of the Structural Funds and their effectiveness and co-ordination of their activities between themselves and with the operations of the European Investment Bank and the other existing financial instruments.

Structural Funds related regulations:

1159/2000 May 28, 2001 Commission Regulation on information and publicity measure carried out by Member states concerning assistance from Structural Funds.

1447/2001 June 28, 2001 Council Regulation amending EC Reg 1260/1999 laying down general provisions of the Structural Funds

EC 634/2000 March 28, 2000 on arrangements using euro for the purpose of the budgetary management of Structural Funds

ERDF Regulation:


ESF Regulation:


EAGGF (Guidance) Regulation:

Council Regulation (EC) No 1257/1999 of 17 May 1999 on support for rural development from the European Agricultural Guidance and Guarantee Fund (EAGGF) and amending and repealing certain Regulations.

FIFG Regulation


Cohesion Fund Regulation


Eligible expenditure


Financial Management and Control

Commission Regulation (EC) No 438/2001 of 2 March 2001 laying down detailed rules for the implementation of Council Regulation (EC) No 1260/1999 as regards the management and control systems for assistance granted under the Structural Funds

Financial Corrections

Commission Regulation (EC) No 448/2001 of 2 March 2001 laying down detailed rules for the implementation of Council Regulation (EC) No 1260/1999 as regards the procedure for making financial corrections to assistance granted under the Structural Funds

1681/94 Commission Regulation (EC) No 1681/94 of 11 July 1994 concerning irregularities and the recovery of sums wrongly paid in connection with the financing of the structural policies and the organisation of an information system in this field


1268/1999 Sapard Council Regulation (EC) No 1268/1999 of 21 June 1999 on Community support for pre-accession measures for agriculture and rural development in the applicant countries of central and eastern Europe in the pre-accession period


These regulations set out all the rules and administrative requirements which each Member State must adopt.
ANNEX 6

1.1. Reference to relevant Government strategic plans and studies

The project is directly influenced by the developments of the (draft) Single Programming Document that Estonia is planning to finalise by the end of 2002. During 2003 it is planned to carry out the negotiations with Commission Services in order to agree on the final document.
Annex 7:
Support structure for implementing the structural funds in Estonia

Estonia is administratively divided into 15 counties, representing the central government and carrying out its functions and 247 local government units.

Considering the insufficient level of applications submitted by the applicants of the pre-accession funds, similar shortcomings are anticipated from the potential future beneficiaries of the structural funds, and the need to ensure an increase in absorption capacity, it is necessary to pay special attention to the project preparation phase and subsequently also to project implementation. Efforts have to be directed to the lowest possible level, i.e. the final beneficiaries of the SFs.

The following structure and functions are proposed to ensure the absorption of the EU SFs funding in the framework of the Single Programming Document for Estonia.

15 contact points, one in every county\(^4\), consisting of at least one person initially. The experts to become the contact points will be hired and trained centrally by the Ministry of Finance, designated as the Managing Authority for the SFs. The contact points will have the following functions:

- Disseminating information to the final beneficiaries about the different possibilities of financing provided by the Intermediate Bodies;
- Assisting the final beneficiaries in determining the suitable source of financing of project preparation and management training;
- Assisting the final beneficiaries in project preparation phase in explaining the requirements and advising on how to compile project proposals;
- Assisting the final beneficiaries in project implementation phase (explaining the rules and reporting requirements, etc.);
- Co-ordination of information with the Intermediate Bodies concerned and other contact points;
- Giving presentations and carrying out surveys in the county;
- Providing regular feedback to the Intermediate Bodies and Managing Authority.

This constitutes the horizontal level of support given to the final beneficiaries.

There will also be a vertical dimension to the support structure. In each Intermediate Body, there will be at least one person with the responsibilities of disseminating information about the measures implemented by his/her organisation. There will also be specific advisors employed for some priority sectors such as tourism, infrastructure development, social questions, rural life. They will also be located in the Intermediate Bodies.

\(^4\) The contact points may be located in the county governments, units of the EU Information Secretariat or built upon the Team Europe network. This will be determined during the establishment of the legal framework for the support structure.
The list of Intermediate Bodies stands as follows at the moment (the list is likely to grow):

- The Intermediate Bodies for the ERDF - the relevant department(s) in the Ministry of Economic Affairs and the Foundation Enterprise Estonia;
- The Intermediate Bodies for the ESF - the relevant department(s) in the Ministry of Social Affairs and in the Labour Market Board and the Vocational Education and Training Reform Foundation;
- The Intermediate Bodies for the guidance section of the EAGGF - the relevant department(s) in the Ministry of Agriculture and the Agricultural Registers and Information Board;
- The Intermediate Bodies for the FIFG - the relevant department(s) in the Ministry of Agriculture and the Agricultural Registers and Information Board;
- The Implementing Bodies for the Cohesion Fund projects - in their relevant sector the relevant department(s) in the Ministry of Transport and Communications and in the Ministry of Environment and in the Estonian Roads Administration, Estonian Railway Administration and the Environment Investment Centre.

Since eleven bodies outside the MA and PA departments have been designated as the Intermediate Bodies, there will be at least seven people employed in the vertical dimension of the SFs support structure in Estonia.

In addition there will be hired one SF project promoter who would have the responsibility of reviewing larger projects for their funding possibilities from several measures simultaneously.

It is estimated that the number of staff in the SF support structure will be 30 persons (two in each county). The support structure will be managed centrally by the Ministry of Finance. The financing for the support structure will be sustained by the MA and IBs, as well as the TA measures of the SPD.
Annex 8:
Basic Principles for Preparing for the Implementation of the European Union Structural Funds’ and the Cohesion Fund’s Assistance in Estonia

1. The current position is developed to give a description of the general division of tasks between the ministries responsible for making preparations for the implementation of funds becoming available from European Union (henceforth EU) Structural Funds and Cohesion Fund after Estonia becomes the member of EU. The position will be used for planning and coordination of the activities of the ministries launched during the pre-accession period in course of the process of preparation for the implementation of EU funds. To an extent possible, structures already existing are to be used in course of preparation; any new managing structures and procedures established and prepared during the pre-accession period must meet the requirement of being usable for the implementation of EU structural assistance also after the accession.

2. In case of integration with European Union (EU) Estonia is going to implement the procedures arising from Single Programming Document for harmonized programming of EU structural assistance until the year 2006. Arising from the Council Regulation (EC) No 1260/1999 (henceforth the general Structural Funds Regulation or General Regulation) a development plan, equitable as a draft single programming document, is comprised during the first stage of this process. In case of Estonia the development plan extends to the country nationwide. The immediate purpose of the plan is the mutual harmonization of investments between Estonia and EU. Therefore, the official title of the plan is “Estonian National Development Plan – Single Programming Document for 2003 – 2006”. For simplicity the document to be comprised is referred to as the Single Programming Document henceforth. The Single Programming Document that meets all the requirements arising from different EU regulations is completed in course of the preparations made for accession by January 1, 2003. Pre-accession Economic Programme (PEP) is used as the basis for compiling SPD for 2003 – 2006. After integration with European Union the Convergence Programme and Stability Programme are used for compiling SPD.

3. The general responsibility for the organization and coordination of development of the SPD for 2003 – 2006 and Programme Complement lies with the Ministry of Finance. The Ministry of Finance acts within the limits of competence arising from the Government of the Republic Act and State Budget Act. This is meant to provide for uniform coordination of state budget politics, including foreign assistance provided for Estonia. All the other relevant ministries are responsible for providing plans for utilization of assets from Structural Funds within their jurisdiction.

4. The responsibility for general management and coordination of funds allocated from Structural Funds and Cohesion Fund lies with the Managing Authorities. The functions of a Managing Authority can only be implemented by a government agency as defined in the Government of the Republic Act.
5. The responsibility for submitting applications for financial aid and financial management of aid received from Structural Funds and Cohesion Fund lies with the Paying Authorities. The functions of a Paying Authority can only be implemented by a government agency as defined in the Government of the Republic Act.

6. The Managing Authority of Single Programming Document is entitled to delegate the tasks established with and within the scope the present document to the ministries and institutions acting as the Intermediate Bodies while maintaining its general responsibility for the implementation of tasks listed above. The Intermediate will also implement tasks related to financial management, established with and within the scope of the present documents. The functions of an Intermediate Body can be fulfilled by a ministry, government agency, public institution administrated by government agency or any other legal entity, formed by the state.

7. The following institutions are nominated to act as Managing Authority:
   1) The functions of the Managing Authority of Single Programming Document are fulfilled by the Foreign Financing Department of Ministry of Finance;
   2) The functions of the Managing Authority of Cohesion Fund are fulfilled by the Foreign Financing Department of Ministry of Finance.

8. The following tasks are to be performed solely by the Managing Authority responsible for Single Programming Document and can not be delegated to any other institution:
   1) Compilation of the Programme Complement;
   2) Provision of a secretariat for the Monitoring Committee and adjusting of the Programme Complement at the request;
   3) Development of the eligibility criteria for the operations to be financed within the framework of measures, considering the suggestions from Intermediate Bodies whenever possible and submission of such criteria to the Monitoring Committee for approval; executing control over the implementation of the criteria after these have been approved by the Monitoring Committee;
   4) Establishment and maintenance of a financial and statistical data gathering system;
   5) Verification of management and control systems; ensuring an audit trail; ensuring the correctness of operations by internal controls;
   6) Ensuring the maintenance of accounting systems;
   7) Co-ordination and examination of expenditure reports from Intermediate bodies and submission of authorised expenditure declarations to the Paying Authority;
   8) Compilation of implementation/evaluation reports;
   9) Organisation of ex ante and intermediate evaluation.
9. The following tasks are performed by the Managing Authority responsible for the Single Programming Document in co-operation with the ministries acting as Intermediate Bodies:
   1) Submission of strategic data for the Single Programming Document (verification of strategy);
   2) Development of measures;
   3) Submission of strategic data for the compilation of the Programme Complement;
   4) Securing the availability of plans for co-financing.

10. The Managing Authority responsible for Single Programming Document is entitled to provide the ministries acting as the Intermediate Bodies with the delegated right of performing internal auditing of the control systems while maintaining its general responsibility for the implementation of tasks listed above.

11. The Managing Authority responsible for Single Programming Document is entitled to delegate the following tasks to the institutions acting as the Intermediate Bodies while maintaining its general responsibility for the implementation of tasks listed above:
   1) Compilation and signing of the statements of expenditure reflecting the payments made;
   2) Maintenance of a database on project implementation and updating the database with related financial commitments and payments.

12. The Managing Authority responsible for Single Programming Document is entitled to delegate the following tasks to the ministries acting as the Intermediate Bodies while maintaining its general responsibility for the implementation of tasks listed above whereas the ministries, on their turn, are entitled to delegate such tasks to the Intermediate Bodies within their jurisdiction:
   1) Informing the various partners and beneficiaries;
   2) Processing and approval of project applications and conclusion of contracts with the final beneficiaries (or any other persons, if required);
   3) Ongoing monitoring of projects, the verification of physical and financial progress, spot checks of individual projects (incl. technical supervision), the communication of irregularities and taking of corrective measures and ensuring that projects comply with all national and EU requirements;
   4) the reviewing of progress-, expenditure-, final reports and irregularity reports received and the aggregation of these reports for submission to the Managing Authority

13. The functions and tasks of the Managing Authority of Cohesion Fund will be specified after the Regulation of the European Council, regulating the implementation of the funding from Cohesion Funds has taken force.

14. The Paying Authority performs the following tasks, related to financial management:
1) Certification of statements of expenditure and reporting to be submitted to the European Commission; submission of such documents to the European Commission and if required, requesting supporting documents from the Managing Authorities and Intermediate Bodies;
2) Requesting immediate repayment of amounts paid with no legal grounds and keeping record of amounts recovered;
3) Securing the repayment made to the European Commission and other co-financers;
4) Preparation and submission of consolidated expenditure forecasts to the European Commission;
5) Making payments to the final beneficiaries to full extent and as soon as possible;
6) Satisfies itself that the Managing Authorities and Intermediate Bodies to whom the tasks have been delegated act in accordance to the requirements arising from the Council Regulation (EC) No 1260/1999 and (EC) No 438/2001.

15. The following institutions are nominated to act as Paying Authority:
   1) The National Fund Department of the Ministry of Finance will act as the Paying Authority of European Regional Development Fund (ERDF);
   2) The National Fund Department of the Ministry of Finance will act as the Paying Authority of Cohesion Fund;
   3) The Financial Budgeting Department of the Ministry of Social Affairs will act as the Paying Authority of European Social Fund;
   4) Agricultural Registers’ and Information Board will act as the Paying Authority of European Agricultural Guidance and Guarantee Fund (EAGGF) Guidance section;
   5) Agricultural Registers’ and Information Board will act as the Paying Authority of Financial Instrument for Fisheries Guidance (FIFG).

16. Institutions acting as Intermediate Bodies perform the following tasks, related to financial management:
   1) Preparation and submission of consolidated requests for funds to the Paying Authority;
   2) Verification of the payment claims submitted by the final beneficiaries;
   3) Making payments to final beneficiaries;
   4) Participation in preparation of expenditure forecasts and submission of such forecasts to the Paying Authority;
   5) Providing the European Commission and other inspecting bodies, related to the system, with an access to the documentation and detailed records on payment made to the final beneficiaries;
   6) Immediate requesting of repayment of amounts paid with no legal ground.

17. The Paying Authority of European Agricultural Guidance and Guarantee Fund (EAGGF) Guidance section and the Paying Authority of Financial Instrument for Fisheries Guidance (FIFG) are also responsible for performing the tasks listed in section 16.
18. The Intermediate Bodies are responsible for performing the tasks delegated by Managing Authority and related to financial management, arising from sections 9 – 12 and 16.

19. The following ministries are nominated to act as Intermediate Bodies:
   1) The Ministry of Economic Affairs, the Ministry of Environment and the Ministry of Internal Affairs will act as the Intermediate Body of European Regional Development Fund (ERDF);
   2) The Ministry of Social Affairs will act as the Intermediate Body of European Social Fund (ESF);
   3) The Ministry of Agriculture will act as the Intermediate Body of European Agricultural Guidance and Guarantee Fund (EAGGF) Guidance section;
   4) Agricultural Registers’ and Information Board will act as the Intermediate Body of Financial Instrument for Fisheries Guidance (FIFG);

20. The following institutions are nominated to act as Intermediate Bodies:
   1) The Environmental Investments Centre and Enterprise Estonia will act as the Intermediate Body of European Regional Development Fund;
   2) The Estonian Labour Market Board and the Foundation Vocational Education and Training Reform will act as the Intermediate Body of European Social Fund (ESF);
   3) Agricultural Registers’ and Information Board will act as the Intermediate Body of European Agricultural Guidance and Guarantee Fund (EAGGF) Guidance section;
   4) Agricultural Registers’ and Information Board will act as the Intermediate Body of Financial Instrument for Fisheries Guidance (FIFG);
   5) The Centre for Environmental Investments, Estonian National Road Administration and Estonian Railway Administration will act as the Intermediate Body of Cohesion Fund.

21. The following ministries are nominated to act as Managing Authorities of Community initiatives, each responsible for a single initiative:
   1) The Ministry of Internal Affairs – Interreg and Urban;
   2) The Ministry of Social Affairs – Equal;
   3) The Ministry of Agriculture – Leader.
Annex 9
Indicative breakdown of the co-financing costs

<table>
<thead>
<tr>
<th>Costs</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office facilities and working tools for the PAA and project assistant</td>
<td>20 000</td>
</tr>
<tr>
<td>Office facilities and working tools for the STEs for preparation of management tools</td>
<td>20 000</td>
</tr>
<tr>
<td>Local expert(s) for preparation of the management system (12 months)</td>
<td>18 000</td>
</tr>
<tr>
<td>Rent of seminar facilities</td>
<td>28 000</td>
</tr>
<tr>
<td>Translation costs</td>
<td>12 000</td>
</tr>
<tr>
<td>Local travel of STEs for preparation of management</td>
<td>3 000</td>
</tr>
<tr>
<td>Officials supporting the project activities</td>
<td>16 000</td>
</tr>
<tr>
<td>Local expert for legal issues (cascade agreements etc) (8 months)</td>
<td>12 000</td>
</tr>
<tr>
<td>Support structure project manager</td>
<td>18 000</td>
</tr>
<tr>
<td>Support structure logistics (incl. travel, spatial integration of activities in counties)</td>
<td>7 000</td>
</tr>
<tr>
<td>50% co-financing of traineeships</td>
<td>36 000</td>
</tr>
<tr>
<td>Travel for traineeships</td>
<td>9 000</td>
</tr>
<tr>
<td>Hiring of 15 experts to the support structure</td>
<td>75 000</td>
</tr>
<tr>
<td>Other operational costs</td>
<td>3 000</td>
</tr>
<tr>
<td>Project preparation facility (projects co-financed by beneficiaries)</td>
<td>250 000</td>
</tr>
<tr>
<td>Total</td>
<td>527 000</td>
</tr>
</tbody>
</table>

As other relevant formal guidance for co-financing requirements is not available, the co-financing rules for PPMTF that are presented in annex 10 will be followed.
Annex 10

NOTE ON CO-FINANCING REQUIREMENTS FOR ACTIVITIES FUNDED UNDER ES02.01.01: PPTMF

This is to clarify, until further notice, the PPTMF fiche as to the level and type of co-financing needed to apply for funding.

The project preparation activities financed under PPTMF will be categorised, at least, as:
1) assistance (in the form of service) for preparation of an investment (usually supply or works), or
2) assistance for institution building activities, market surveys, background studies, audits, evaluations etc.

The national co-financing requirements to be followed are as follows:
1) at least 25% co-financing on average (over all such activities financed from the PPTMF) to be verified regularly through the Monitoring Reports;
2) no co-financing is necessary for Institution Building activities under PPMTF, although some is desirable

Co-financing of the first type of studies:
• will be parallel co-financing. For this, the eligibility is limited to whatever is necessary to carry out a study financed under the PPTMF. These can include for example:
  ✓ facilities for experts (room, computer, telephone, fax);
  ✓ local travel costs;
  ✓ costs arising from hiring local expert(s), but not civil servants, that carry out part of the study;
  ✓ costs arising from hiring a (non civil servant) project manager for a specific investment project;
  ✓ cost of activities carried out prior to the start of the PPTMF-financed study, such as collecting of data or preliminary studies from independent firm(s).
• cannot include VAT or purchase of property (including land) or overhead
• must have a clear audit trail so that it can be verified, audited and monitored, and the value in money terms must be objectively determined on the basis of actual costs or/and invoices.
• all of the activities that are presented under co-financing must be described clearly in the ToR indicating that these activities are not requested from the contractor.
• all of the activities that are presented as co-financing must also be clearly visible in the budget of the ToR in a separate column to the co-financing.
• in cases where it is unclear under which type an activity falls, this will be clarified by the Ministry of Finance and the EC Delegation prior to financing thereof.

Please see the attached format for ToR that should be used when applying for PPTMF funding (for contracts under 200 000 EUR).
TERMS OF REFERENCE
(from 3 to 5 pages)

(PROJECT OR ACTION TITLE)

1. BACKGROUND

2. DESCRIPTION OF THE ASSIGNMENT
   ➢ Beneficiary(ies)
   ➢ Global and specific objectives
   ➢ Requested services
   ➢ Expected results

3. EXPERTS PROFILE
   ➢ Education, experience, references and category of each expert
   ➢ Working languages

4. LOCATION AND DURATION
   ➢ Starting date
   ➢ Finishing date of the assignment
   ➢ Schedule and number of days for the assignment per expert (specify if a briefing and a debriefing are foreseen and where they will take place) : the number of days for the assignment is the number of days spent on the place of assignment, including weekends and public holidays, + the days needed for briefing, debriefing, report.
   ➢ Location of assignment

5. REPORTING
   ➢ Content, language, format and number of reports
   ➢ Date of submission

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5 Cannot be before the date of signature of the letter of contract.
## ANNEX 11: Matrix table of SF management

<table>
<thead>
<tr>
<th>Structures</th>
<th>Programme Implementation</th>
<th>Monitoring, financial control etc</th>
</tr>
</thead>
<tbody>
<tr>
<td>Legal framework</td>
<td>• nominating MA/PA/IB</td>
<td>• completed</td>
</tr>
<tr>
<td></td>
<td>• describing the functions</td>
<td>• completed</td>
</tr>
<tr>
<td></td>
<td>• delegation of functions</td>
<td>• completed/SPP+</td>
</tr>
<tr>
<td></td>
<td>• creating necessary structures</td>
<td>• state budget</td>
</tr>
<tr>
<td></td>
<td>• SF admin legal act/primary legislation</td>
<td>• SPP+</td>
</tr>
<tr>
<td></td>
<td>• secondary legislation</td>
<td>• state budget</td>
</tr>
<tr>
<td></td>
<td>• cascade agreements</td>
<td>• not covered</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• nomination of units and functions</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• describing the system</td>
</tr>
</tbody>
</table>

| Human resource      | • resource needs assessment                                 | • SPP+                                           |
|                     | • training needs assessment                                 | • SPP+                                           |
|                     | • training plan                                             | • SPP+                                           |
|                     | • recruiting additional staff                               | • state budget                                    |
|                     | • training at all levels of the system                      | • not covered                                    |
|                     | • MA/PA                                                     | • SPP+/not covered                               |
|                     | • IB                                                        | • not covered                                    |
|                     | • FB (local municipalities, NGO, etc.)                      | • not covered                                    |
|                     | • HRD for 2004-2007                                         | • state budget                                    |
|                     |                                                           |                                                  |
|                     |                                                           | • resource needs assessment                       |
|                     |                                                           | • training needs assessment                       |
|                     |                                                           | • training plan                                   |
|                     |                                                           | • training                                       |

| Information systems | • Training of IS developers                                | • SPP+                                           |
|                     | • Analysis of the IS                                       | • SPP+                                           |
|                     | • Detailed design                                          | • not covered                                    |
|                     | • IS development                                           | • not covered                                    |
|                     | • Testing/piloting                                         | • not covered                                    |
|                     | • training of end users (MA/PA/IA/IB)                      | • not covered                                    |
|                     | • IT investment                                            | • SPP+                                           |
|                     |                                                           |                                                  |
|                     |                                                           | • The SPD monitoring information system is used   |
|                     |                                                           | • procedures and forms                           |

| Tools               | • MA/PA/IB internal procedures’ descriptions               | • SPP+                                           |
|                     | • Guidance material for final beneficiaries               | • not covered                                    |
|                     | • Preparation of projects                                  | • not covered                                    |
|                     | • Creation of support structure for beneficiaries         | • not covered                                    |
|                     |                                                           | • SPP+                                           |

- **SPP+**: Not covered
- **SPP+**: Covered
- **not covered**: Not specified