Standard Summary Project Fiche

1. Basic Information
   1.1 Désirée Number: 2002/000-590-01-01
   1.2 Title: Promotion of Integration of Society in Latvia
   1.3 Sector: Political criteria
   1.4 Location: Latvia, all regions, Ministry of Justice

2. Objectives
   2.1 Overall Objective(s):

   To promote the integration process of people of different origin living in Latvia.

   2.2 Project purpose:

   To enhance the level of Latvian language knowledge of the non-Latvian speaking population and stimulate understanding and co-operation among people of different origin living in Latvia.

   2.3 Accession Partnership and NPAA priority

   Priorities and intermediate objectives of the Accession Partnership - Political criteria:

   “Continue to implement further concrete measures for the integration of non-citizens, on the basis of the National Programme ‘The Integration of Society in Latvia’, including language training and information campaigns, and provide the necessary financial support.”

   NPAA priorities -
   SI-005 “To promote the naturalisation process in Latvia”;
   Sector code SI-02-03; OO code 3.1.; Phase code 3.1.1., 3.1.2.

   SI-006 “Ensuring of the society integration in the education system. Creation of preconditions to develop informed and participation society”
   DKM SI0062; stage codes: SI006202; SI006205

   SI-007 “To complete the elaboration of the national programme for integration of society and to begin its implementation”;
   OO code 2.1.; Phase code 2.1.1.

   LA 013 “Social policy and employment”;
   DKM 3.1, sectors code LA-05-01 (Development and implementation of programmes that eliminate and prevent social exclusion).

3. Description
   3.1 Background and justification:

   The goal of integration is to form a democratic, consolidated civil society founded on common basic values, including the loyalty to the state and awareness that each individual’s future and personal well-being is closely tied to the future stability and security of the state. Diverse groups within the society must reach understanding among them and learn to work together in one country.

   In order to support the formation of a democratic civil society on the basis of the common values such as democracy, rule of law, and respect for human rights, including the right of representatives of minorities
to preserve their identity, the Latvian Government has adopted the National Programme “Integration of Society in Latvia” (hereinafter referred to as the Integration Programme). The main aim of this programme is to develop a better co-ordination of the existing efforts aimed at integration of society, such as Latvian language training, naturalisation and reform of education as well as to establish the framework for new initiatives in this area.

The proposed Phare project is aimed at promoting the integration process in Latvia particularly through priority actions for the integration of non-citizens and ethic minorities described in the Integration Programme. The non-Latvian speaking population is the major target group for most of the activities carried out under this project meaning that the political criteria of the Accession Partnership – to promote integration of non-Latvian speaking population, is addressed. The project is intended to be as a follow-up activity, building upon achievements of previous Phare projects on society integration measures in Latvia and Latvian language training. The project consists of two components:

- **Component 1**: Latvian Language Training for non – Latvian speaking population
- **Component 2**: Implementation of the National programme “Integration of Society in Latvia”.

**Component 1 - Latvian Language Training for non – Latvian speaking population**

The National Programme for Latvian Language Training (NPLLT) provides the background for the entire integration process in Latvia. Due to experience and results achieved the NPLLT is well recognised by the Latvian government as well as by international donors. It has become an important part of the National Programme “Integration of Society”.

Since 1996, the implementation of the NPLLT has been financially supported by the European Commission, eight bilateral donors – the governments of Canada, Denmark, Finland, the Netherlands, Norway, Sweden, the United Kingdom, the United States as well as the United Nations Development Programme.

The total of financial resources allocated amounts 7.5 million USD, of which 5 million USD have already been disbursed for Programme implementation. This financial support was provided for the Programme as a whole rather than for individual Programme activities.

Though efforts have been made and commitments provided for integration measures aiming at the non-Latvian society, however, a large part of the non-Latvian community is still not able to meet the requirements of respective laws, for example, State Language Law, Law of Education and Labour Law. Therefore further support will be needed to encourage the use of the State language and to broaden the Latvian – speaking environment.

Since 1996 the National Programme for Latvian Language Training (NPLLT) has been implemented in Latvia. The main objective of the NPLLT is to achieve the acceptance of the Latvian language as accessible by society as a whole. In order to ensure the irreversibility of the language acquisition process, the NPLLT requires significant support from the Latvian government and international donors for the duration of the Programme.

This project is aimed to co-finance practical Latvian language training courses in order to reduce the number of non-Latvian speakers. The courses are designed using an appropriate methodology for different target groups:

1. According to surveys carried out regarding the Latvian language acquisition process, further assistance will be needed to raise the level of Latvian language knowledge for professional groups according to the state requirements in order to enable these groups to proceed with the naturalisation process.
2. In 2004, the Law on Education will affect the whole minority school system due to the fact that year by year all compulsory subjects in minority secondary schools have to be taught in Latvian, starting with grade 10 in 2004. The NPLLT together with the Ministry of Education and Science has addressed this issue for several years. However, not all schools are ready to fulfil these challenges. Furthermore, the
increasing knowledge of the state language among non-Latvian students is not running hand in hand with the language acquisition process of the parents. As a result, the parents get more and more estranged from the school and the everyday life of their children.

It is planned under this sub-component to develop and promote Latvian as a Second Language (LSL) course program for the parents which will include as part of the syllabus the following subject material - the new democratic school system and ongoing processes in Latvia.

Parents of minority school children are important target groups because a significant number are non-citizens. This new activity is consistent with the NPLLT’s strategy promoting access to the Latvian language to anyone who wishes to obtain it.

Component 2

The aim of the Component 2 is the continuation of supporting the initiatives coming from civil society, regional authorities and state financed institutions (as educational establishments a.o.) for promoting the integration of society, particularly integration of non-citizens and ethnic minorities. The activities of this component will be implemented by the grant scheme mechanism.

From 2001 the Society Integration Foundation has ensured management of the implementation of society integration projects financed by the state budget, international donor funds, as well as EC funds. The Integration Foundation gradually becomes the Contracting Authority for implementation of the grant schemes financed by the Phare programme. The grant scheme will be managed according to the rules set in the “Practical Guide to Phare, ISPA and SAPARD”. Criteria for the selection of projects and detailed type of activities of this Grant programme will be described in the Guidelines for Applicants. Some examples of possible priority actions will be set out under point 3.4. “Activities”.

A determining factor for successful implementation of this grant scheme of the Component 2 is the successful functioning of the implementation mechanism within the Integration Foundation. Information on the current situation in the Integration Foundation in respect of staff and budget as well as information on the indicative perspective of the Foundation are included in the Annex 4. Currently the Integration Foundation is working on the elaboration and implementation of a clear fund and personal management system, internal control and financial control systems in order to organise its work effectively and to fulfil the requirements of an Implementing Agency.

Considerable assistance is also provided through the Phare projects of 2000 and 2001. The main task under the Phare 2000 project is the initial institutional strengthening of the Integration Foundation, and to review and improve, if necessary, existing financial and legal mechanisms. During the implementation of the Phare 2000 and 2001 projects, all preconditions and procedures for running the grant scheme are tested.

3.2 Linked activities:

3.2.1. EU Phare project LE 9803.02 “Integration of Society through Information and Education” – was completed end of 2001. The goal of the project is to develop a fully operational Information Centre within the Naturalisation Board, whose main task is to provide information about citizenship, national minorities and society integration process and, thus, to facilitate the naturalisation process.

3.2.2. Naturalisation Board and the United States Agency for International Development developed Latvian language training co-project for persons wanting to get naturalised, which was implemented during January – July 2000. The main goal of the project was the assessment of the effectiveness of Latvian Folk School’s two Latvian language training programmes, improvement and approbation of the programmes to increase their effectiveness. This project has created a basis for development of a unified course system for persons, who wish to learn Latvian language, history and constitutional build-up of the country for naturalisation.
3.2.3. Naturalisation Board’s associated membership in the Association of Language Testers in Europe (ALTE) allows the Naturalisation Board to work according to European standards in the development of language tests, approbation of language training programmes.

3.2.4. Latvian language courses for the unemployed have been organised by the State Employment Service in the past in order to improve their employment opportunities, however, continuity of this activity has to be ensured by attracting additional funds to it.

3.2.5. Component I of the project represents a continuation of an UNDP/multi-donor project initiated in December 1996 “Promotion of Social Integration: Support to Implementing of a National Programme for Latvian Language Training”. The activities under the UNDP/multi-donor project were reflected in the PHARE EU 1998; PHARE EU 1999; PHARE EU 2000 projects, and the activities of Component I is a logical continuation of the Component I of the EU Phare 2001 project; PHARE EU 2000 projects, and the activities of Component I is a logical continuation of the Component I of the EU Phare 2001 project.

3.2.6. The NPLLTT activities are supported by the World Bank Education Development Project, quality component involving development of standards for learning the native language and Latvian-as-second-language for basic education (including minorities basic education programme).

3.2.7. The development of the State Integration Programme has been supported by the Government of Latvia, UNDP, OSCE and the EU Small Projects Facility, the Nordic countries, as well as governments of several other European countries and the USA.

3.3 Results

Component 1

- Enhanced Latvian language level and naturalisation rates among the special non-Latvian adult groups;
- Non-Latvian (minority) schools will be able to tackle Law on Education, Language Law and Labour Law;
- Latvian language environment advanced;
- Knowledge of Latvian as the state language among non-Latvians increased;
- Cultural links between different ethnical groups in society improved

Component 2

- Contacts and dialogue between ethnic groups developed;
- Initiatives aimed at integration of different ethnic minorities developed;
- Civil participation of residents from all ethnic groups living in Latvia facilitated;
- Free circulation of information in the country by securing the rights of each individual non-citizen and ethnic minority un particular to receive objective information from many perspectives promoted;
- Research in directions of non-citizen and ethnic minorities (information, employability, equal opportunities etc.) integration developed;
- Development of human and social sciences which are connected with integration of non-citizens and ethnic minorities in Latvia promoted;
- The availability of scientific research to wider society increased

3.4 Activities:

Component 1

- Latvian as the Second language (LSL) courses for professionals (nurses, firemen, Staff of the Ministry of Interior and associated institutions, Local government official’s etc.)
- Special LSL and history courses for naturalisation purposes;
- LSL courses including information on education process in Latvia for groups of minority school parents;
- Combined LSL and bilingual methodology courses for teachers of national minority schools.

Component 2

This component will be carried out as a grant scheme. The aim of the grant scheme is to promote the understanding and co-operation among people of different origin living in Latvia by supporting bottom-up initiatives of actors involved in the process of promotion of integration of society. Grant scheme will support the activities in main areas of the National Programme “Integration of Society in Latvia” regarding integration of non-citizens and ethnic minorities. In order to ensure real and measurable impact of the grant projects in the society integration processes in Latvia, Steering Committee will accept several (1-3) priorities particularly for the call for proposal of current grant scheme. Those, for instance, could be:

1. **Culture**
The eligible activities will be - different seminars, camps, events, conferences etc., with the aim to promote cultural contacts and dialogue between ethnical groups and to increase participation in active cultural life of residents from all ethnic groups living in Latvia;

2. **Information**
The eligible activities under this section will be as well different informative seminars, camps, events, conferences etc., which will facilitate the accessibility of objective information to all residents from all ethnic groups, will foster the knowledge about integration processes in the country, will stimulate and comprise the dialogue between people from different origin living in Latvia.

3. **Scientific support**
The researches, pools etc. aimed at analysing the problematic fields of Integration of Society in Latvia, such as – unemployment level among non-Latvian’s, the ethncial aspect of Integration of society based on Latvia’s specific situation, two-sided information flows closely related with language aspects etc.

The objectives of priority areas and eventual types of activities will be described in the Guidelines for Applicants. Detailed eligibility and selection criteria will be precisely defined in the guidelines as well as it is determined in the Practical Guide to Phare, ISPA and SAPARD.

**The Grant programme will be open for:**
- Non-governmental organisations,
- Non-profit organisations,
- Education establishments,
- Local governments.

Governmental institutions can be involved in the grant programme only on a partnership basis, i.e. they will not receive direct payments from the project.

**The size of the EC grants will be between 10 000 and 100 000 Euro.** The EC contribution will not exceed 90% of each project costs.

**Project duration:**
The project duration must be at least 5 months and may not exceed 12 months.

**Management:**
The Integration Foundation will be responsible for financial, administrative and technical management of this grant scheme.

For the implementation of grant scheme, as a Steering Committee will act the Society Integration Foundation Council (see chapter 4. “Institutional Framework”), involving representatives of EC Delegation in Latvia and of the Ministry of Finance as observers. The basic responsibilities of the Council will be as follows:
- Approval of grant scheme guidelines (including objectives, priorities, eligibility and evaluation criteria, etc.);
- Approval of the report of the evaluation committee for project selection;
- Approval of the selected projects;
- Monitoring of the grant scheme and approval of progress reports prepared by the Foundation Secretariat;
- Providing recommendations to the Foundation Secretariat on the implementation of the scheme.

Projects will be selected according standard procedures of the Commission in the field of External Aid (particularly the practical guide to PHARE, ISPA and SAPARD contract procedures, Section 6 Grants).

3.5 Lessons learned:

The last recommendations made by OMAS Interim evaluation report regarding Latvian Language programme implementation defines that Latvian Language Programme Unit and the Ministry of Education and science should monitor the sequencing of activities and progress under LE –9902.01 (Promotion of social integration: improvement of Language training of non- Latvian speaking Non-citizens). The programme monitoring function of the Ministry should go beyond the formal approval of reports. The Ministry should turn the newly created position at the department of European Integration and Foreign assistance programme co-ordination into full-time job and extend its duties to the monitoring of all Phare Projects against their Indicators of achievement. Since August 13th, 2001 MoES employs a part time person who is responsible for overseeing and monitoring of the projects financed by Phare and implemented by the National Latvian Language programme (NPLLT) and since September 1st, 2001 MoES has contracted full time employee who works with the coordination and monitoring of implementation of the Community Programmes.

4. Institutional Framework

The Ministry of Education and Science is the responsible institution for implementation of the Component 1. Latvian Language Programme Unit (LLPU) will provide day-to-day implementation of the project under supervision of the Ministry of Education and Science and report directly to the Ministry of Education and Science and the National Programme for Latvian Language Training (NPLLT) NPLLT Steering Committee. The NPLLT Steering Committee consists of representatives of the Ministry of Education and Science, the Ministry of Welfare, the Naturalisation Board, the State Language Centre, the Saeima, the Latvian Adult Education Association, Education Boards and minority school directors. The representatives of Delegation of the European Commission in Latvia participate in NPLLT Steering Committee meetings as observers. The Ministry of Education and Science will report to the Ministry of Justice as the main responsible institution for the overall implementation of the current project on the activities, in particular carried out in the framework of Component 1. This will be fixed in detail in the Direct Award Grant Contract for Component 1.

The Ministry of Justice is the responsible institution for the overall implementation of the project. The responsibility for the overall project implementation will include supervision of project activities, reporting on project progress (through the regular Monitoring reports) and evaluation of the project results. The ministry assumes the political leadership in further development of integration policy in Latvia. The Department of Integration of Society within the Ministry of Justice is directly responsible for policy co-ordination and monitoring of the integration processes in Latvia. Currently five people are working in this Department.

The Society Integration Foundation is entrusted with the task to popularise the idea of the integration of society, to expand society involvement in the integration process, to attract funding (contributions, donations), to distribute funds and to co-operate with related international institutions. On 5 July 2001 Saeima has adopted the law “On Society Integration Foundation” (see Annex I), it came into force from the 1st of September 2001. A Statute of the Integration Foundation (see Annex II) has been elaborated and adopted.
The Society Integration Foundation is administered by the Society Integration Foundation Council that has been established by the Cabinet of Ministers. The Foundation Council is constituted of the Minister of Science and Education, the Minister of Culture, the Minister of Welfare, the Minister of Justice, the Minister of Environment Protection and Regional Development, representative of State President Chancellery, a 5 representative of regions and 5 representatives delegated by NGOs. The Foundation Council establishes Foundation Committees to evaluate society integration projects.

The Foundation Secretariat performs the functions of an executive institution managed by the director. Its task is to ensure activities of the Foundation Council and implementation of its taken decisions, including activities related with Phare projects implementation. The director of the Secretariat was appointed by the Foundation Council in November 2001.

5. Detailed Budget

<table>
<thead>
<tr>
<th>Phare Support</th>
<th>Support</th>
<th>Total Phare (=I+IB)</th>
<th>National Cofinancing**</th>
<th>IFI*</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment</td>
<td>Institution Building</td>
<td>Grant Contract</td>
<td>500 000</td>
<td>500 000</td>
<td>253 000</td>
</tr>
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<td>Grant Scheme</td>
<td></td>
<td>Grant Scheme</td>
<td>1 500 000</td>
<td>1 500 000</td>
<td>250 000</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>Total</td>
<td>2 000 000</td>
<td>2 000 000</td>
<td>503 000</td>
</tr>
</tbody>
</table>

* in cases of co-financing only
**national financing as a direct contribution to this particular project

6. Implementation Arrangements

6.1 Implementing Agency

Society Integration Foundation
PAO- Director of the Secretariat– Mr. Nils Sakss,
Lacpleša str. 27-7, Riga LV-1011
Tel.: +371 7281770, fax: +3717281752

Technical Implementation & Control

Component 1 – Ministry of Education and science,
SPO - Ms. Gunta Araja, Acting Director of European Integration and Foreign Assistance Programme
Coordination Department,
Valnu street 2, Riga LV-1050

6.2 Non-standard aspects

There will be no non-standard aspects regarding implementation of the Component 1 and Component 2. Standard procedures of the Commission in the field of External Aid will be followed (particularly the Practical Guide to PHARE, ISPA and SAPARD contract procedures, Section 6 Grants).

Ratio: if during project implementation the project cost for some reasons will decrease, the Phare financing will also decrease proportionally.

6.3 Contracts
### Activity Contract EURO

<table>
<thead>
<tr>
<th>Activity</th>
<th>Contract</th>
<th>EURO</th>
</tr>
</thead>
<tbody>
<tr>
<td>Latvian Language Training for non-Latvian speaking</td>
<td>Direct Award of Standard Grant Contract</td>
<td>753 000</td>
</tr>
<tr>
<td>Implementation of the National Programme “Integration of Society in Latvia”</td>
<td>Grant scheme</td>
<td>1 750 000</td>
</tr>
</tbody>
</table>

#### 7. Implementation Schedule

<table>
<thead>
<tr>
<th>Activity</th>
<th>Start of tendering</th>
<th>Start of project activity</th>
<th>Project Completion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Latvian Language Training for non-Latvian speaking</td>
<td>I Quarter 2004</td>
<td>III Quarter 2004</td>
<td>III Quarter 2005</td>
</tr>
<tr>
<td>Implementation of the National Programme “Integration of Society in Latvia” – Grant Scheme</td>
<td>I Quarter 2004</td>
<td>IV Quarter 2004</td>
<td>IV Quarter 2005</td>
</tr>
</tbody>
</table>

#### 8. Equal Opportunity

The direct target groups for the National Programme for Latvian language Training include the Latvian as a Second Language teachers, subject teachers in minority schools, teachers, pupils, handicapped and army recruits, and other non-Latvian speaking population. The participation in project activities is voluntary; however, the project implementation agency strongly encourages participation of all interested parties regardless of gender, age or ethnic background.

#### 9. Conditionality and sequencing

The EU financing of the project is conditional upon:

- Enforcement of the Language Law and its implementing regulations only to the extent required by a legitimate public interest, having regard to the principle of proportionality and in conformity with Latvia’s international obligations and the Europe Agreement;
- Continuous analysis and monitoring of language skills and attitudes of the students and teachers in minority schools, and in society as a whole to define language training needs and target groups;
- Activities of the Phare 2001 project “Promotion of Integration of Society in Latvia - 2001” are started;
- The government needs to ensure sustainability of the Foundation in the medium and long-term in terms of adequate staffing and sufficient national co-financing to carry out tasks of the Implementing Agency;
- Formal recognition of the Society Integration Foundation as an Implementing Agency in place by beginning/mid 2003.

### ANNEXES TO PROJECT FICHE

1. Logical framework matrix in standard format
2. Detailed implementation chart
3. Contracting and disbursement schedule by quarter for full duration of programme (including disbursement period)
4. Society Integration Foundation. Staff and Budget.
5. Law on Society Integration Foundation (unofficial translation).
6. Regulations of Society Integration Foundation (unofficial translation).
Annex 1

<table>
<thead>
<tr>
<th>LOGFRAME PLANNING MATRIX FOR PROJECT</th>
<th>Programme name and number</th>
<th>Disbursement period expires</th>
</tr>
</thead>
<tbody>
<tr>
<td>Promotion of integration of society in Latvia</td>
<td>CONTRACTING PERIOD EXPIRES</td>
<td>PHARE budget: 2 000 000 EUR</td>
</tr>
<tr>
<td><strong>TOTAL budget: 2 503 000 EUR</strong></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>1.1. Overall objective</th>
<th>1.2. Indicators of Achievement</th>
<th>1.3. Sources of Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>• To promote the integration process of people of different origin living in Latvia</td>
<td>• Increased identification with the Latvian State among all ethnic groups;</td>
<td>• Continuation of annual survey “Language”;</td>
</tr>
<tr>
<td></td>
<td>• Increased naturalisation rates</td>
<td>• LLPU record;</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Statistical data collected by Sociological research firms;</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Research on the process of integration conducted within the framework of the Integration Programme;</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Mass media publications and broadcasts</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>1.4. Project purpose</th>
<th>Indicators of Achievement</th>
<th>1.5. Sources of Information</th>
<th>1.6. Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>To enhance the level of Latvian language knowledge of the non-Latvian speaking population and stimulate understanding and co-operation among people of different origin living in Latvia.</td>
<td>• Increased number of people with knowledge of the Latvian language</td>
<td>• Question forms at different activities;</td>
<td>• Adequate provision from state budget and all funds available on time;</td>
</tr>
<tr>
<td></td>
<td>• NGO’s involved into the project</td>
<td>• Survey “Language”;</td>
<td>• Political commitment and allocation of budgetary resources</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• LLPU records</td>
<td>• Sufficient capacity and activities according to the monitoring process</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Statistical data collected by Sociological research firms;</td>
<td>• Reports show successful implementation of the projects of grant schemes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Research monitoring the process of integration conducted within the framework of the Integration Programme;</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Mass media publications and broadcasts</td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>1.7. Results</th>
<th>Indicators of Achievement</th>
<th>1.8. Sources of Information</th>
<th>1.9. Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Component 1: Implementation on the National Programme for Latvian language training</td>
<td>Component 1:</td>
<td>Annual Survey “Language”;</td>
<td>• Minority school children parents ready to participate;</td>
</tr>
<tr>
<td>• Support to Non-Latvian (minority) schools to be able to tackle Law on Education, Language Law and Labour Law;</td>
<td>• about 5 500 adults trained</td>
<td>• Local activity surveys;</td>
<td>• No new changes in the Education law, Language law and Labour law;</td>
</tr>
<tr>
<td>• Enhanced Latvian language level and naturalisation rates among the special non-Latvian adult groups;</td>
<td>• Naturalisation rates increased</td>
<td>• Press feed-back;</td>
<td>• Progress within the integration process;</td>
</tr>
<tr>
<td>• Advanced Latvian language environment;</td>
<td>• about 3 500 parents with improved Latvian language knowledge and a positive attitude to school reforms has increased;</td>
<td>• Interviews and evaluation seminars;</td>
<td></td>
</tr>
<tr>
<td>• Increased knowledge of Latvian as the state language among non-Latvians;</td>
<td>• Number of minority school directors and staff with a positive attitude to bilingual education models increased;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Improved Cultural links between different ethnical groups in society</td>
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</tbody>
</table>
### Component 2: Implementation of the National Programme “Integration of Society in Latvia”
- Contacts and dialogue between ethnic groups developed;
- Initiatives aimed at integration of different ethnic minorities developed;
- Civil participation of residents from all ethnic groups living in Latvia facilitated;
- Free circulation of information in the country by securing the rights of each individual non-citizen and ethnic minority un particular to receive objective information from many perspectives promoted;
- Researches in directions of non-citizen and ethnic minorities (information, employability, equal opportunities etc.) integration developed;
- Development of human and social sciences which are connected with integration of non-citizens and ethnic minorities in Latvia promoted;
- The availability of scientific research to wider society increased;

#### Component 2:  
- About 500 participants involved in the projects promoting dialogue between ethnic groups;
- About 500 participants involved directly in initiatives aimed at integration of ethnic minorities;
- About 60 NGO’s working in the field of ethnic minorities supported;
- Information securing the rights of non-citizens and ethnic minorities accessible to everybody through TV/radio programmes and information campaigns;
- Existing tool to monitor society integration process and annual recommendations available to update society integration programme.

#### Component 1:  
- Latvian as the Second language (LSL) courses for professionals (nurses, firemen, Staff of the Ministry of Interior and associated institutions, Local government official’s etc.)
- Special LSL and history courses for naturalisation purposes;
- LSL courses including information on education process in Latvia for groups of minority school parents;
- Combined LSL and bilingual methodology courses for teachers of national minority schools.

#### Component 2:  
- Implementation of a specific grant scheme managed by the Integration Foundation in main areas of activities of the Integration programme aimed at functioning of a Integration Programme’s implementation mechanism.

### 1.10. Activities

### 1.11. Means

<table>
<thead>
<tr>
<th>Component</th>
<th>1.11. Means</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Component 1:</strong></td>
<td></td>
</tr>
<tr>
<td>- Latvian as the Second language (LSL) courses for professionals (nurses, firemen, Staff of the Ministry of Interior and associated institutions, Local government official’s etc.)</td>
<td>- 2 project managers (14 man/months);</td>
</tr>
<tr>
<td>- Special LSL and history courses for naturalisation purposes;</td>
<td>- appr. 150 short-term local experts;</td>
</tr>
<tr>
<td>- LSL courses including information on education process in Latvia for groups of minority school parents;</td>
<td>- 4 long-term local experts (10 man/months);</td>
</tr>
<tr>
<td>- Combined LSL and bilingual methodology courses for teachers of national minority schools.</td>
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</tbody>
</table>

### 1.12. Preconditions

- Smooth implementation of the NPLL in the years before Phare-02 is implemented;
- Smooth implementation of the Integration Programme through the Integration Foundation;
- Successful tendering of the Phare 2000 and starting of the Phare 2001 projects;
- Ensuring sustainability of the Foundation by the Government in the medium and long-term in terms of adequate staffing and sufficient national co-financing to carry out tasks of the Implementing Agency;
- Formal recognition of SIF as an Implementing Agency in place by April 2003.
## Annex 2

### DETAILED IMPLEMENTATION SCHEDULE OF ACTIVITIES

<table>
<thead>
<tr>
<th>Component 1 – Latvian language courses for non-Latvian speaking</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Latvian as the Second language (LSL) courses for professionals</td>
<td></td>
<td>X X X X X X X X X X</td>
<td></td>
</tr>
<tr>
<td>LSL and bilingual methodology courses for teachers of national minority schools</td>
<td>X X X X X X X X x</td>
<td></td>
<td></td>
</tr>
<tr>
<td>LSL courses for groups of minority school parents</td>
<td>X X X X X X X X x</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Component 2 - Implementation of grant scheme</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development of the Call for Proposals documentation</td>
<td>X X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Launching of Call for Proposals;</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Selection of independent experts for evaluation of project proposals</td>
<td>X X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Evaluation and selection of projects.</td>
<td>X X X X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Implementation of projects</td>
<td>X X X X X X X X X X X X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Control and monitoring of the projects.</td>
<td>X X X X X X X X X X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Evaluation</td>
<td></td>
<td>X X X</td>
<td></td>
</tr>
</tbody>
</table>
Annex 3

CUMULATIVE CONTRACTING and DISBURSEMENT SCHEDULE (EUR million)

<table>
<thead>
<tr>
<th>Time period</th>
<th>Contract 1</th>
<th>Component 2 – grant scheme</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2003</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Quarter I</td>
<td>Quarter II</td>
</tr>
<tr>
<td>2004</td>
<td>Quarter I</td>
<td>Quarter II</td>
</tr>
<tr>
<td>2005</td>
<td>Quarter I</td>
<td>Quarter II</td>
</tr>
</tbody>
</table>

* in case, if the 1st instalment of the grant contracts is 80%
### Current Staff:

<table>
<thead>
<tr>
<th>Position</th>
<th>Responsibilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Director</td>
<td>Overall management of the Foundation Secretariat work under direct supervision of the Foundation Council.</td>
</tr>
</tbody>
</table>
| Project manager, deputy director | - management, monitoring, consultation and reporting on the **ethnical integration** projects;  
- PR activities of the Foundation |
| Project manager                  | - management, monitoring, consultation and reporting on the **social integration** projects;  
- management of the bilateral co-operation projects;  
- development, approbation, and improvement of the project documentation, including management and organisation of experts involvement. |
| Project manager                  | - management, monitoring, consultation and reporting on the **regional integration** projects;  
- management, monitoring, consultation and reporting on the project “Latvian language training for naturalisation”;  
- implementation of the *Phare* projects. |
| Secretary – assistant            | Technical tasks under direct supervision of the director of Secretariat          |
| Accountant                       | Sound management of the financial accounting of the Foundation                 |
| IT specialist                    |                                                                                  |

Operational costs of the Foundation have been financed from the state budget - annually approx. 80 000 LVL.

For the management of projects financed by the state budget current staffing and organisation of the Foundation is sufficient and there are no reorganisation planned. However, in order to take on obligation of the Implementing Agency as well as implement *Phare* programme grant scheme, additional human resources and financing will be necessary. For a moment the Foundation has made a provisional estimate for the staff necessary to implement grant scheme (1 call for proposal = 24 month). The Report on Personal Policy of the Foundation, which will include detailed information on the staff allocated to the institutions, potential constraints, training programmes, financial requirements etc. The additional financial resources (shoved in the table “Additional budget estimate”- page 3) related to the implementation of this particular grant scheme will be planned in the Foundation budget for the years 2002, 2005.

### Additional staff for the implementation of grant scheme:
<table>
<thead>
<tr>
<th>Stage</th>
<th>Functions</th>
<th>Staff</th>
</tr>
</thead>
</table>
| 1. Development of the call for proposal documentation | - to ensure development of the call for proposal documentation (*Guidelines for Applicants etc.*) in line with requirements of the Practical Guide;  
- to submit *Guidelines for Applicants* in the ECD for endorsement; | Project manager no.1 |
| 2. Carrying out calls for proposals | - to ensure publishing of the call for proposal;  
- to set up the Evaluation Committee and to ensure operation of the Committee (SC approve evaluation committee);  
- to organize interpretation of the *Guidelines*;  
- to take part in the evaluation committee meetings as observers, in order to ensure accordance with the standard rules and procedures;  
- to approve Evaluation Report;  
- to submit Evaluation Report in the ECD for endorsement; | Project manager no.1 |
| 3. Awarding grants | - to inform successful applicants after ECD have approved the final list of grants to be awarded;  
- to inform unsuccessful applicants;  
- to prepare contract documentation;  
- to submit contract documentation in the ECD for endorsement;  
- to sign the grant contracts;  
- to modify grant contracts after conformation with ECD; | Project manager no.1  
Project manager no.2  
Financing assistant |
| 4. Monitoring | - to support Beneficiary in the implementation of the project as it set the grant contract;  
- to monitor the implementation of the projects;  
- to ensure eligibility of the costs;  
- to review and approve the reports of the Beneficiary; | Project manager no.1  
Project manager no.2  
Financing assistant  
Accountant |
| 5. Payments | - to approve the requests for payments of the Beneficiary;  
- to submit the requests for payments to the National Found;  
- to register the payments according the standard rules and procedures; | Financing assistant  
Accountant |

National financial control regarding implementation of the grant contracts will be carried out by the Internal audit unit of the MoJ (in future by the Internal audit unit of the Integration Foundation).
### Additional budget estimate:

<table>
<thead>
<tr>
<th>Budget line</th>
<th>Estimate</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project manager no.1</td>
<td>900 EUR x 24 = 21 600 EUR</td>
<td>27 235 EUR</td>
</tr>
<tr>
<td>(24 man/months)</td>
<td>Social charges 26,09% = 5635 EUR</td>
<td></td>
</tr>
<tr>
<td>Project manager no.2</td>
<td>900 EUR x 16 = 14 400 EUR</td>
<td>18 157 EUR</td>
</tr>
<tr>
<td>(16 man/months)</td>
<td>Social charges 26,09% = 3 757 EUR</td>
<td></td>
</tr>
<tr>
<td>Financing assistant</td>
<td>900 EUR x 16 = 14 400 EUR</td>
<td>18 157 EUR</td>
</tr>
<tr>
<td>(16 man/months)</td>
<td>Social charges 26,09% = 3 757 EUR</td>
<td></td>
</tr>
<tr>
<td>Accountant</td>
<td>900 EUR x 14 = 12 600 EUR</td>
<td>15 887 EUR</td>
</tr>
<tr>
<td>(14 man/months)</td>
<td>Social charges 26,09% = 3 287 EUR</td>
<td></td>
</tr>
<tr>
<td>Office running costs</td>
<td>24 months x 200 EUR</td>
<td>4 800 EUR</td>
</tr>
<tr>
<td>Local missions</td>
<td>100 x 50 EUR</td>
<td>5 000 EUR</td>
</tr>
<tr>
<td>Audit charges</td>
<td>1000 EUR x 25 projects</td>
<td>25 000 EUR</td>
</tr>
<tr>
<td><strong>Total grant scheme</strong></td>
<td></td>
<td><strong>114 236 EUR</strong></td>
</tr>
</tbody>
</table>
ANNEX 5

LAW ON SOCIETY INTEGRATION FOUNDATION
(Unofficial translation)

Article 1. The field of the activities of the Law

This Law determines the procedure for the establishment, management and supervision of Society Integration Fund, as well as for accumulation and utilisation of its funds.

Article 2. The Legal Status of Society Integration Foundation

(1) Society Integration Foundation (hereinafter – the Foundation) is a public establishment, founded by this law.
(2) The Foundation is a legal entity, which acts in accordance with the law, other legal norms and the statutes of the Fund, which are approved by the Cabinet of Ministers.

Article 3. The purpose and tasks of the Foundation

(1) The purpose of the Foundation is to provide financial support and to foster society integration process in conformity with the key statements of the relevant national programme.
(2) The Foundation has following tasks:
1) attract, accumulate, manage financial funds and distribute them in order to implement society integration projects;
2) set criteria and develop basic principles for evaluation of the projects on society integration;
3) set criteria and develop methodological guidelines for preparation and application procedure of the projects on society integration;
4) announce and invite for the tenders on society integration projects to receive funding;
5) develop and submit proposals to the Cabinet of Ministers regarding the funding required from the state budget for the implementation of society integration process;
6) ensure full transparency;
7) when funding is allotted, publish in the newspaper ‘Latvijas Vestnesis”’ information regarding the amount of the funding for the relevant society integration project and the source of target funding;
8) maintain and update the public data base on society integration projects submitted to the Foundation and funded by it, as well as receive and analyse information about the projects to be funded in the future;
9) manage in a effective and goal-oriented manner the allotted funding, while ensuring control over disposal of funds;
10) prepare and publish the annual report of the Foundation in the newspaper “Latvijas Vestnesis”.

Article 4. The rights of the Foundation

(1) The Foundation shall have the following rights to:
1) receive funding from the state and municipalities’ budgets;
2) receive donations and gifts (in the form of money and property) which shall be used for the implementation of the objectives of the Foundation;
3) receive information from state and municipal institutions free of charge to ensure its activities.
4) perform commercial activities related to the implementation of the objectives of the Foundation;
5) acquire movable and immovable property both in the Republic of Latvia and outside its territory.

(2) The Foundation uses donations from physical and legal persons, as well as from organisations of other countries and international organisations, only for the aims indicated by the donators. If a donator has not indicated the aim of the donation, the donation is used in accordance with the procedure determined in Article 6 of this Law.
Article 5. Resources of the Foundation and their use

(1) The constitution of the resources of the Foundation:
1) funds from the state and municipal budgets;
2) donations and gifts from the physical and legal persons, including foreign physical and legal persons;
3) income generated from business activities;
(2) Funding allocated from the state budget shall be deposited (?) at the State Treasury
(3) Funding allocated from the budgets of municipalities, as well as money donated and presented by the
physical and legal persons, including foreign physical and legal persons; shall be stored at the
account of the bank, which can be identified by the donator;
(4) The resources of the Foundation shall be used in compliance with the purposes and tasks of the
Foundation. The balance of Foundation’s funds at the end of the operational year shall be used for
covering expenses in forthcoming operational year, revenue tax is not imposed on it.

Article 6. Distribution of the resources of the Foundation

(1) The resources of the Foundation shall be distributed in compliance with the objectives and tasks of
the Foundation, as well as with basic principles of the relevant national programme, while the
procedure stipulated by the regulations of the Foundation is observed.

Article 7. The restrictions for the activities of the Foundation

(1) The Foundation shall not be entitled to undertake commitments on the basis of Foundation’s
property, if the commitments do not have direct links to the objectives and tasks of the Foundation;
(2) Claims against the Foundation and claims belonging to the property of the Foundation shall not be
considered inter related;
(3) Property of the Foundation shall not be pledged or otherwise burdened;
(4) The Foundation shall not be the participant (have a share) of an enterprise, acquire obligations,
undertake commitments in warranty agreements, sign agreements on loan, as well as present, lend or
donate the property of the Foundation.

Article 8. The organisation of the Foundation

The Council of the Foundation manages the Foundation, its activities are ensured by the Secretariat and
the respective committee examines society integration projects.

Article 9. The Council of the Foundation

(1) The Council of the Foundation shall consist of the Minister of Education and Science, Minister of
Culture, Minister of Welfare, Minister of Justice, Minister of Environmental Protection and Regional
Development, a representative of State President Chancellery, a representative from one municipality
of Kurzeme, Vidzeme, Zemgale, Latgale and Riga, 5 persons delegated by NGOs.
(2) The Cabinet of Ministers shall approve the members of the Council of the Foundation.
(3) The members of the Foundation Council shall elect the chairperson of the Foundation Council, which
heads the work of the Council, from their circle.
(4) The term of the office of the Council shall be three years. The statutes of the Foundation provide for
the procedure for the appointment and dismissal of the members of the Council.
(5) The members of the Foundation Council shall not receive pay for participation at the sessions of the
Foundation Council.

Article 10. Sessions of the Foundation Council and decision taking process

(1) The chairpersons of the Foundation Council shall call the sessions of the Foundation Council.
(2) The sessions of the Foundation Council shall be called upon necessity, however, at least once in
three months. The chairperson of the Foundation Council shall call the session of the Foundation
Council within two weeks if it is required by at least one third of the members of the Foundation Council.

(3) The sessions of the Foundation Council shall be recorded. The chairperson of the Foundation Council shall sign the minutes of the sessions.

(4) The Foundation Council takes decision with the absolute majority of votes from the total number of the members of the Foundation Council members.

Article 11. The Secretariat of the Foundation

(1) The Secretariat of the Foundation shall ensure the work of the Foundation Council and in compliance with the Statutes of the Foundation shall implement the directions given by the Foundation Council and its chairperson.

(2) The Foundation Council shall appoint the director who shall manage the Secretariat.

Article 12. The Committees of the Foundation

(1) The committees of the Foundation shall examine the submitted projects on society integration and in compliance with the Statutes of the Foundation prepare them for the consideration at the Foundation Council.

(2) Society Integration Foundation shall have the following permanent committees:
   1) committee on civic involvement;
   2) committee on social integration;
   3) committee on regional integration;
   4) committee on education and language;
   5) committee on culture;
   6) committee on repatriation and migration affairs;
   7) committee on research and public communication.

(3) The Foundation Council shall be entitled to establish also other committees.

(4) All committees are constituted of at least 5 members of whom at least one represents the state institution of the respective field. The Foundation Council shall appoint the members of committees.

(5) Its chairperson shall manage a committee. A chairperson shall be elected from the members of the respective committee.

4) Authorised serving period of the members of committees shall be two years.

5) Committee’s work shall be based on the statutes approved by the Council of the Foundation.

Article 13. Accounting records

(1) The Foundation shall have accounting records in compliance with the provisions of legal norms and submit the report on the usage of finances in compliance with the provisions of the law, the Law on Accounting and other legal norms.

(2) At the end of the operational year the Foundation shall prepare and publish the annual report to inform public about the disposal of the finances of the Foundation in compliance with the objectives and tasks of the Foundation.

Article 14. Internal audit of the Foundation

(1) The Statutes of the Foundation stipulates procedure for internal audit of the Foundation.

Transition Regulations

1. The Cabinet of Ministers approves the regulations of the Fund till 1 September 2001.
2. The Cabinet of Ministers develops and submits to the Saeima the draft of the amendments to the Law on the State Budget for 2001, providing re-direction of the funds from the state budget allotted to the Ministry of Justice to ensure the activities of the Society Integration Foundation directly to the Society Integration Foundation.

The Law comes into effect as of 1 September 2001
ANNEX 6

REGULATIONS OF SOCIETY INTEGRATION FOUNDATION

Passed in accordance with
Paragraph II, Article 2 of the Law
on Society Integration Foundation

1. The Regulations stipulate the basic regulations of the activities of the Society Integration Foundation (hereafter – Foundation).
2. Foundation is a legal entity, it has its own seal containing its full logo and symbolic, as well as forms with the title of the Foundation and requisites.
3. Foundation governs, uses and manages its property according to the procedure stipulated by normative acts, as well in its name may become a subject of economic ad non-economic rights, conclude agreements and process deals, according to its activity goals both in Latvia and abroad and may be a defendant or plaintiff at court.
4. In order to plan and ensure the implementation of National Program “Society Integration in Latvia” the Ministry of Justice shall prepare annual budget request and submit it to the Ministry of Finance, observing the priorities fixed in the Program and goals and tasks of the Foundation.
5. Tenders on projects to receive financing and the results of these tenders shall be announced in the newspaper “Latvijas Vestnesis”. The Council of the Foundation shall have rights to distribute tender announcements also to other means of mass media.
6. Request for Foundation budget resources when considering the draft budget of the Foundation shall be determined in an open vote by the Council of the Foundation. Foundation Council shall also distribute the whole budget of the Foundation.
7. The Council approved by the Cabinet of Ministers administers the Foundation. Foundation Council shall be constituted of the Minister of science and education, culture, welfare, justice, environment protection and regional development, representative of State President, a representative of Kurzeme municipalities, a representative of Vidzeme municipalities, a representative of Latgale municipalities, a representative of Zemgale municipalities and a representative of Riga municipalities and 5 representatives delegated by NGOs (national minority culture organizations and NGOs in accordance with the main principles of national program Society Integration in Latvia).
8. Planning regions shall delegate the representatives of Kurzeme, Vidzeme, Zemgale, Latgale and Riga municipalities for the Foundation Council.
9. NGOs representatives to the Council may be delegated on the basis of the announcement of position openings for NGO members in Foundation Council published in “Latvijas Vestnesis”. The Ministry of Justice shall announce the openings. The Competition Commission shall be constituted of the representatives of the Ministry of Education and Science, Culture, Welfare, Justice and Environmental Protection and Regional Development.
10. Latvian Society Integration Council shall adopt the terms of the competition, body of the competition commission and head.
11. Only the Council of the Foundation shall have the authority to:
   11.1. approve expenditures program of the Foundation and the revenues and expenditures estimates and submitted projects which have undergone the revision by the Committees;
   11.2. determine the structure of the executive institutions of the Foundation and the number of employees;
   11.3. propose establishing and closing of Foundation committees;
   11.4. establish the criteria and basic principles of submitting, evaluating and financing projects;
   11.5. take decisions on cooperation with foreign or international finance institutions;
   11.6. adopt annual report of the Foundation;
   11.7. invite a certified audit;
   11.8. establish procedure according to which the Foundation Director manages movable and immovable properties of the Foundation.
   11.9. determine the pay for the director of the Foundation and the certified audit.
12. Council of the Foundation may decide upon also any other question concerning activities of the Foundation if it is necessary for the interests of the Foundation or deciding of which exceeds the authority of Foundation administrative institution, except the cases when decision of such questions is stipulated differently in other normative acts.
13. The Council shall have rights, in a case of necessity, involve experts.
14. The Council shall establish Committees to assess and prepare for revision society integration projects.
15. The chairperson of the Foundation calls for Council sittings at least once within three months time, but if at least one third of Council members demands that, the sitting shall be called for within two weeks. The place, time and agenda of the sitting shall be announced to all council members in a written form not later as two weeks before the sitting takes place.
16. Council sittings shall be authorised to pass decisions if more than a half of Council members are present at a sitting.
17. Council sittings shall be recorded. The minutes of the sitting shall be sent to all Council members within 2 weeks.
18. Chairman of the Foundation shall manage the work of the Foundation.
19. Chairman of the Foundation Council shall be elected by a secret ballot of all Council members.
20. Foundation Council Chairperson shall run Council meetings and represent the Foundation without any special authorisation.
21. During the absence of Council Chairperson his/her duties shall be performed by Council Deputy Chairperson or a Foundation Council member authorised by the Chairperson.
22. Foundation Council member may be dismissed from the post before the expiration of authorised term in office in accordance to his/her own will;
23. Every Foundation Council member shall hold one vote in decision taking.
24. Foundation Council members shall have the right during their term in the Council to receive reimbursement for travel and accommodation expenses the amount of which – full or partial shall be determined by the Foundation Council evaluating the amount of resources necessary for ensuring Foundation activities.
25. Foundation Council shall examine and approve the applicants for the bodies of the Committees.
26. The respective committee shall select the chairperson of the committee among its members.
27. The regulations of committees’ activities shall be adopted at a sitting of Foundation Council.
28. Committees shall receive the reports about the implemented projects, as well as summarised reports about the projects supported by the Foundation implementation course and disbursement of funds from the Secretariat. After the assessment of the implementation course of projects supported by the Foundation, committees shall have rights to hand in proposals to Foundation Council about the interruption of funding, if the implementation of a project does not comply with the aims and tasks of the Foundation, as well as the main principles of Society Integration Program in Latvia.
29. Foundation Director shall manage the Foundation Secretariat. The Secretariat shall perform the functions of an executive institution and its task is to ensure activities of the Foundation Council and implementation of its taken decisions.
30. Foundation Council Chairperson shall announce open competition to the post of Foundation Director in newspaper ‘Latvijas Vestnesis’. Foundation Council shall approve selection and assessment criteria for applicants.
31. Foundation Council shall approve the applicant to the post of the Director of Foundation Secretariat.
32. Foundation Director may be dismissed from the post in the following cases:
   33.1. According to his/her own will
   33.2. Foundation Council with an absolute majority vote passes the decision on his/her dismissal.
33. Foundation Director, basing on the decrees of the Foundation Council shall:
   II. determine the structure of the Secretariat and staff;
   III. hire employees, determine their salaries, competence and responsibilities, as well as signs with them employment agreements;
   IV. ensures activities of Foundation institutions.
35. Foundation Secretariat member shall perform the duties of Foundation Director in his/her absence.

36. Foundation Director shall provide reports on the activities of the Foundation to Foundation Council once a quarter.

37. Foundation Director within the framework established by the Foundation Council shall have the authority to manage the Foundation property and monetary resources. He has the right of the first signature in Foundation documents as well as the right to issue authority to do business in the name of Foundation and to defend its interests in Latvia and abroad.

38. Foundation Director shall have the right with authorisation of the Foundation to represent Foundation, make agreements and to process deals with physical and legal persons, in the name of Foundation to appear as a Party or third person in court authority.

39. Foundation accountant shall perform his/her duties under direct supervision of Foundation Director and he has the right of the second signature under all Foundation documents.

40. Foundation Council shall invite a certified auditor to conduct examination of financial and business activities of the Foundation (internal audit).

41. A certified auditor shall perform internal audit on his/her own initiative or on the basis of the decree issued by Foundation Council on internal audit of the Foundation.

42. A certified auditor shall act in accordance with the Law on Certified Auditors while conducting internal audit of the Foundation. A certified audit shall draw his/her conclusions on the results of the audit and submit that to the Foundation Council.

43. Regulations take effect from September 1, 2001

Minister of Justice I.Labucka
Prime Minister A.Berzins