

**GOVERNMENT OF THE REPUBLIC
DECREE**

Tallinn

Entered into force 01.06.2013

The rules and procedures for application for and implementation of the grants from the EEA and Norwegian Financial Mechanisms 2009-2014

Adopted 23.05.2013 No 78

The decree is enacted pursuant to subsection 4 of § 8 of the Foreign Relations Act.

**Chapter 1
ALLOCATION OF GRANT**

§ 1. Scope

(1) The decree regulates the establishment of the rules and procedures for application for, and implementation, payment, repayment, monitoring and evaluation of outcomes of the financial resources (hereinafter *the grants*) allocated on the basis of the Memorandum of Understanding on the implementation of the EEA Financial Mechanism 2009-2014 between Iceland, the Principality of Liechtenstein, the Kingdom of Norway and the Republic of Estonia and Memorandum of Understanding on the implementation of the Norwegian Financial Mechanism 2009-2014 between the Kingdom of Norway and the Republic of Estonia (hereinafter *the Memoranda*).

(2) The terms of this decree are used according to the Memoranda.

§ 2. Programme Operators and -areas

(1) According to Annex B of the Memoranda the Programme Operators are ministries in the following programme areas:

- 1) The Ministry of the Environment for the Integrated Marine and Inland Water Management programme;
- 2) The Ministry of Education and Research in cooperation with the Ministry of Social Affairs and the Ministry of Justice for the Children and Youth at Risk programme;
- 3) The Ministry of Culture for the Conservation and Revitalisation of Cultural and Natural Heritage programme;
- 4) The Ministry of Education and Research for the EEA Scholarship programme, the Norwegian-Estonian Scholarship programme and the Norwegian-Estonian Research Cooperation programme;
- 5) The Ministry of Economic Affairs and Communications for the Green Industry Innovation Programme
- 6) The Ministry of Social Affairs for the Public Health Initiatives programme, the Mainstreaming Gender Equality and Promoting Work-Life Balance programme and the Domestic and Gender-based Violence programme.

(2) The Programme Operator implements the programme in partnership with the Donor Programme Partner.

§ 3. Legal framework

The Programme Operator undertakes to comply with the provisions of this decree and the legal framework of the EEA and Norwegian Financial Mechanisms 2009-2014, including:

- 1) Protocol 38b to the EEA Agreement on the EEA Financial Mechanism 2009-2014 and the Agreement between the Kingdom of Norway and the European Union on the Norwegian Financial Mechanism 2009-2014;
- 2) The Memoranda;
- 3) The Regulation on the implementation of the EEA Financial Mechanism 2009-2014 and the Regulation on the implementation of the Norwegian Financial Mechanism 2009-2014 (hereinafter *the Regulations*);
- 4) The Programme Agreements concluded between the National Focal Point and the Financial Mechanism Committee or between the National Focal Point and the Norwegian Ministry of Foreign Affairs according to subsection 1 of § 2;
- 5) Any guidelines adopted by the Financial Mechanism Committee and the Norwegian Ministry of Foreign Affairs.

§ 4 Authorization of the Programme Operator to perform its duties

(1) The Programme Operator shall start fulfilling its duties from the date of approval of the programme by the donors. The first and final dates of eligibility of the programme and maximum amounts of programme grants and their breakdown of items listed in Article 7.1 of the Regulation are set in Annex I to the programme agreement.

(2) The Programme Operator may delegate its duties by way of a contract or a minister's decree or directive to the authority specified in the programme proposal. The delegation of duties does not free the Programme Operator from its responsibility for the performance of its duties.

(3) The Programme Operator shall submit the detailed description of its management and control systems to the Ministry of Finance for giving an opinion at least 60 calendar days before the deadline for the submission of it to the donors.

(4) The Programme Operator may modify the programme according to Article 5.9 of the Regulation and the programme agreement.

(5) The Programme Operator ensures that all entities involved in the implementation of the programme shall fulfil the requirements related to publicity as specified in Article 4.7 of the Regulation and Annex IV to the Regulation, the Communication and Design Manual and the communication plan.

(6) The Programme Operator ensures that all expenditures by the Programme Operator, project promoters and all other entities receiving support under the grants are in line with the rules on eligibility of expenditure contained in Chapter 7 of the Regulation, subject to any restrictions and specifications mentioned in the programme agreement.

§ 5. Establishment and publication of the rules and procedures for application for the grants and publication of the list of appraisal experts

(1) The Programme Operator shall, in order to achieve the outcomes and outputs of the programme, establish rules and procedures for application for and implementation of the grants by way of a minister's decree or directive or a decision of the cooperation committee of the programme established by the Programme Operator.

(2) The Programme Operator shall, in order to achieve the outcomes and outputs of the programme, publicise the rules and procedures for application for and implementation of the grants and the list of appointed appraisal experts on the website of the programme.

§ 6. Obligation of the Project Promoter

The Programme Operator shall stipulate in the project contract or a legislative act among other things the responsibility of the Project Promoter to comply fully with the legal framework specified in § 3.

§ 7. The payment of grant, the suspension and refusal of payments

(1) The Certifying Authority and the National Focal Point may check the payments of the Programme Operator and the authority performing its duties.

(2) The Certifying Authority or the National Focal Point may suspend or refuse payment of the grant, if:

- 1) the expenditure is ineligible;
- 2) the reclaimed amount has not been fully repaid.
- 3) if the circumstances of the possible reclamation are being clarified;
- 4) if the National Focal Point, the Programme Operator or the authority performing its duties do not perform duties according to requirements, incl. if after additional time given to implement the additional measures the duties are still not performed according to the requirements or if the management and control systems of the authorities do not meet the requirements;
- 5) the donors suspend or deny payments to Estonia.

(3) The payments of all projects to the Project Promoter may be suspended or refused.

(4) The Programme Operator may suspend or deny payments to the authority fulfilling its duties or to the Project Promoter due to whom the payments to the Programme Operator were suspended or denied.

§ 8. Reclamation and repayment of the grant and notifying of the irregularities

(1) In case of reclamation and repayment of the grants and when reporting on irregularities, the Government Decree No 278 "Reclamation and Repayment of Grants and Rules and Procedures for Reporting on Irregularities in Awarding and Using the Grants" from December 22, 2006 shall be followed.

(2) The Programme Operator repays the grant in case the National Focal Point or the Certifying Authority requires the repayment of the grant, either on their own initiative or following a decision on reimbursement of the grant by the donors.

(3) In case the Programme Operator must repay the grant according to subsection 2, the Programme Operator has the right to make a decision of reclamation to the authority performing its duties or to the Project Promoter, due to which the decision for reclamation was made to the Programme Operator.

(4) In case the National Focal Point finds the termination of the Programme Agreement before due date necessary, the Government of the Republic according to the proposal by the Minister of Finance shall decide on the termination.

(5) In case the donors decide to terminate the Programme Agreement unilaterally, the Programme Operator shall repay the grant reclaimed by the donors and performs the required post-duties. In case it is not possible for the Programme Operator to repay the grant by the given deadline or in case the Programme Operator does not agree with the decision of reclamation, the Government of the Republic according to the proposal by the Minister of Finance shall decide, which authority's state budget resources will be used to repay the grant to the donors.

(6) In case the Programme Agreement is terminated, the Programme Operator shall no longer have any right or claim on any further contribution from the donors.

§ 9. Monitoring of the implementation of the grants and ensuring access

(1) The Programme Operator shall ensure the performance of monitoring of the implementation of the grants.

(2) The Programme Operator shall stipulate in the project contract or a legislative act the obligation of the Project Promoter or other entities receiving support under the grants to provide to the person performing monitoring, audit or evaluation all the necessary assistance and access to the rooms and territory related to the implementation of the grants.

(3) The Programme Operator provides to the person performing monitoring, audit or evaluation all the necessary assistance, including providing access to all the documents and information related to the implementation of the programme in order to check the correctness of these and providing the right to visit the rooms and territory of the Programme Operator related to the implementation of the grants without delay.

(4) In case the management and control systems of the Programme Operator do not meet the requirements or if the duties are not performed according to the requirements in the opinion of monitoring or audit, the Ministry of Finance may decide the suspension or termination of the performance of duties of the Programme Operator.

§ 10. Reporting

- (1) The Programme Operator shall submit the Interim Financial Report on the template given by the donors to the Ministry of Finance within 30 calendar days from the end of the reporting period, stating that the expenditure declared has incurred in accordance with the legal acts, agreements and guidelines belonging to the legal framework specified in § 3.
- (2) The Programme Operator shall submit the Annual Programme Report on the template given by the donors to the Ministry of Finance at least 30 calendar days before the deadline for submission of the Annual Programme Report to the donors.
- (3) The Programme Operator shall submit the Final Programme Report on the template given by the donors to the Ministry of Finance within 45 calendar days of the completion of the last project under the programme, but not later than April 30, 2017.
- (4) The reports mentioned in subsections 1-3 shall be digitally signed.
- (5) The Programme Operator shall submit the forecast of likely payment applications by e-mail to the Certifying Authority by the deadline set by the Certifying Authority.
- (6) The Programme Operator shall submit to the Ministry of Finance any information required by the Ministry of Finance for the fulfilment of its reporting requirements to the donors, in particular, but not limited to the information necessary for the compilation of the Strategic Report. This shall be provided by the deadline set by the Ministry of Finance.
- (7) The Programme Operator shall provide to the donors upon request, and within reasonable time, all documents and information related to the implementation of the programme and its projects;

Chapter 2 IMPLEMENTING PROVISINS

§ 11. The end of the period of validity of the decree

The decree is in force until December 31, 2021.

§ 12. Amendment of the Government of the Republic Decree No 137 “Rules and procedures for application for, use of, supervision over and assessment of the results of the resources of the European Economic Area Financial Mechanism and the Norwegian Financial Mechanism“ from June 14, 2006.

The Government of the Republic Decree No 137 “Rules and procedures for application for, use of, supervision over and assessment of the results of the resources of the European Economic Area Financial Mechanism and the Norwegian Financial Mechanism“ is supplemented after § 19 with chapter 8 formulated as follows:

„Chapter 8

IMPLEMENTING PROVISION

§ 20. The end of the period of validity of the decree

The decree is in force until December 31, 2022. “

§ 13. Amendment of the Government of the Republic Decree No 126 „The Statute for Keeping the National Structural Assistance Register“ from May 8, 2007.

The Government of the Republic Decree No 126 „The Statute for Keeping the National Structural Assistance Register“ from May 8, 2007 is amended as follows:

1) Subsection 2 of § 3 is rephrased as follows:

„(2) The authorized processor (hereinafter *authorized processor*) is the Ministry of Finance and implementing agencies and intermediate bodies according to the “2004-2009 Structural Assistance Act”, “2007-2013 Structural Assistance Act” and Programme Operators according to the Memorandum of Understanding on the implementation of the EEA Financial Mechanism 2009-2014 between Iceland, the Principality of Liechtenstein, the Kingdom of Norway and the Republic of Estonia and the Memorandum of Understanding on the implementation of the Norwegian Financial Mechanism 2009-2014 between the Republic of Estonia and the Kingdom of Norway”;

2) § 5 is supplemented with subsection 5 as follows:

„(5) With the aim of preventing double financing, statistical and financial information concerning the resources of the European Economic Area Financial Mechanism and Norwegian Financial Mechanism are kept in the register“.

Urmas Reinsalu
Minister of Defence in duties of the Prime Minister

Jürgen Ligi
Minister of Finance

Aivar Rahno
The Head of the Government Secretariat of the Government Office in duties of the State Secretary