

COMMISSION DECISION

of C/2006/3076

on the financial contribution of the Transition Facility for strengthening institutional capacity to the Republic of Latvia

(only the Latvian text is authentic)

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to the Act of Accession 2003, in particular Article 34 thereof,

Whereas:

- (1) Article 34 of the Act of Accession provides the possibility of granting a temporary financial assistance, the Transition Facility, to the new Member States to address the continued need for strengthening institutional capacity in certain areas through actions which cannot be financed by the Structural Funds.
- (2) The actions funded by this Decision in the areas of justice and home affairs, financial control and protection of the Communities' financial interests as well as environment are eligible for funding according to Article 34(2) of the Act of Accession. In addition, several needs have been identified in the Commission's comprehensive monitoring report, which are not covered by the Structural Funds. The actions funded by this Decision in relation to those needs in the area of consumer protection and overall administrative capacity are therefore also eligible for funding under Article 34(2) of the Act of Accession.
- (3) Pursuant to Article 34(4) of the Act of Accession, the Transition Facility is implemented in accordance with Article 53(1)(b) of Council Regulation 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities.
- (4) An Implementing Agency should be designated complying with the criteria set out in Article 164 of the Financial Regulation and having adequate staff resources. The Commission has satisfied itself in the context of preparation for conferral of management of aid provided under Phare, as well as through a number of other checks, that those criteria are fulfilled by the Central Finance and Contracting Agency.
- (5) The measures provided for by this Decision are in accordance with the opinion of the Committee on Aid for Economic Restructuring in certain countries in Central and Eastern Europe, rendered on 19 May 2006,

HAS ADOPTED THIS DECISION:

Article 1

The Commission approves a financial contribution of **€4.025 million** as Transition Facility to the Republic of Latvia, to finance projects set out in point 4 of the Annex.

Article 2

1. This Decision shall be implemented on a decentralised basis, in accordance with the Memorandum of Understanding on the Implementation of the Transition Facility, signed with the Republic of Latvia on 13 September 2004.
2. The Central Finance and Contracting Agency shall be Implementing Agency for the Programme.

Article 3

1. Contracts covered by the financial contribution shall be signed no later than 15 December 2008.
2. The deadline for execution of contracts shall be 15 December 2009.

Article 4

This Decision is addressed to the Republic of Latvia.

Done at Brussels, [...]

For the Commission

[...]

Member of the Commission

ANNEX

FINANCING PROPOSAL ON THE IMPLEMENTATION OF THE TRANSITION FACILITY IN LATVIA FOR 2006

1. IDENTIFICATION

Beneficiary	The Republic of Latvia
Programme	Implementation of the Transition Facility in the Republic of Latvia for 2006
CRIS-Number	2006/018-118-01.01 to 2006/018-118-05.01
Year	2006
Cost	The total value of the actions to be financed from the Transition Facility : 4 025 000€ .
Implementing Agency	Central Finance and Contracting Agency (CFCA)
Expiry Date	Contracting: 15 December 2008 Execution of contracts: 15 December 2009
Sector Code	Objective 1: Justice and home affairs (15030) Objective 2: Financial control and protection of EU funds (15020) Objective 3: Environment (41010) Objective 4: Consumer protection / Internal market (33110) Objective 5: Overall administrative capacity (43010)
Budget Line	22 03 01
Commission Task Manager	Gudrun Scheffer, DG Enlargement, European Commission

2. SUMMARY

Article 34 of the Act of Accession establishes the institution building Transition Facility 2004 – 2006 and provides for an indication of its principles for implementation.

The present financing proposal covers the national Transition Facility Programme 2006 for Latvia and outlines the areas where further assistance is deemed to be necessary to strengthen the administrative and institutional capacities of the Latvian administration following accession. The programme comprises 7 projects designed to deliver assistance in several priority areas as well as an institution building facility to address *acquis* related issues across the administration that may emerge during the course of implementation of this programme.

The 2006 Institution Building Transition Facility for Latvia will concentrate on the following priorities:

1. **Justice and home affairs** to further strengthen enforcement capacities of the police in its fight against crime and to take account of new developments in this field; to further adjust administrative capacities in the fields of migration and immigration.
2. **Financial control and protection of EU funds**, to further strengthen the administrative capacity of the Latvian State Audit Office;
3. **Environment**, to strengthen the capacity of the State Hazardous Waste Management Agency
4. **Consumer protection**, to assist the Latvian Consumer Rights Protection Centre to improve its administrative capacity through various actions;
5. **Overall administrative capacity**, to provide for an Institution Building Facility for twinning light and any other form of expertise.

3. STRATEGY

The priorities of the Institution Building Transition Facility Programme 2006 for Latvia correspond to those outlined in Article 34 of the Act of Accession. The priorities addressed are mainly based on the findings of the Comprehensive Monitoring Report of 2003, but also on various other reports which identify areas where further improvements of the administrative and institutional capacity in terms of implementation and enforcement of the *acquis* are deemed to be necessary. Assistance is provided in areas that require further strengthening to be on par with other Member States. The programme has also taken into account recent developments of the *acquis*.

The 2006 Transition Facility Programme is based upon a careful selection of projects submitted by the Latvian authorities. The main criteria for the selection of projects include relevance and quality of individual proposals. All projects have been discussed with relevant Commission services.

Experience gained during the implementation of current and previous Phare and Transition Facility programmes has been taken into account in order to further improve project design. Lessons learned are generally based on a case by case basis, building on relevant experience acquired during the implementation of Phare projects in a specific area. Information on supporting concept papers is provided for on a case by case basis in each project fiche.

Careful attention has been paid to co-ordinating with previous and ongoing assistance to build on the results achieved and to promote synergy effects with other Community financial instruments. The programme includes projects which should not overlap with any action that is financed by other financial assistance programmes such as the Schengen Facility or the Structural and Cohesion Funds, or with any actions previously financed by Phare or other donors. Actions, studies and all other types of activities eligible for support under Structural Funds technical assistance measure shall be excluded from the scope of this programme. The implementing beneficiary body retains the responsibility for the coordination of activities funded under this programme with regard to those financed through existing or planned EC or international funding, in particular Structural and Cohesion funds, Schengen Facility, etc., in order to ensure consistency, compatibility and removing the risk of double funding.

4. OBJECTIVES AND DESCRIPTION

OBJECTIVE 1: JUSTICE AND HOME AFFAIRS

2006/018-118-01-01 Strengthening the capacity of the state police to implement the National Criminal Intelligence Model

Twinning Contract LV/2006-IB/JH/01

Implementation of the European Criminal Intelligence Model (NCIM) is part of the strategy considered by the EU in the fight against crime both at national and international level. This includes an exchange of data between law enforcement authorities and processing high standard intelligence, which is one of the elements prescribed in the Europol Convention that has been in force in Latvia since April 2004. Latvia has introduced a new Criminal Procedure Law in October 2005 introducing the necessary changes in how law enforcement authorities shall gather and process intelligence and use it in criminal procedures in a modern and more effective way.

The aim of this project is to assist the Ministry of Interior, specifically the State Police, in its preparations to implement the necessary measures in the framework of the concept of the NCIM and to evaluate and make concrete proposals for organisational changes needed to adjust the structure of the State Police at all levels relating to the implementation of the concept of the NCIM; to provide training on operational and strategic aspects on the work of the NCIM as well as on the practical implementation and functioning including operative and strategic analysis for experts of competent law enforcement authorities. As a result of this project the concept on implementation of the NCIM should be enacted.

2006/018-118-01-02 Strengthening administrative capacity in the areas of visa issuance, migration and implementation of the Schengen information system (SIS II)

Twinning Contract LV/2006-IB/JH/02

The project builds on the results of an earlier Phare project “Asylum and Migration Management System” (2001). It is designed to further strengthen the administrative capacity of the Office of Citizenship and Migration Affairs of the Ministry of Interior in the field of visa issuance, migration and implementation of the Schengen information system (SIS II).

Specifically, this project aims to assist the Republic of Latvia in its efforts to comply with the requirements of the Schengen *acquis* and to adjust existing legislation to take account of most recent developments in that area of EU *acquis*. Besides, assistance is also required to help interpret certain parts of EU *acquis* such as in the field of family reunification and third country citizens who are permanent residents, to take into account the specific situation of the Republic of Latvia, and to evaluate compliance of certain national laws and regulations with the Schengen and EU *acquis*. The project aims to provide the necessary training activities in the field of visa and migration for the staff of the Office of Citizenship and Migration Affairs of the Ministry of Interior and certain other interested services. Such training activities shall take account of the provisions of article 34 of the Act of Accession.

2006/018-118-01-03 Improvement of circulating, processing and safekeeping of immigration case files

Twinning Contract LV/2006-IB/JH/03

This project is to take into consideration the legal and technical aspects of complying with personal data security requirements in view of archiving a significant number of cases including those related to identifying or changing legal status, issuing return decisions and carrying out background checks on individuals to be naturalised, which had so far not been properly dealt with. Given that for decision taking, these files must be accessed at different levels, special emphasis shall be put on personal data security all along the process.

The aim of the project is to assist the Office of Citizenship and Migration Affairs (OCMA) to ensure efficient protection of personal data during processing of immigration case files. To this end, the project is to include the elaboration and implementation of an action plan as well as the elaboration of terms and procedures for staff handling these files under personal data security aspects. The project is to evaluate legislative acts in view of any necessary amendments, and to provide the relevant training to the staff of the OCMA taking into account personal data security aspects.

OBJECTIVE 2: FINANCIAL CONTROL AND PROTECTION OF EU FUNDS

2006/018-118-02-01 Protection of the European Union and state budget funds

Twinning Contract LV/2006-IB/FIN/01

The project is to build on the achievements of previous projects implemented in the State Audit Office (SAO). As a result, some substantial changes have been introduced to adjust some of the SAO's audit functions and its internal organisation, involving changes in the SAO's main and support processes as well as some amendments to the State Audit Office Law. This project is designed a) to consolidate these new developments through development and implementation of a quality management system for the development of staff and management to ensure audit work of high quality and supporting processes; b) to develop the skills of audit staff for performing specialised audits including those for certification of expenditure of EU funds.

OBJECTIVE 3: ENVIRONMENT

2006/018-118-03-01 Capacity building of the State Hazardous Waste Management Agency

Twinning Light Contract LV/2006-IB/EN/01

The project is to assist the State Hazardous Waste Management Agency (BAPA) to ensure adequate management of hazardous waste infrastructure objects to facilitate implementation of the *acquis* in the field of hazardous waste management and integrated pollution prevention. The BAPA as such was established in January 2005; therefore its staff has limited experience in organising hazardous waste management tasks. This project is to include strengthening the capacity of the staff of BAPA regarding the operation and management of hazardous waste landfill and remediation of polluted sites, elaborating relevant guidelines for operation as well as providing an emergency response plan. The project includes training on all aspects of

hazardous waste management as well as the elaboration of guidelines for various groups and tasks, such as operators of hazardous waste landfill and instructions for accident avoidance.

OBJECTIVE 4: CONSUMER PROTECTION

2006/018-118-04-01 Strengthening the market surveillance system

Twinning Contract LV/2006-IB/EC/01

The project takes into account the results of the 2002 Phare project on market surveillance in the non-food sector and addresses several issues identified in that project which would need further action. The aim of the project is to strengthen the capacity of the Consumer Rights Protection Centre through introducing concrete market surveillance procedures in specific fields including information society services and safety aspects of specific products; it also takes into account new *acquis*, raising the competence of the staff, introduction of the training and qualification procedures, introducing a data collection system on injuries related with products and services and elaboration of guidelines on implementation of specific legislation, and in accordance with relevant EC legislative acts.

OBJECTIVE 5: OVERALL ADMINISTRATIVE CAPACITY

2006/018-118-05-01 Institution building facility

The Institution Building Facility shall provide the possibility to respond, in a flexible way, to *acquis* related needs which may arise during the implementation of the 2006 Transition Facility programme in order to address specific self-contained institutional issues of limited scope, i.e. the structures are not complex and existing ones need little adjustment. The projects will be selected according to relevance and quality in order to address remaining institutional and administrative capacity weaknesses in the Latvian administration. The projects shall be implemented by means of twinning light. Only in those cases where twinning light does not seem to be appropriate, needs may be addressed by any other form of expertise. Project proposals shall be submitted to the Commission for approval.

Programme Conditionality

The Latvian authorities will ensure that co-financing in accordance with the details included in the project fiches will be available in time. Unless otherwise specified in the project fiche, co-financing for services and supply contracts should be joint co-financing and the ratio between the Transition Facility and the national amount has to be applied to the final contract price.

5. BUDGET

CRIS number	Objective	Transition Facility		
		Institution Building (IB)	Investment (INV)	TOTAL €
2006/018-118-01	Objective 1: Justice and Home Affairs			
	- 01 Strengthening the capacity of the State Police to implement the National Criminal Intelligence Model	580 000	0	580 000
	- 02 Strengthening administrative capacity in the areas of visa issuance, migration and implementation of the Schengen information system (SIS II)	350 000	0	350 000
	- 03 Improvement of circulating, processing and safekeeping of immigration case files	300 000	0	300 000
2006/018-118-02	Objective 2: Financial control and protection of EU funds			
	- 01 Protection of the European Union and state budget funds	545 000	0	545 000
2006/018-118-03	Objective 3: Environment			
	- 01 Capacity building of the State Hazardous Waste Management Agency	220 000	0	220 000
2006/018-118-04	Objective 4: Consumer protection			
	- 01 Strengthening the Market Surveillance System	730 000	0	730 000
2006/018-118-05	Objective 5: Overall administrative capacity			
	- 01 Institution building facility	1 300 000	0	1 300 000
	TOTAL	4 025 000	0	4 025 000

Co-financing for Institution Building projects is provided by the beneficiary bearing certain infrastructure and operational implementation costs, through financing the human and other resources, required for effective and efficient absorption of Transition Facility assistance.

Investments in small equipment / software / software development must receive co-financing from national public funds. The Community contribution may amount to up to 75 % of the total eligible¹ public expenditure.

6. SPECIAL CONDITIONS

In the event that agreed commitments are not met for reasons which are within the control of the Government of Latvia, the Commission may review the programme with a view, at the Commission's discretion, to cancelling all or part of it and/or to reallocate unused funds for other purposes consistent with the objectives of the Transition Facility.

¹Subject to Rule 7 of the Annex to Commission Regulation (EC) No 1685/2000, OJ 193, 29.7.2000, p. 39. Regulation as last amended by Regulation (EC) No 448/2004 (OJ L 72, 11.3.2004, p. 66).