



**Interreg**  
**Estonia-Latvia**  
European Regional Development Fund



EUROPEAN UNION

## **Interreg V-A - Estonia-Latvia**

**Cooperation programme under European territorial  
cooperation goal**

# **Annual Implementation Report 2020**

**May 2021**

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## ABBREVIATIONS

AIR	Annual Implementation Report
CP	Cooperation Programme
CBC	Cross border cooperation
DMCS	Description of the Management and Control System
eMS	electronic monitoring system
GoR	Gulf of Riga
EC	European Commission
EC Day	European Cooperation Day
EUSBSR	European Union Strategy for Baltic Sea Region
FC	Financial Controller
IP	Information Point
JS	Joint Secretariat
LP	Lead Partner
MA	Managing Authority
MC	Monitoring Committee
OI	Output indicator
PA	Priority Axis
SO	Specific Objective

## 1. IDENTIFICATION OF THE ANNUAL IMPLEMENTATION REPORT

CCI	2014TC16RFCB050
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## 2. OVERVIEW OF THE IMPLEMENTATION OF THE COOPERATION

### PROGRAMME (Article 50(2) of Regulation (EU) No 1303/2013 and Article 14(3)(a) of Regulation (EU) No 1299/2013)

The programme Interreg V-A EE-LV - Estonia-Latvia, (Estonia-Latvia programme or the programme), which is the cooperation programme under the European territorial cooperation goal, was adopted by the EC on 4 December 2015 with the decision C(2015) 8926. The amendments to the programme were adopted by EC on 12 December 2018 and on 24 September 2020.

The programme covers the following NUTS regions: EE004 Lääne-Eesti, EE008 – Lõuna-Eesti, LV003-Kurzeme, LV006–Rīga, LV007–Pierīga, LV008–Vidzeme. **The total budget of the programme is 46 728 715.00 EUR of which the EU support is 38 933 803.00 EUR.** The programme has five PAs with 8 relevant SOs, which are more elaborated further in the report. 52 projects had been approved and 51 projects contracted by the end of 2020. **The contracted ERDF amount by the end of 2020 was 32 021 176.63 EUR.** Of 39 projects, which finished their activities in 2020, 30 have been completely finalised with final payment made and 9 projects continue with reporting. There are 116 Latvian and 108 Estonian unique partners participating in the projects. In 2020, the JS approved 103 progress reports and 26 final reports.

The values of the fulfilled OIs are aggregated from the eMS, where the data is collected from the progress reports according to the information reported by LPs. There are differences in the data in the AIR 2020 in comparison with the AIR 2019 related to the SO 1.2 indicator “Number of enterprises receiving non-financial support”. Following the system audit results in the beginning of the year, some projects revised their reported targets and corrected them retrospectively.

The MC did not assemble in 2020 to select projects for funding. In spring 2020, the MA initiated the modifications in the CP in order to commit the funds of the programme fully. The new SO 2.4 “*More harmonised geodetic reference systems*” was included in the programme

and unused funding from the PA1 and PA4 was reallocated to the PA2. With this change, the programme made available 1.5 MEUR for the three new pre-defined projects under PA2 (SO2.2, 2.3, 2.4). The submission in eMS was available from 26 October to 14 December for the applicants. The MC took selection decisions in January 2021.

In addition to the new SO, the changes of the CP included increased target values for some OIs in SO1.1, SO2.2, SO 2.3 and SO4.1. The increased target values were due to the new expected projects (SO2.2a and SO2.3), and also due to the fact that the implemented projects had succeeded to achieve and deliver more under those indicators. The target for the “Valga-Valka city centre” was increased from the planned 18 000 m<sup>2</sup> to 48 000m<sup>2</sup> to bring the target in line with the actual volume of the reconstructed area. The target value of the improved urban area under SO2.3 was increased to 128 000m<sup>2</sup> as another project “Valga-Valka recreational area” would be implemented under this SO.

The JS carried out 2 partner seminars for the 5th call project partners and 2 seminars for the partners of the second pre-defined project under the PA3. The EE and LV FCs, auditors and the JS gave information about the eligibility, reporting basic principles of state aid, public procurement and publicity rules.

In 2020 the system audit “Audit of the practice and reliability of the Programme output indicators“ was completed with several findings related to the counting and reporting of the OIs. Based on the findings the JS revised and updated the procedures for checking and reporting of the programme OIs, including updating the eMS guidelines for reporting, guidance texts inside the eMS progress report form, eMS progress report checklist and site visit form. In addition, the JS drafted the procedure document to formalise the JS practice for verifying the OIs.

The MA and JS updated the Programme Manuals for different calls, compiled a separate manual for a pre-defined project under PA3 and for the direct award projects under PA2. Also the Complaint Procedure, Guidelines for Financial Corrections and DMCS were updated. The annual risk assessment exercise was carried out in June-July where the risks of the previous period were reviewed and the matrix was updated taking into account the actual situation.

In the framework of **Interreg30** the programme participated in Vidzeme Innovation conference where the jointly developed SME products were promoted with the visual reference to the Interreg30. In September the programme took part in Latvian conversation festival LAMPA in Cēsis with conversation “Hiking as an antidepressant”, LAMPA Interreg Hike (16km), Interreg30 Anniversary Hike (30km).

EC Day was celebrated in a more modest way and by invitations only. Around 40 programme related people, including Valga and Valka municipalities, gathered on the border of the twin town on 19.09 to plant 30 trees in the reconstructed joint town centre. To involve a wider round of followers of the programme, a quiz of 30 questions on Facebook was carried out during three weeks before the EC Day.

Initially the programme planned to launch a virtual adventure game “walk VVALK” in Valga and Valka around EC Day, but it was postponed and carried out in December. To promote the

tourism routes, sites and products developed by the programme the winners of the game had the opportunity to choose an “EstLat tourism experience” for the prize.

The programme continued with promoting the results of the projects in the format of moderated “Talking results” discussions. Together with the Central Baltic programme the panel discussion “#Interreg30—the entrepreneur’s challenges in cross-border cooperation” was carried out in Tartu in the framework of the annual Estonian Entrepreneurship Week.

In order to advertise more widely the achievements in two substantial projects, the programme outsourced a production of videos to introduce the network of small harbours and Valga-Valka city centre to the wider public. In July 2020 six episodes were filmed in Pāvilosta, Ventspils, Engure, Kõiguste, Varbla and Mõntu harbours. The stories were narrated by the well-known Estonian TV host and actor and featured on Estonian TV channel Kanal2 in September. The videos were supplemented with Latvian subtitles and shown in Regional ReTV in December 2020. The video about Valga-Valka joint centre will be filmed and aired in spring 2021.

The social media presence was kept active with 248 posts on Facebook. The programme account had 2650 fans and 2326 followers by the end of 2020, which is respectively 407 and 442 more than on 01.01.2020. The main source of information for applicants and beneficiaries is the webpage [www.estlat.eu](http://www.estlat.eu). In terms of the results and events the presence on Facebook has proven to be effective for attracting audience outside the programme bodies and project partners.

### 3. IMPLEMENTATION OF THE PRIORITY AXIS (Article 50(2) of Regulation (EU) No 1303/2013)

#### 3.1 Overview of the implementation

#### 3.2 Common and programme specific indicators (Article 50(2) of Regulation (EU) No1303/2013)

#### **Priority axis 1 Active and attractive business environment**

Altogether 29 projects are contracted under PA1: 9 under the SO 1.1 *Increased entrepreneurial cross-border cooperation in the programme area* with total 2 461 865.73 EUR of ERDF support, and 20 under SO 1.2 *More jointly developed products and services in the programme area* with total 6 566 843.22 EUR of ERDF support. In addition to the fifteen projects that had finished their activities by the end of 2019, another 9 reached their closing in 2020: “DELBI 2”, “HADEDE”, “Whey valorization”, “ID Future”, “Capsules”, “PFM – AIHEN”, “Ticketer”, “Smart Heat” and “PanBaltic PDS development”. Their last progress reports and final reports are expected to be submitted in 2021.

With these finished projects the Estonia-Latvia business cooperation was further strengthened and new and innovative products were developed. Here only some examples are introduced. The project “DELBI 2”, being a continuation of the project “DELBI 1” of the period 2007-2013, aimed at supporting cooperation between business organisations and

increasing their competitiveness by providing knowledge in business-related issues. The partners in the project “HADEDE” significantly improved a handheld gamma spectrometer by making it more user-friendly, allowing for more ergonomic use and longer operation times. Method for producing high-quality glucose-galactose syrup from whey was developed by the partners in the project “Whey valorization”. Due to the project “Capsules” the households can be happy as now they can use environmentally made laundry washing capsules containing organic ingredients.

All the funds under PA1 are committed, the leftover was allocated to the PA2 based on the changes in the CP, adopted on 24 September 2020.

**Table 1 Result indicators Priority Axis 1**

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023) Total	2018 Total	2018 Qualitative	2019 Total	2019 Qualitative	2020 Total	2020 Qualitative	Observations
S01	Share of entrepreneurs and new business in the region (not older than 3 years), which are ready for cross-border cooperation	%	53%	2014	59%	46%		N/A		N/A		The next assessment on achievement of the result indicators will take place in 2021. Therefore for 2020, there is no information to add for the result indicators.
S02	Share of entrepreneurs carrying out joint product or service development	%	14%	2014	19%	13%		N/A		N/A		



**Table 2 Common and Programme specific output indicators, Priority Axis 1**

	ID	Indicator	Measurement unit	Target value	2016	2017	2018	2019	2020	Observations
F <sup>1</sup>	CO01	Productive investment: Number of enterprises receiving support	Enterprises	659.00	0.00	109.00	278.00	858.00	752.00	The achieved targets are revised by the project partners in 2020 to be in line with the updated instructions followed by the audit. Some incorrect or double counting was corrected.
S	CO01	Productive investment: Number of enterprises receiving support	Enterprises	659.00		0.00	0.00	858.00	283.00	In Estonia-Latvia programme 2014-2020 the annual forecast of fulfilment of indicators is not asked and not provided by beneficiaries.
F	CO04	Productive investment: Number of enterprises receiving non-financial support	Enterprises	659.00	0.00	109.00	278.00	858.00	752.00	The achieved targets are revised by the project partners in 2020 to be in line with the updated instructions followed by the audit. Some incorrect or double counting was corrected.
S	CO04	Productive investment: Number of enterprises receiving non-financial support	Enterprises	659.00		0.00	0.00	283.00	283.00	The relevant SO was open only in the first call for proposals. As a result of the first call, according to the forecast provided by the beneficiaries, 283 enterprises will receive non-financial support.
F	O01	Participants at project events, except management meetings	Number	2 899.00	0.00	285.00	3052.00	3 052.00	3 590.00	
S	O01	Participants at project events, except management meetings	Number	2 899.00		0.00	0.00	2755.00	2 755.00	According to the forecast provided by the beneficiaries, there will be 2 755 participants in the project events.
F	O02	Jointly organised events, except management meetings	Number	120	0.00	3.00	117.00	120.00	177.00	
S	O02	Jointly organised events, except management meetings	Number	120		0.00	0.00	166.00	166.00	Based on the projects, the forecast was 166 jointly organised events.
F	CO01	Productive investment: Number of enterprises receiving support	Enterprises	105.00	0.00	16.00	36.00	96.00	504.00	

<sup>1</sup> F=Cumulative value — outputs delivered by operations [actual achievement] S=Cumulative value — outputs to be delivered by selected operations [forecast provided by beneficiaries].

S	CO01	Productive investment: Number of enterprises receiving support	Enterprises	105.00		0.00	0.00	340.00	310.00	Based on the applications, the forecast was 310 enterprises. As there will be no calls for this SO, the number of enterprises will not increase.
F	CO02	Productive investment: Number of enterprises receiving grants	Enterprises	25.00	0.00	15.00	32.00	40.00	42.00	
S	CO02	Productive investment: Number of enterprises receiving grants	Enterprises	25.00		0.00	0.00	40.00	42.00	Based on the results of the first, third and fourth call, 42 enterprises receive grants. As there will be no additional calls the number of enterprises will not increase.
F	CO04	Productive investment: Number of enterprises receiving non-financial support	Enterprises	80.00	0.00	1.00	4.00	56.00	462.00	
S	CO04	Productive investment: Number of enterprises receiving non-financial support	Enterprises	80.00		0.00	0.00	310.00	310.00	Based on the projects, the number of enterprises receiving non-financial support was 310.
F	CO08	Productive investment: Employment increase in supported enterprises	Full time equivalents	60.00	0.00	0.00	31.80	38.90	74.75	
S	CO08	Productive investment: Employment increase in supported enterprises	Full time equivalents	60.00		0.00	0.00	97.00	97.00	Based on the project applications, the number of work places to be created is 97.
F	O03	Joint products and services developed in cooperation	Number	12.00	0.00	1.00	6.00	8.00	19.00	
S	O03	Joint products and services developed in cooperation	Number	12.00		0.00	0.00	29.00	30.00	Based on the project applications, the projects are aiming at developing 30 joint products and services in cooperation.
F	O04	Joint marketing activities	Number	12.00	0.00	0.00	5.00	5.00	20.00	
S	O04	Joint marketing activities	Number	12.00		0.00	0.00	31.00	39.00	Based on the project applications, the projects are aiming at 39 joint marketing activities.

## **Priority axis 2 Clean and valued living environment**

The four projects selected for funding in 2019 under PA2- “Military Heritage”, “WaterAct”, “Smart Living”, “DAML” (“Daily Allowable Maximum Loads to decrease nutrient load to the Gulf of Riga”) - were all contracted in 2020.

As of the end of 2020, altogether 19 projects had been contracted under PA2 with the ERDF amount of 13 198 042.89 EUR: 7 projects under SO 2.1, 11 projects under SO 2.2 and 1 project under SO 2.3. The programme had respectively contracted 6 838 139.11 EUR, 3 359 903.80 EUR and 2 999 999.98 EUR of ERDF support as of the end of 2020. The projects “Water bodies without borders” and “Joint management of groundwater dependent ecosystems in transboundary Gauja-Koiva river basin” ended, as well as most of the tourism projects: “COASTAL HIKING”, “UNESCO-tourism”, “Livonian Culinary Route” and “Garden Pearls”.

Within the environmental projects methodologies and action plans were prepared to manage the water bodies. The partners in the tourism projects developed new routes and sites accompanied with necessary facilities. All of them have proved to be very popular among people in Estonia and Latvia and also for guests from elsewhere as much as the situation has allowed.

The procurement for construction of the only project under SO 2.3 *More integrated Valga-Valka central urban area* Valga-Valka centre was successful and the construction started in early spring 2020. The partners completed the construction works by mid-December. The marketing activities will follow and project is to be finalized by the end of 2021 as planned. The opening event of the joint centre was postponed to spring 2021 due to the national restrictions related to pandemic.

**Table 1 Result indicators Priority Axis 2**

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023) Total	2018 Total	2018 Qualitative	2019 Total	2019 Qualitative	2020 Total	2020 Qualitative	Observations
S04	Awareness of people about resource efficiency with a focus on waste and energy saving	% of persons who are very familiar with the targeted topics	43%	2014	53%	53%		N/A		N/A		The next assessment on achievement of the result indicators will take place in 2021. Therefore for 2020, there is no information to add for the result indicators.
S05	Cooperation intensity between institutions on management of water bodies and coastal areas	% of institutions that carry out regular co-operation activities	36%	2014	59%	46%		N/A		N/A		
S08	The share of inhabitants of Valga and Valka recognising Valga-Valka as a joint town	%	21%	2015	28%	29%		N/A		N/A		
S03	The number of visitors to the natural and cultural heritage sites	Number	3 103 576	2014	3 786 000	3 729 721 (for 2017)		N/A		N/A		
S09	The use of harmonized	Number	Harm-onized	2020	Harmonized system has					N/A		

<b>ID</b>	<b>Indicator</b>	<b>Measurement unit</b>	<b>Baseline value</b>	<b>Baseline year</b>	<b>Target value (2023) Total</b>	<b>2018 Total</b>	<b>2018 Qualitative</b>	<b>2019 Total</b>	<b>2019 Qualitative</b>	<b>2020 Total</b>	<b>2020 Qualitative</b>	<b>Observations</b>
	geodetic system in Estonian-Latvian cross-border projects		system not in use/not available		been introduced							

**Table 2 Common and programme specific output indicators PA 2**

	ID	Indicator	Measurement unit	Target value	2016	2017	2018	2019	2020	Observations
F	006	Improved natural or cultural heritage sites	Number	35.00	0.00	0.00	14.00	35.00	99.00	Six out of seven projects under SO2.1 have finalised their activities, but the reporting is still in process, not all the outputs are reported yet. The result of the 7 <sup>th</sup> project will be achieved fully by the end of 2022 and reported in 2023.
S	006	Improved natural or cultural heritage sites	Number	35.00		0.00	0.00	146.00	149.00	According to the project applications of the first, second and fifth call, 149 improved natural or cultural heritage sites will be presented. In 2014 the assumption was more conservative. Also the definition of "site" was not very specific in the Programme Manual not to restrict the applicants.
F	007	(Sets of) products or services that are created based on cultural or natural heritage	Number	7.00	0.00	0.00	0.00	0.00	5.00	Six out of seven projects under SO2.1 have finalised their activities, but the reporting is still in process, not all the outputs are reported yet. The result of the 7 <sup>th</sup> project will be achieved fully by the end of 2022 and reported in 2023.
S	007	(Sets of) products or services that are created based on cultural or natural heritage	Number	7.00		0.00	0.00	7.00	7.00	According to the project applications of the first, second and fifth call, 7 (sets of) products or services that are created based on cultural or natural heritage will be delivered.
F	008	Cross-border networks that are established or which are strengthened in order to manage and promote the sites	Number	7.00	0.00	0.00	3.00	3.00	8.00	Six out of seven projects under SO2.1 have finalised their activities, but the reporting is still in process, not all the outputs are reported yet. The result of the 7 <sup>th</sup> project will be achieved fully by the end of 2022 and reported in 2023.
S	008	Cross-border networks that are established or which are strengthened in order to manage and promote the sites	Number	7.00		0.00	0.00	10.00	10.00	According to the approved applications of the first, second and fifth call, 10 cross-border networks will be established.
F	21	Improved and revitalised cross-border joint urban area	Square meter	128 000.00	0.00	0.00	0.00	0.00	0.00	
S	21	Improved and revitalised cross-border joint urban area	Square meter	128 000.00		0.00	0.00	18 000	128 000	This indicator concerns two specific projects. The construction activities in Valga-Valka city centre were completed in 2020, but the result – 48 000 m <sup>2</sup> will be reported in 2021. Second project with the target of 80 000 m <sup>2</sup> of improved urban environment will

	ID	Indicator	Measurement unit	Target value	2016	2017	2018	2019	2020	Observations
										complete the target by the end of 2022, no achievements can be reported yet.
F	O09	Participants at project events, except management meetings	Number	9 597.00	0.00	253.00	6833.00	9 597.00	10 396.00	
S	O09	Participants at project events, except management meetings	Number	9 597.00		0.00	0.00	5 655.00	5 715.00	According to estimations provided by the beneficiaries of the first, second and fifth call, the expected number of participants is 5 715.
F	O10	Public campaigns that are targeted at environmentally-friendlier behaviour	Number	6.00	0.00	1.00	4.00	4.00	5.00	
S	O10	Public campaigns that are targeted at environmentally-friendlier behaviour	Number	6.00		0.00	0.00	7.00	7.00	Based on the estimations of the applications, the number of public campaigns to be carried out is 7.
F	O11	Joint management initiatives for water or coastal areas	Number	5.00	0.00	0.00	1.00	1.00	6.00	The management initiative is measured when all the planned activities are carried out - outputs will be delivered by the end of the projects and reported in 2020-2022.
S	O11	Joint management initiatives for water or coastal areas	Number	5.00		0.00	0.00	7.00	7.00	Based on the applications there will be 7 joint management initiatives.
F	O12	Small-scale investments	Number	40.00	0.00	1.00	40.00	40.00	50.00	
S	O12	Small-scale investments	Number	40.00		0.00	0.00	46.00	46.00	Based on the project applications, 46 small-scale investments will be delivered.
F	O22	Harmonized geodetic reference systems	Number	1					N/A	The project GeoRefAct was selected for funding in January 2021 following the approval of the CP amendment by the EC in September 2020. The respective indicator was included in the SFC and therefore is presented also in the AIR 2020.
S	O22	Harmonized geodetic reference systems	Number	1					1	

### **Priority axis 3 Better network of harbours**

There is only one SO under PA3, SO.3.1 *An improved network of small harbours with good levels of service*. As of the end of 2020, there are two pre-defined projects - “ESTLAT harbours” and “EASTBALTIC HARBOURS” - being implemented. The second one was submitted in eMS in April and selected for funding by the MC on 12 June 2020. The subsidy contract was signed on 13 January 2021 for the support of 2 808 643.01 EUR. The total ERDF allocation for PA3 is 11 998 205 EUR.

Within the project “ESTLAT harbours” the majority of harbours completed their construction works by the end of 2020 and the marketing of the network was done as much it was possible. The project was prolonged by 6 months, partly due to the delays in procurement procedures and also pandemic that affected the cash flows which in turn hampered the implementation of some of the investments. The harbours that could not finish their investments in 2020 would do it in 2021.

With these two projects there will be improved services in a network of 24 small harbours in Estonia and Latvia.



**Table 1 Result indicators Priority Axis 3**

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023) Total	2018 Total	2018 Qualitative	2019 Total	2019 Qualitative	2020 Total	2020 Qualitative	Observations
S06	The number of visiting vessels at small harbours	Number of vessels	6 420	2014	16 000	7 789		N/A		N/A		The next assessment on achievement of the result indicators will take place in 2021. Therefore for 2020, there is no information to add for the result indicators.

**Table 2 Common and programme specific output indicators Priority Axis 3**

	ID	Indicator	Measurement unit	Target value	2016	2017	2018	2019	2020	Observations
F	O13	Small harbours with improved services	Number	23.00	0.00	0.00	0.00	2.00	9.00	The majority of the harbours have completed their investments in 2020, however, the reporting is in process. The project is prolonged, the OI (20 harbours) will be fully reported in 2021. The second pre-defined project is aiming at improving the services in 4 small harbours by the end of 2022.
S	O13	Small harbours with improved services	Number	23.00	0.00	0.00	0.00	20.00	24.00	In the AIR for 2019, the figure included was 2, which was an annual output. Actually the forecasted figure by the project partners is 20 small harbours.

#### **Priority axis 4 Integrated labour market**

Under SO 4.1 *Improved conditions for accessing jobs across the border*, two projects have been implemented and both finalised by the end of 2020.

The project “Valka-Valga mobility” helped job seekers find information about cross-border job and training opportunities and receive guidance on working across the border as well as helped employers find suitable employees and receive guidance on employing and upskilling them.

The activities of the project “Work-based Learning in Estonia and Latvia” have ended but the reporting is still in process. In total 604.915 EUR of ERDF was contracted for the two projects that were aiming at developing 5 new and/or improved services for job seekers: job fairs, networking activities for employers, informational newsletter for citizens, capacity building events (information days and workshops for job seekers and unemployed persons, support of mentor for employees) and work based learning systems. Projects were aiming at engaging 312 participants in cross-border mobility initiatives. Based on the reports in 2020, this target was much exceeded.

The MC of the programme decided to allocate the leftover funds from PA4 to PA2, as it became evident in 2019 that there was no demand for the support among the relevant applicants and target groups in this field. The programme indicators are fulfilled.

**Table 1 Result indicators Priority Axis 4**

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023) Total	2018 Total	2018 Qualitative	2019 Total	2019 Qualitative	2020 Total	2020 Qualitative	Observations
S06	Work commuters crossing the border	Number of persons	2 753	2014	3 100	4 598.40		N/A		N/A		The next assessment on achievement of the result indicators will take place in 2021. Therefore for 2020, there is no information to add for the result indicators.

**Table 2 Common and Programme specific output indicators Priority Axis 4**

	ID	Indicator	Measurement unit	Target value	2016	2017	2018	2019	2020	Observations
F	O14	New and/or improved services for job seekers and/or job providers	Number	2.00	0.00	0.00	2.00	2.00	4.00	
S	O14	New and/or improved services for job seekers and/or job providers	Number	2.00	0.00	0.00	0.00	5.00	5.00	Based on the applications of the 1 <sup>st</sup> and 2 <sup>nd</sup> call, there will be 5 new and/or improved services for job seekers and/or job providers.
F	O15	Participants in cross-border mobility initiatives	Number	767.00	0.00	0.00	767.00	767.00	1 394.00	In the eMS, the project partners have reported 1 394 participants in CB mobility initiatives.
S	O15	Participants in cross-border mobility initiatives	Number	767.00	0.00	0.00	0.00	312.00	312.00	The projects forecasted 312 participants in the cross-border mobility initiatives.

## **Priority axis 5 Technical assistance**

The TA budget for 2020 was approved by the MC on 31 January 2020 in the amount of 551 338.00 EUR - 422 000.00 EUR for the JS and 129 338.00 EUR for the MA. The budget was changed twice – in April 2020 and in January 2021. The first change related to the changes in the activities and services under the budget line External Expertise. With the second amendment the budget for the Riga IP was increased to ensure the correct and lawful employment costs for the leaving employee of the IP. Due to the ending of the projects the work load of the consultants is dropping significantly in relation to the project implementation and consultation support. As the host agreement with the State Regional Development Agency of Latvia and the employment contract with the programme consultant reached the term, the IP was closed on 31 December 2020. The communication tasks are rearranged and implemented by the remaining four programme consultants.

One of the major cost articles was external expertise for conducting the programme impact evaluation, but also the contract for carrying out the preliminary estimate of the strategic environmental assessment of the Interreg VI-A Estonia-Latvia programme 2021-2027. Other costs remained as planned or were less than planned.

During 2020 the staff of the JS and MA participated in a number of trainings and seminars mainly organised by Interact but also by other organisations. Interact trainings were about evaluation, capitalisation and communication; AIR and Performance Review; simplifications; network meeting for CBC financial issues; state aid, programming of 2012-2027. The head of the JS shared the programme's good practice and experience at 2 INTERACT events by pre-recorded videos on SME support and border obstacles.

**Table 1 Result indicators PA 5**

Result indicators are not applicable to the technical assistance

**Table 2 Common and programme specific output indicators Priority Axis 5.** The figures are cumulative over the years except FTE.

	ID	Indicator	Measurement unit	Target value	2016	2017	2018	2019	2020	Observations
F	O17	Approved projects	Number	45.00	0.00	29.00	42.00	51.00	52.00	
S	O17	Approved projects	Number	45.00		29.00	42.00	51.00	52.00	1 pre-defined project under PA3 was selected for funding.
F	O18	Face-to-face consultations provided to applicants	Number	220.00	82	135	174.00	210	214	In 2020 the programme funds were almost all committed and open calls were not organised. For the four pre-defined projects the JS held 4 compulsory consultations.
S	O18	Face-to-face consultations provided to applicants	Number	220.00		0.00	0.00	210	214	
F	O19	Events organised for applicants, partners of supported projects, and the general public	Number	50.00	6	19.00	27.00	37.00	47.00	In 2020 there were 4 partner seminars, 3 events in the framework of LAMPA, EC Day, panel discussion in the entrepreneur week, walk VValk.
S	O19	Events organised for applicants, partners of supported projects, and the general public	Number	50.00			0.00	37	47	
F	O20	Employees (full-time equivalents - FTEs) whose salaries are co-financed by technical assistance	Number	12.00	10,21	11,50	11.00	10.00	9,7	The FTE for 2020 represents 2.7 for MA, 7 for JS.
S	O20	Employees (full-time equivalents - FTEs) whose salaries are co-financed by technical assistance	Number	12.00			0.00	10.00	9,7	

### 3.3. Milestones and targets defined in the performance framework (Article 50(2) of Regulation (EU) No 1303/2013)

Table 3 Information on milestones and targets defined in the performance framework

PA	Ind type	ID	Indicator	Measurement unit	Milestone for 2018 Total	Target value (2023) Total	2018 Total	2018 Qualitative	2019 Total	2019 Qualitative	2020 total	2020 Qualitative	Observations
1	F	F01	<b>Expenditure<sup>2</sup>, priority axis 1</b>	EUR	2 514 380.00	11 314 329.00	3 613 214.79		6 121 241.97		9 238 134.38		
1	I	03	Approved projects	number	10		24		28		29		
1	O	003	Joint products and services developed in cooperation	number	0	12	6		8		19		Based on the project applications, the projects are aiming at developing 30 joint products and services in cooperation.
1	O	004	Joint marketing activities	number	0	12	5		5		20		Based on the project applications, the projects are aiming at 39 joint marketing activities.
2	F	F02	<b>Expenditure, priority axis 2</b>	EUR	3 018 127.00	16 053 871.00	3 658 020.60		6 505 422.67		13 579 626.24		
2	I	03	Approved projects	Number	9		15		15		19		
2	O	007	(Sets) of products or	Number	0	7	0		0		5		According to the project applications of

<sup>2</sup> The expenditure of all PAs refers to the amounts certified to the European Commission as included in table 4.

			services that are created based on cultural or natural heritage										the first, second and fifth call, 7 (sets of) products or services that are created based on cultural or natural heritage will be delivered.
2	O	O10	Public campaigns that are targeted at environmentally-friendlier behaviour	Number	0	6	4		4			5	
2	O	O11	Joint management initiatives for water and coastal areas	Number	0	5	1		1			6	Based on the applications there will be 7 joint management initiatives.
2	O	O21	Improved and revitalised cross-border joint urban area	Square meter	0	128 000	0		0			0	
3	F	F03	<b>Expenditure. Priority axis 3</b>	EUR	2 064 480.00	14 115 537.00	2 081 774.72		3 993 913.49			9 124 219.89	
3	I	03	Approved projects	number	1		1		1			2	
3	I	01	Small harbours within approved projects aimed at	number	10		21		20			20	

			improving those harbours										
3	O	O13	Small harbours with improved services	number		23	0		2		9		The outputs will be fully delivered in 2022 and reported in 2023.
4	F	F04	<b>Expenditure, priority axis 4</b>	EUR	223 649.00	1 189 626.00	157 096.37		281 113.33		645 868.72		
4	I	03	Approved projects	Number	1		2		2		2		
4	O	O14	New and/or improved services for job seekers and/or job providers	Number	0	2	2		2		4		Based on the applications of the 1 <sup>st</sup> and 2 <sup>nd</sup> call, there will be 5 new and/or improved services for job seekers and/or job providers.



### 3.4. Financial data (Article 50(2) of Regulation (EU) No 1303/2013)

Table 4 Financial information at priority axis and programme level

Priority axis	Fund	Calculation basis	Total funding	Co-financing rate	Total eligible cost of operations selected for support	Proportion of the total allocation covered with selected operations	Public eligible cost of operations selected for support	Total eligible expenditure declared by beneficiaries to the managing authority	Proportion of the total allocation covered by eligible expenditure declared by beneficiaries	Number of operations selected
1	ERDF	Total	10,564,790.00	85.00	11,880,113.84	112.45%	9,700,226.32	9,238,134.38	87.44%	29
2	ERDF	Total	17,281,373.00	85.00	17,720,279.02	102.54%	17,139,038.96	13,579,626.24	78.58%	19
3	ERDF	Total	14,115,537.00	85.00	10,811,188.53	76.59%	9,962,292.30	9,124,219.89	64.64%	1
4	ERDF	Total	711,785.00	84.99	790,714.08	111.09%	752,263.35	645,868.72	90.74%	2
5	ERDF	Total	4,055,230.00	65.63	3,078,135.27	75.91%	3,078,135.27	1,330,639.89	32.81%	10
<b>Total</b>	<b>ERDF</b>		<b>46,728,715.00</b>	<b>83.32</b>	<b>44,280,430.74</b>	<b>94.76%</b>	<b>40,631,956.20</b>	<b>33,918,489.12</b>	<b>72.59%</b>	<b>61</b>
<b>Grand total</b>			<b>46,728,715.00</b>	<b>83.32</b>	<b>44,280,430.74</b>	<b>94.76%</b>	<b>40,631,956.20</b>	<b>33,918,489.12</b>	<b>72.59%</b>	<b>61</b>

Table 5 Breakdown of the cumulative financial data by category of intervention (Article 112(1) and (2) of Regulation (EU) No 1303/2013)<sup>3</sup>

Priority axis	Fund	Intervention field	Form of finance	Territorial dimension	Territorial delivery mechanism	Thematic objective dimension	ESF secondary theme	Economic dimension	Location dimension	Total eligible cost of operations selected for support	Public eligible cost of operations selected for support	The total eligible expenditure declared by beneficiaries to the managing authority	Number of operations selected
1	ERDF	067	01	01	07	03		07	EE008	466,312.00	306,962.70	26,414.98	1
1	ERDF	067	01	01	07	03		13	LV006	892,873.46	627,475.52	366,570.89	2
1	ERDF	067	01	01	07	03		24	EE008	1,788,450.00	1,594,489.28	1,411,553.51	4
1	ERDF	067	01	01	07	03		24	LV003	389,365.97	374,424.69	345,582.93	1
1	ERDF	067	01	01	07	03		24	LV006	619,101.69	569,707.40	565,471.41	2
1	ERDF	067	01	03	07	03		24	EE008	763,035.10	763,035.10	641,165.51	3
1	ERDF	104	01	01	07	03		03	EE001	536,349.00	417,661.97	470,101.19	1
1	ERDF	104	01	01	07	03		03	LV006	183,209.20	155,727.82	138,898.13	1
1	ERDF	104	01	01	07	03		07	EE008	2,762,288.67	2,152,502.73	2,062,022.28	6
1	ERDF	104	01	01	07	03		13	EE004	315,770.00	268,404.50	310,929.13	1
1	ERDF	104	01	01	07	03		13	EE008	1,830,441.65	1,335,693.94	1,712,806.67	3

<sup>3</sup> This table is completed according to Annex 1 of the Commission Implementing Regulation (EU) No 215/2014 of 7 March 2014. The codes of the economic dimension refer to the following:

- 24 Other unspecified services
- 03 Manufacture of food products and beverages
- 07 Other unspecified manufacturing services
- 13 Information and communication activities, including telecommunication. Information service activities, computer programming, consultancy and related activities
- 22 Activities linked to the environment and to climate change
- 18 Public administration
- 15 Tourism, accommodation and food service activities

Priority axis	Fund	Intervention field	Form of finance	Territorial dimension	Territorial delivery mechanism	Thematic objective dimension	ESF secondary theme	Economic dimension	Location dimension	Total eligible cost of operations selected for support	Public eligible cost of operations selected for support	The total eligible expenditure declared by eneficiaries to the managing authority	Number of operations selected
1	ERDF	104	01	01	07	03		13	LV006	664,907.10	533,065.47	649,887.24	2
1	ERDF	104	01	01	07	03		13	LV008	322,000.00	273,700.00	282,517.76	1
1	ERDF	104	01	01	07	03		24	EE008	346,010.00	327,375.20	254,212.75	1
2	ERDF	018	01	01	07	06		22	LV003	646,257.21	579,724.93	280,368.57	2
2	ERDF	018	01	01	07	06		22	LV008	344,452.87	319,880.19	262,246.83	1
2	ERDF	018	01	02	07	06		22	EE008	400,474.96	340,403.71	330,385.66	1
2	ERDF	018	01	03	07	06		22	EE008	289,730.00	289,730.00	241,164.18	1
2	ERDF	021	01	01	07	06		22	EE001	1,138,606.48	1,132,718.08	783,451.82	3
2	ERDF	021	01	01	07	06		22	LV003	547,815.20	547,815.20	511,679.21	1
2	ERDF	021	01	01	07	06		22	LV006	823,529.48	823,529.48	399,194.90	2
2	ERDF	055	01	02	07	06		18	LV008	5,303,202.66	5,303,202.66	4,763,834.87	1
2	ERDF	091	01	01	07	06		15	EE001	1,053,310.70	965,709.58	1,019,896.90	1
2	ERDF	091	01	03	07	06		15	EE008	1,116,703.40	1,092,284.33	1,082,757.04	1
2	ERDF	091	01	03	07	06		15	LV003	1,143,135.40	1,072,425.85	1,079,265.39	1
2	ERDF	091	01	03	07	06		15	LV007	3,018,730.19	2,790,202.48	1,115,769.58	2
2	ERDF	091	01	03	07	06		15	LV008	1,894,330.47	1,881,412.47	1,709,611.29	2
3	ERDF	040	01	01	07	07		15	LV003	10,811,188.53	9,962,292.30	9,124,219.89	1
4	ERDF	102	01	02	07	08		24	LV006	790,714.08	752,263.35	645,868.72	2
5	ERDF	121	01	07	07			18	EE001	1,213,476.87	1,213,476.87	117,681.58	5
5	ERDF	121	01	07	07			18	EE008	1,864,658.40	1,864,658.40	1,212,958.31	5

Table 6 Cumulative cost of all or part of an operation implemented outside the Union part of the programme area

<b>1. Operation</b>	<b>2. The amount of ERDF support envisaged to be used for all or part of an operation implemented outside the Union part of the programme area based on selected operations</b>	<b>3. Share of the total financial allocation to all or part of an operation located outside the Union part of the programme area (%) (column 2/total amount allocated to the support from the ERDF at programme level *100)</b>	<b>4. Eligible expenditure of ERDF support incurred in all or part of an operation implemented outside the Union part of the programme area declared by the beneficiary to the managing authority</b>	<b>5. Share of the total financial allocation to all or part of an operation located outside the Union part of the programme area (%) (column 4/total amount allocated to the support from the ERDF at programme level *100)</b>
Whey valorization	166 858.59	0.46%	161 796.71	0.45%
Delbi 2	73 587.65	0.20%	73 885.05	0.20%
EstLat Accelerate	26 059.58	0.07%	26 059.56	0.07%
Coastal Hiking	60 820.05	0.17%	63 181.79	0.17%
Livonian Culinary Route	135 031.85	0.37%	139 416.35	0.38%
GURINIMAS	149 850.75	0.41%	155 052.03	0.43%
WBWB	125 576.49	0.35%	115 766.11	0.32%
GroundEco	85 935.53	0.24%	83 397.92	0.23%
Valka-Valga mobility	28 152.00	0.08%	8 775.29	0.02%
PDS	231 885.00	0.64%	214 249.23	0.59%
PFM-AIHEN	20 527.50	0.06%	22 882.11	0.06%
Military Heritage	270 892.62	0.75%	16 844.76	0.05%
DAML	90 086.40	0.25%	0.00	0.00%
WaterAct	94 386.42	0.26%	0.00	0.00%

#### 4. SYNTHESIS OF THE EVALUATIONS (Article 50(2) of Regulation (EU) No 1303/2013)

In 2020, as required by Article 54 of the Regulation (EU) 1303/2013 of the European Parliament and the Council and according to the Evaluation Plan of the Programme, the impact evaluation of the Estonia-Latvia Programme was carried out. The evaluation was performed by the Institute of Baltic Studies in collaboration with experts from Latvia, Oxford Research Institute. The final report was submitted to the Programme Authorities by the contractor on 2 October 2020. **The overall goal of the impact evaluation was to assess whether the funds contributed by the programme caused positive changes in the programme area and possibly outside it.** The evaluation covered the period from approving the programme by the EC on 4 December 2015 until 31 December 2019 and was based on the 47 contracted (running and finished) projects. Evaluation questions were compiled and included in the ToR for each SO separately. For all SOs the evaluation questions aimed at answering the question “What has changed due to programme intervention, what positive effects can be identified in the areas supported by the programme. The only SO that was not covered was SO 2.3 More integrated Valga-Valka central urban area as there was only one project to be implemented under this SO to be finalised by 31.12.2021 and being to a large extent an investment project. Thus the evaluation would not have given any added value to this project. The SO 2.2 the part *Awareness of people regarding resource efficiency* and SO 4.1 *Improved conditions for accessing jobs across the border* were evaluated with the limited scope because of the smaller financial allocations and bigger external factors compared to other SOs like national campaigns, targeted programmes etc. This summary aims at describing some most significant positive achievements of the programme regarding impact of the SOs.

**SO 1.1 Increased entrepreneurial cross-border cooperation in the programme area.** Creation of new business contacts, strengthening of existing business connections, and learning of benefits of cross-border cooperation were considered to be the most important achievements by the project partners under this SO. Also the partners referred to that their project activities have increased the number of the companies, who are ready for cross-border cooperation. Large reach of target audience was also considered to be a positive aspect of the programme intervention.

**SO 1.2 More jointly developed products and services in the programme area.** Concrete products and services produced by the projects were considered to be the most visible effect. The beneficiaries agreed that the programme support fostered joint product development, which would not have happened to this extent otherwise. Some innovative ideas would have never been realized without forming a partnership, whereas others would have taken a lot longer or would have been put on hold indefinitely. Joint product development has also led to positive spill-overs such as better products on the market and new job opportunities. However it was brought out that the RIs under both SOs of PA 1 are not best chosen, they have a weak connection with the SOs and do not show adequately the programme impact.

**SO 2.1 More diversified and sustainable use of natural and cultural heritage.** The improvements to natural and cultural heritage sites and the increased capacity of project

partners and affiliated organizations make up the key benefits of the interventions. The partners of the projects of this SO are overwhelmingly positive regarding the programme support and results achieved. There is a general agreement that the cross-border projects contributed to the increase of the number of visitors, improvement of sites, diversification of the tourism services and many other aspects regarding sustainable tourism offer as a result of which the sites have become more attractive and visitor-friendly. It was also mentioned that participating in an international project helped evaluate and revise their own organization and procedures, and offered valuable lessons going forward.

**SO 2.2 Increased awareness of energy-saving, sorting waste and re-use, and the more efficient management of common water resources.** Regarding **awareness component**, the greatest change that the programme had was increasing people's awareness of energy saving, re-use, and sorting waste. The projects also contributed to raising the institutional capacity of the participating organizations. Eight respondents agreed or somewhat agreed with the statement "communication tools for spreading awareness about environmental issues—like websites, events, social media platforms—have been improved". As for the **water management component**, project partners accumulated new knowledge and scientific findings in their field. The water management projects have been necessary both from a state and environmental perspective, and the extra funding has helped to accomplish these goals in a more impactful way. The water management is related to two types of water bodies: ground water and surface water. Regarding surface water safety in the region was improved through various measures, trainings, and investments. In case of ground water, changes are not immediately visible but, all the partner institutions pooled their best knowledge and research into the topic, which makes achieving a positive outcome likely.

**SO 3.1 An improved network of small harbours with good levels of service.** The main impact of the programme intervention has been the large-scale investments into the infrastructure of the harbours along the coast of Gulf of Riga, Pärnu Bay. Safety for sailors has increased, the gaps in the network of harbours have been filled and sailors can go through the area without the risk of staying overnight at sea. The harbours for safe docking with basic services are now available. Variety of services at each harbour - like boat rentals, sailing camps, recreational boat excursions, gas stations, restaurants, etc. has increased.

**SO 4.1 Improved conditions for accessing jobs across the border.** There was a general understanding among the project partners that the Programme has improved labour-related conditions across the border. People and entrepreneurs on both sides have better access to relevant information and supporting activities that help to accelerate the filling of vacancies, have improved opportunities to find necessary specialists; and cross-border regions and local communities are more prepared to contribute into the labour market and labour movement issues on the national and cross-border levels. Cooperation between Estonian and Latvian partners has become more frequent and new employment support services were set up, including providing better access to and improving quality of information services. At the same time it was considered the least relevant measure as the requirements for a labour market had changed compared to the preparation of the programme and launch of the call.

**In conclusion** it can be said that the beneficiaries considered the programme is a relevant and impactful source of funding, which creates added value for the project partners, in the

programme area and beyond it. It provides targeted financial assistance to the border regions addressing their needs, which may not fit into the other funding sources. The projects are contributing to sustainable activities and partnerships are being created that value cross-border cooperation. The impact on project partners has been especially strong. They have throughout various sources reported benefits on their capacity growth, partnership formation, follow-up activities.

Besides there were 2 horizontal questions:

**1) Why some interventions worked with the desired effect and others did not?** According to the report, the key factor which made the project successful was competent, capable, trusting and devoted partnership. Communication with the programme authorities, specifically cooperation with the JS, has also been reported as a strength of the programme by interviewees.

**2) Which were/are the constraints (internal and/or external) that have prevented the programme from having achieved its desired impact?**

**Internal constraints** are mostly related to complicated financial reporting, which causes delays in reimbursement, which in turn may lead to cash-flow problems, especially for smaller organisations. eMS was also seen as complicated by some partners however, it was admitted that such system was needed. It may need some improvements to make it more user-friendly.

**External constraints** are mostly related to COVID-19 crisis and market factors, which may change and make some project results less relevant. COVID-19 has forced to re-organise many project activities, implementing them mainly on-line, which may not be suitable for all. Nevertheless, in general the project partners have managed well in this complicated situation.

## **RECOMMENDATIONS:**

**1) To better connect the RI to the participants and target groups who directly benefit from project activities, especially in PA1.** It is also recommended to encourage projects with large target audiences to collect some feedback from their target groups on their own as has already been done by some projects.

**2) Clarify the methodology for setting and measuring the result indicators in SOs 1.1, 1.2, 2.2A, and 3.1.** The methodology for measuring the RIs in future programming periods should be more clear and be better aligned with the output and impact of the projects themselves, not the impact on the target groups in general, i.e. those who do not directly benefit from project activities.

**3) Consider addressing larger funding to more focused activities.** In topics, which are most important in border area regional development goals, clear focus and larger contribution can make more visible impact. Whether it is through well and carefully managed pre-defined projects or just dedicated larger funds to specific area projects, e.g. increasing the maximum budget limit in specific areas for one project, it could be used more in the Estonia-Latvia programme.

**4) Improve and simplify the controlling procedures.** The aid from JS is well appreciated but the abundance of feedback on the complicated reporting procedures indicates that there is further room for improvements. This issue is tackled in various parts of the report.

The evaluation report is available at: <https://estlat.eu/en/about-estlat/evaluation-and-surveys> .

## 5. ISSUES AFFECTING THE PERFORMANCE OF THE PROGRAMME AND MEASURES TAKEN (Article 50(2) of Regulation (EU) No 1303/2013)

The year 2020 marked the crisis because of COVID-19 pandemic in all spheres of life and the Estonia-Latvia Programme did not remain untouched.

Regarding implementation of the projects it mainly meant that physical gatherings, face-to-face meetings and events had to be postponed or replaced by online or hybrid events. It was quite challenging for the project partners but it can be concluded that they managed well and no substantial problems that would have negatively impacted the results were identified.

The same is true also for Programme authorities. No physical meetings were held, all of them were conducted online. On the requirement of the State authorities in both countries the people also worked mainly from distance but it did not affect the implementation of the programme and the 2014-2020 programme as well the preparation of 2021-2027 programme have not suffered.

However, a real challenge was put on the financial control bodies who could not conduct on the spot visits and had to reorganise their work in this respect. Both FCs and JS carried out virtual site visits as much as it was possible and according to internally set requirements.

Estonian FC organised few virtual meetings which were hosted by the partner with the virtual tour in real time introducing the results of the investments outcome. The FC was also able to perform non-contact on-the-spot checks without partner being involved on the spot. These concerned outdoor investments. These new alternative approaches were carried out successfully and no irregularities were discovered.

Latvian FC referred to that virtual checks take more time, especially for large infrastructure projects and also some details may go unnoticed. However, the physical site visit has to be carried out before MA's confirmation of the last project report. The FC can issue its confirmation with the notice on informing the MA on performing the site visit.

Both FCs confirmed that no irregularities were discovered during these virtual checks. Hopefully the situation will normalise, the pandemic will drop down and visits can be carried out to ensure eligibility of the costs.

Diligent and eligible implementation of the projects is also evidenced by zero error-rate as confirmed by the audit of operations.



## 6. CITIZEN'S SUMMARY (Article 50(9) of Regulation 1303/2013)

A citizen's summary is added as a separate file to this Annual Implementation Report.

## 7. REPORT ON THE IMPLEMENTATION OF FINANCIAL INSTRUMENTS

(Article 50(9) of Regulation (EU) No 1303/2013)

Financial instruments are not applicable to the Estonia-Latvia programme.

## 8. PROGRESS IN PREPARATION AND IMPLEMENTATION OF MAJOR PROJECTS AND JOINT ACTION PLANS (Article 101 (h) and Article 111 (3) of Regulation (EU) No 1303/2013 and Article 14(3)(b) of Regulation (EU) No 1299/2013)

Major projects and joint action plans are not applicable to Estonia-Latvia programme.

## 9. CONTRIBUTION TO MACRO-REGIONAL AND SEA BASIN STRATEGIES<sup>4</sup>

The territory of the Estonia-Latvia programme is part of the area covered by the European Strategy for the Baltic Sea Region (EUSBSR or Strategy). In the implementation, the EUSBSR is taken into account as much as possible and relevant. The programme has elaborated the criteria to decide whether the project contributes to the Strategy. The criteria are described in the Programme Manual, but in determining the contribution, it is essential that project impact reaches beyond the programme territory. The projects, which are labelled as contributing to the Strategy, are free to advertise their contribution and a respective notice has been made on the programme web-page on the link of a particular project. However, no additional points have been given regarding the possible contribution to the EUSBSR when assessing the projects. The projects contribute to the Strategy objectives "Save the Sea and "Connect the Region" with the sub-objectives "Clear water in the sea", "Good transport conditions", "Connecting people in the region" and are the following:

**Hiking Route in the Baltic Sea coastline in Latvia and Estonia** (Coastal hiking, Policy Area Tourism);

**Integrated Nitrogen Management System for the Gulf of Riga** (GURINIMAS, Policy Area Nutri);

**Improvement of sailing infrastructure and yacht harbours network building in Estonia and Latvia** (ESTLAT harbours, Policy Area Tourism).

These projects have been introduced in the previous Annual Implementation Reports including AIR 2019.

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<sup>4</sup> In the SFC2014 system the EUSBSR is chapter 11.3 as the SFC follows the format of reports to be submitted in 2017, 2019 and final implementation report (longer version of reports).

In 2020 the programme was happy to allocate funding to 2 more projects contributing to the Strategy: **“Daily Allowable Maximum Loads to decrease nutrient load to the Gulf of Riga”** (“DAML”). “DAML” builds on the results of the project “GURINIMAS” and its objectives are:

- a) to develop, test and promote a novel methodology for Estimation of Daily Allowable Maximum Loads (DAML) of pollutants in order to decrease nutrient load to the GoR
- b) to involve interested parties in selected pilot areas (incl. the rivers Pärnu in Estonia and Salaca in Latvia and their tributaries) in order to reach agreements on new /more effective measures for achievement of the pollution reduction targets for these areas of the GoR.

Results of development and testing DAML will be used to trigger new and innovative cooperation arrangements among the main land users who are the cause of excessive nutrients. The project is related to Policy Area Nutri.

The other project is **“Improvement and promotion of the East Baltic Coast harbours network”** (“EASTBALTIC HARBOURS”). The project started its activities in September 2020 and is a complementary one to “EstLat harbours”. The objective is also the same: to improve, strengthen and expand sailing infrastructure of the network of harbours in Estonia and Latvia and to promote the East Baltic as a sailing destination. Four more harbours will be improved within the project. Marketing activities are planned to be carried out also in a quite extensive way with the aim to promote EastBaltic (Estonia and Latvia) as an attractive, interesting and safe sailing destination to visit. Target visitors and markets addressed are sailors from Germany, Finland, Sweden, Poland and local market – Latvia and Estonia. The project is related to Policy Area Tourism.

The programme does not have specific targets and indicators as stated in the EUSBSR Action Plan. The MC of the programme does not involve any macro-regional coordinators. The total ERDF amount allocated to the above five projects is 13 518 610.22 EUR.