



Interreg V-A Latvia–Lithuania Programme 2014 –2020

Not validated

Annual Implementation Report 2017

Approved by the Monitoring Committee on 30 May 2018

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**IMPLEMENTATION REPORT FOR THE EUROPEAN TERRITORIAL
COOPERATION GOAL**

PART A

1. IDENTIFICATION OF THE ANNUAL/FINAL IMPLEMENTATION REPORT

CCI	2014TC16RFCB027
Title	Interreg V-A Latvia-Lithuania Cross Border Cooperation Programme 2014 - 2020
Version	2017.0
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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)

Key information on the implementation of the cooperation programme for the year concerned, including on financial instruments, with relation to the financial and indicator data.

Monitoring Committee (MC) meetings and written procedures

The 2nd meeting of the MC took place on 23 - 24.01.2017 in Anykščiai (Lithuania). During the meeting MC selected 41 project from the 1st Call for Proposals and allocated more than 20 m EUR ERDF co-financing for their implementation, approved Technical Assistance (TA) budget for 2017, Programme Evaluation plan and the updated Rules of Procedure of MC, as well as agreed on the date for launching the 2nd Call for Proposals.

The 3rd meeting of the MC was organised on 27 – 28.11.2017 in Birštonas (Lithuania). During it the MC selected 48 projects from the 2nd Call for Proposals and allocated more than 18 m EUR ERDF co-financing for their implementation, approved TA budget for 2018 and Work plan for 2018. The MA and AA presented information on Programme implementation status.

In time between meetings MC took 12 decisions via written procedures.

The 1st Call for Proposals

According to the MC decision taken during its 2nd meeting, the MA issued 158 decisions – 41 on awarding and 117 on rejecting ERDF co-financing. The MA's decisions were followed by 4 complaints from applicants of rejected projects. The MC examined complaints with provided MA's justifications and supported MA's opinion, thus all 4 MA's initial decisions remained in force. After project partners of the approved projects implemented conditions set by the MC, 41 subsidy contracts were signed and projects' implementation started. The MA supported project partners by organising various seminars and providing consultations, monitored projects implementation, assessed and approved requested changes in the projects, approved 12 from 30 received project reports, payments were made to 8 projects in the total amount of 0,2 m EUR ERDF co-financing (8 payments for 70% of requested ERDF co-financing amount and 6 payments for 100% of requested ERDF co-financing amount).

Direct award project

The MA assessed the direct award project application and after clarification of additional information from project lead partner Ministry of Transport of the Republic of Latvia, launched MC written procedure for decision making on direct award project "Improvement of cross border road infrastructure for well connected regional centers and facilitated labour mobility in the border areas" approval. The MC approved the direct award project with several conditions and after their implementation on 27.12.2017 the Subsidy Contract was concluded.

The 2nd Call for Proposals

The 2nd Call for Proposals was launched from 27.03.2017 till 31.05.2017. To reach as much as possible of potential applicants, information on it was widely disseminated by publishing it in the Programme's webpage www.latlit.eu and facebook account, , webpage of the Ministry of Environmental Protection and Regional Development of the Republic of Latvia and in webpages of local media, as well as during information seminars for potential applicants. By the set deadline 123 project applications were received in total requesting ca. 47,5 m EUR of ERDF co-financing. Project applications were assessed in 2 phases – at first according to the administrative and eligibility assessment criteria and afterwards according to the quality assessment criteria. In order to assess documentation of planned reconstruction works during the quality assessment phase, in July 2017 the MA signed 2 service contracts with construction experts - 1 in Latvia and 1 in Lithuania. According to the MC decision taken during its 3rd meeting, the MA issued 120 decisions – 48 on awarding and 72 on rejecting ERDF co-financing. According to the European Commission (EC) request, the MA suspended issue of decisions on awarding financing to 3 projects containing investments in long term social care institutions.

Programme management

The MA updated/prepared Programme documentation, established Risk management group which performed risk assessment and prepared Programme risk management plan.

The MA and the Audit Authority (AA) participated in various capacity building trainings, the MA also took part in post 2020 discussions.

On 01.01.2017 the MA informed the EC about minor deviation in the Programme document – change of lead partner of the direct award project due to legal provisions that impose signing of subsidy contract by the line ministry, not its supervised joint stock company which will be delegated to implement project activities.

Audit activities

The AA fulfilled its functions by elaborating Audit Manual, performing system audit to assess evaluation of project applications during the 1st Call for Proposals, audited declared TA expenditures, etc.

eMS

The MA ensured maintenance and uninterrupted functioning of the eMS, as well as its configuration.

On 12.07.2017 the MA signed contract with service provider for eMS installation and maintenance for next 5 years, as well as Latvia - Lithuania Cross Border Cooperation programme 2007 - 2013 data base maintenance for 3 years after its closure.

Communication and information activities

Programme publicity was ensured by regularly updating information in the Programme webpage www.latlit.eu and facebook account, by organising a number of different seminars for potential applicants and current project partners, by distributing Programme's souvenirs, etc. To promote the Programme, in cooperation with other Interreg programmes European Cooperation day celebration was organised in Doma square, Riga (Latvia) on 16.09.2017, which also served as opening of Programme's projects exhibition.

Programme annual event took place during Balts Unity Day celebration in Palanga (Lithuania) on 23.09.2017. The Programme was popularised by organising cycling tour Nidasciems - Palanga, by showing photos of Programme's projects in exhibition in the Jūratē and Kastytis square (the main celebration place of the event), as well as during international tourism forum "Balts' Road: Cultural Tourism Perspectives", which was organised by Programme's project "Balts' Road".

Information about Programme was presented and photos of Programme's projects were exposed during the Joint Session of the Latvian - Lithuanian Intergovernmental Commission for Cross-Border Cooperation in Tērvete (Latvia) on 18.10.2017. As part of the 10th anniversary celebration of Latvia - Lithuania cooperation, Programme's projects exposition was shown during the 3rd meeting of MC.

The MA and NAs promoted to project partners opportunity to participate in Interreg Volunteer Youth initiative. The MA itself selected 1 volunteer which is welcomed in the MA premises in the end of the 2nd quarter of 2018.

Closure of Latvia - Lithuania Cross Border Cooperation Programme 2007 - 2013

Following the submission of closure documents by 30.03.2017, providing of additional information to the EC and Final report update according to the EC comments, on 22.11.2017 the MA received EC letter stating that the programme is closed on 15.11.2017.

3. IMPLEMENTATION OF THE PRIORITY AXIS

3.1 Overview of the implementation

Priority axis	Key information on the implementation of the priority axis with reference to key developments, significant problems and steps taken to address these problems
<p>1. Sustainable and clean environment through cooperation</p>	<p><u>Within the 1st Call for Proposals</u> under this priority 12 projects were contracted with total budget (ERDF co – financing) 6,3 m EUR:</p> <ol style="list-style-type: none"> 1) 8 projects with total budget 3,8 m EUR under IP1; 2) 4 projects with total budget 2,5 m EUR under IP2; 3) no projects were contracted under IP3. <p>Till the end of 2017 3 project reports were approved with reported preparation costs in the amount of 2 849,98 EUR.</p> <p>4 major changes (changes in technical specifications, reallocation of costs between budget lines, change of project partner`s legal status and project prolongation) and 9 minor changes (changes in technical specifications, number of participants, description of costs position, costs between planned items (staff costs), reporting periods) were approved. No serious issues affecting successful projects implementation were detected.</p> <p><u>Within the 2nd Call for Proposals</u> 14 projects were selected with total budget 7,2 m EUR:</p> <ol style="list-style-type: none"> 1) 5 projects with total budget 2,5 m EUR under IP1; 2) 4 projects with total budget 1,6 m EUR under IP2; 3) 5 projects with total budget 3,1 m EUR under IP3. <p>After the selection of projects from the 2nd Call for Proposals, output indicators under IP1, IP2 and IP3 are committed in full extent, however 0,4 m EUR are still available only under IP3.</p>
<p>2. Support to labour mobility and employment</p>	<p><u>Within the 1st Call for Proposals</u> under this priority 13 projects were contracted with total budget (ERDF co – financing) 7,6 m EUR:</p> <ol style="list-style-type: none"> 1) 7 projects with total budget 3,5 m EUR under IP1; 2) 6 projects with total budget 4,1 m EUR under IP2. <p>Till the end of 2017 were approved 3 project reports with reported preparation costs in</p>

Priority axis	Key information on the implementation of the priority axis with reference to key developments, significant problems and steps taken to address these problems
	<p>the amount of 2 677,50 EUR.</p> <p>3 major changes (reallocation of costs between budget lines, additional activities, changes in partnership, number of publications) and 4 minor changes (changes in number of participants and target group, VAT payer status, location of activities, additional costs items, description of costs positions, costs between planned items (staff costs), reporting periods) were approved.</p> <p>No serious issues affecting successful projects implementation were detected except for project LLI-186 “CREAzone 2.0”, where was initiated change of project Lead Partner, but the newly offered Lead Partner informed about inability to take over implementation of Lead partner`s duties. In the result new project Lead partner was appointed and Subsidy Contract for project implementation was signed.</p> <p><u>Under IP3 1 direct award project was contracted with total budget 9,0 m EUR.</u></p> <p><u>Within the 2nd Call for Proposals</u> 6 projects were selected with total budget 1,2 m EUR:</p> <ol style="list-style-type: none"> 1) 2 projects with total budget 0,3 m EUR under IP1; 2) 4 projects with total budget 0,9 m EUR under IP2. <p>After the selection of projects from the 2nd Call for Proposals, output indicators under IP1 and IP2 are committed in full extent, however 0,2 m EUR are still available under IP1.</p>
3. Social inclusion as a precondition of territorial development	<p><u>Within the 1st Call for Proposals</u> under this priority 7 projects were contracted with total budget (ERDF co – financing) 2,3 m EUR:</p> <ol style="list-style-type: none"> 1) 4 projects with total budget 1,7 m EUR under IP1; 2) 3 projects with total budget 0,6 m EUR under IP2; <p>Till the end of 2017 4 project reports were approved with reported preparation costs in the amount of 3 784,98 EUR.</p> <p>Major changes were not initiated, 4 minor changes (changes in the description of costs positions, additional items, additional works, activities duration, location of infrastructure works, communication activities) were approved.</p> <p>No serious issues affecting successful projects implementation were detected.</p> <p><u>Within the 2nd Call for Proposals</u> 21 project was selected with total budget 6,8 m EUR:</p>

Priority axis	Key information on the implementation of the priority axis with reference to key developments, significant problems and steps taken to address these problems
	<p>1) 12 projects with total budget 5,4 m EUR under IP1, however upon EC request approval of 3 projects was temporary suspended;</p> <p>2) 9 projects with total budget 1,4 m EUR under IP2.</p> <p>After the selection of projects from the 2nd Call for Proposals, output indicators under IP1 are committed in full extent, but under IP2 some output indicators are still missing and also 1,3 m EUR are available.</p>
4. Improved quality of living through efficient public services and administration	<p><u>Within the 1st Call for Proposals</u> under this priority 9 projects were contracted with total budget (ERDF co – financing) 4,0 m EUR:</p> <p>Till the end of 2017 2 project reports were approved with reported preparation costs in the amount of 1 849,99 EUR.</p> <p>1 major change by reallocating costs between budget lines and 2 minor changes (changes in description of costs positions, costs between planned items (staff costs), communication activities) were approved.</p> <p>No serious issues affecting successful projects implementation were detected, except for project LLI-224 “QUALITY MEDICAL CARE” where long time was needed for implementing conditions set by the MC. The MA closely communicated with the Project Lead Partner and, although with delay, Subsidy contract for project implementation was signed.</p> <p><u>Within the 2nd Call for Proposals</u> 7 projects were selected with total budget 3,1 m EUR.</p> <p>After the selection of projects from the 2nd Call for Proposals, output indicators are committed in full extent, however 2,2 m EUR are still available.</p>
TA Technical assistance	<p>The Technical Assistance budget was absorbed according to the approved Technical Assistance budget for 2017.</p> <p>According to the MC decision taken during its 1st meeting, savings from 2016 budget were reallocated to the same budget lines of 2017 budget. In the result the total budget for 2017 was 862 399,20 EUR, from which 795 965,54 EUR were allocated to the MA and AA, and 66 433,66 EUR were allocated to the Programme Branch office in Vilnius.</p> <p>Till the end of 2017 in total 569 314,34 EUR were absorbed - the MA and the AA</p>

Priority axis	Key information on the implementation of the priority axis with reference to key developments, significant problems and steps taken to address these problems
	<p>absorbed 521 895,09 EUR or 65 % from available budget, but Programme office in Vilnius absorbed 47 419,25 EUR or 71 % from EUR 66 433,66 available in 2017.</p> <p>Technical Assistance budget was used for staff costs, trainings and business trips, information activities, ensuring of committees and task forces work, external expertise, eMS maintenance and upgrades, travel costs of both NAs, as well as for ensuring operation of Programme Branch office in Vilnius. According to the MC decision taken during its written procedure at the end of 2016, starting from 2017 within the Technical Assistance budget was introduced flat rate for administrative costs covering 12% from staff costs. In 2017 the financing was not spent only for selecting staff working with JS functions as all vacancies were filled in during 2016, as well as for the organisation of meetings of the Group of Auditors as decisions were taken via written procedures.</p> <p>Information on Technical Assistance budget spending till the end of November and expected absorption till the end of 2017 was presented during the 3rd meeting of the MC.</p>

3.2 Common and programme specific indicators (Article 50(2) of Regulation (EU) No 1303/2013)

Priority axes other than technical assistance

Priority axis	1 - Sustainable and clean environment through cooperation
Investment priority	6c - Conserving, protecting, promoting and developing natural and cultural heritage

Table 2: Common and programme specific output indicators

(1)	ID	Indicator	Measurement unit	Target value (2023) total	2017 total	2016 total	2015 total	2014 total	Observations
F	CO09	Sustainable Tourism: Increase in expected number of visits to supported sites of cultural and natural heritage and attractions	Visits/year	11,250.00		0.00	0.00	0.00	
S	CO09	Sustainable Tourism: Increase in expected number of visits to supported sites of cultural and natural heritage and attractions	Visits/year	11,250.00		0.00	0.00	0.00	

Table 1: Result indicators

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2033 (total))	2017 total	2017 qualitative	2016 total	2016 qualitative	2015 total	2015 qualitative	2014 total	2014 qualitative	Observations
1.1.1	Overnight stays of visitors in the Programme area	number	3,085,435.00	2013	3,548,250.00			0.00		3,085,435.00		0.00		

Priority axis	1. - Sustainable and clean environment through cooperation
Investment priority	6d - Protecting and restoring biodiversity and soil and promoting ecosystem services, including through Natura 2000, and green infrastructure

Table 2: Common and programme specific output indicators

(1)	ID	Indicator	Measurement unit	Target value (2023) total	2017 total	2016 total	2015 total	2014 total	Observations
F	1.2.2	Number of organisations supported	Number	17.00		0.00	0.00	0.00	
S	1.2.2	Number of organisations supported	Number	17.00		0.00	0.00	0.00	

Table 1: Result indicators

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023) Total	2017 total	2017 qualitative	2016 total	2016 qualitative	2015 total	2015 qualitative	2014 total	2014 qualitative	Observations
1.2.1	Number of organisations jointly contributing to environmental resource management	Number	177.00	2015	186.00			0.00		177.00		0.00		

Priority axis	1. - Sustainable and clean environment through cooperation
Investment priority	6e - Taking action to improve the urban environment, to revitalise cities, regenerate and decontaminate brownfield sites (including conversion areas), reduce air pollution and promote noise-reduction measures

Table 2: Common and programme specific output indicators

(1)	ID	Indicator	Measurement unit	Target value (2023) total	2017	2016	2015 total	2014 total	Observations
F	CO22	Land rehabilitation: Total surface area of rehabilitated land	Hectares	16.00		0.00	0.00	0.00	
S	CO22	Land rehabilitation: Total surface area of rehabilitated land	Hectares	16.00		0.00	0.00	0.00	

Table 1: Result indicators

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023) total	2017 total	2017 qualitative	2016 total	2016 qualitative	2015 total	2015 qualitative	2014 total	2014 qualitative	Observations
1.3.1	Number of households not facing pollution, grime and other municipal environmental problems	Number	855,069.00	2013	861,054.00			0.00		855,069.00		0.00		

Priority axis	2. - Support to labour mobility and employment
Investment priority	8a - Supporting the development of business incubators and investment support for self-employment, micro-enterprises and business creation

Table 2: Common and programme specific output indicators

(1)	ID	Indicator		Measurement unit	Target value (2023) total	2017 total	2016 total	2015 total	2014 total	Observations
F	CO01	Productive investment: Number of enterprises receiving support		Enterprises	40.00		0.00	0.00	0.00	
S	CO01	Productive investment: Number of enterprises receiving support		Enterprises	40.00		0.00	0.00	0.00	
F	CO04	Productive investment: Number of enterprises receiving non-financial support		Enterprises	40.00		0.00	0.00	0.00	
S	CO04	Productive investment: Number of enterprises receiving non-financial support		Enterprises	40.00		0.00	0.00	0.00	
F	2.1.1	Business support services improved/created as result of the cross border cooperation		Units	14.00		0.00	0.00	0.00	
S	2.1.1	Business support services improved/created as result of the cross border cooperation		Units	14.00		0.00	0.00	0.00	
F	2.1.2	Improved or created business support infrastructure objects that ensure indirect business support		Units	11.00		0.00	0.00	0.00	
S	2.1.2	Improved or created business support infrastructure objects that ensure indirect business support		Units	11.00		0.00	0.00	0.00	

Table 1: Result indicators

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023) total	2017 total	2017 qualitative	2016 total	2016 qualitative	2015 total	2015 qualitative	2014 total	2015 qualitative	Observations
2.1.1	Newly established businesses per year	Number	6,619.00	2012	6,818.00			0.00		6,619.00		0.00		

Priority axis	2. - Support to labour mobility and employment
Investment priority	8e - Integrating cross-border labour markets, including cross-border mobility, joint local employment initiatives, information and advisory services and joint training (ETC-CB)

Table 2: Common and programme specific output indicators

(1)	ID	Indicator	Measurement unit	Target value (2023) total	2017 total	2016 total	2015 total	2014 total	Observations
F	CO14	Roads: Total length of reconstructed or upgraded roads	km	46.08		0.00	0.00	0.00	
S	CO14	Roads: Total length of reconstructed or upgraded roads	km	46.08		0.00	0.00	0.00	
F	CO44	Labour Market and Training: Number of participants in joint local employment initiatives and joint training	Persons	700.00		0.00	0.00	0.00	
S	CO44	Labour Market and Training: Number of participants in joint local employment initiatives and joint training	Persons	700.00		0.00	0.00	0.00	
F	2.2.1	Created or improved educational and training infrastructure objects planned for joint use	Number	13.00		0.00	0.00	0.00	
S	2.2.1	Created or improved educational and training infrastructure objects planned for joint use	Number	13.00		0.00	0.00	0.00	

Table 1: Result indicators

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023) total	2017 total	2017 qualitative	2016 total	2016 qualitative	2015 total	2015 qualitative	2014 total	2014 qualitative	Observations
2.2.3	Number of people receiving upgraded skills matching labour market needs per year	Persons	34,396.00	2013	36,116.00			0.00		34,396.00		0.00		
2.2.4	Number of commuters per day	Persons	1,561.00	2013	1,717.00			0.00		1,561.00		0.00		

Not validated

Priority axis	3. - Social inclusion as a precondition of territorial development
Investment priority	9a - Investing in health and social infrastructure which contributes to national, regional and local development, reducing inequalities in terms of health status, promoting social inclusion through improved access to social, cultural and recreational services and the transition from institutional to community-based services

Table 2: Common and programme specific output indicators

(1)	ID	Indicator	Measurement unit	Target value (2023) total	2017 total	2016 total	2015 total	2014 total	Observations
F	3.1.1	Created/improved social services and infrastructure	Units	15.00		0			

(1)	ID	Indicator	Measurement unit	Target value (2023) total	2017 total	2016 total	2015 total	2014 total	Observations
S	3.1.1	Created/improved social services and infrastructure	Units	15.00		0.00	0.00	0.00	
F	3.1.2	Created/improved social inclusion measures	Units	28.00		0.00	0.00	0.00	
S	3.1.2	Created/improved social inclusion measures	Units	28.00		0.00	0.00	0.00	

Table 1: Result indicators

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023) total	2017 total	2017 qualitative	2016 total	2016 qualitative	2015 total	2015 qualitative	2014 total	2014 qualitative	Observations
3.1.1	Number of people benefitting from more accessible, efficient social inclusion measures and social services	Persons	2,000.00	2013	3,000.00			0.00		2,000.00		0.00		

Priority axis	3. - Social inclusion as a precondition of territorial development
Investment priority	9b - Providing support for physical, economic and social regeneration of deprived communities in urban and rural areas

Table 2: Common and programme specific output indicators

(1)	ID	Indicator	Measurement unit	Target value (2023) total	2017 total	2016 total	2015 total	2014 total	Observations
F	3.2.1	Number of deprived communities participating in the	Units	36.00		0.00	0.00	0.00	

(1)	ID	Indicator	Measurement unit	Target value (2023) total	2017 total	2016 total	2015 total	2014 total	Observations
		regeneration activities							
S	3.2.1	Number of deprived communities participating in the regeneration activities	Units	36.00		0.00	0.00	0.00	

Table 1: Result indicators

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023) total	2017 total	2017 qualitative	2016 total	2016 qualitative	2015 total	2015 qualitative	2014 total	2014 qualitative	Observations
3.2.1	Number of households not facing pollution, grime and other municipal environment problems	Number	855,069.00	2013	861,054.00			0.00		855,069.00		0.00		

Not validated

Priority axis	4. - Improved quality of living through efficient public services and administration
Investment priority	11b - Promoting legal and administrative cooperation and cooperation between citizens and institutions (ETC-CB)

Table 2: Common and programme specific output indicators

(1)	ID	Indicator	Measurement unit	Target value (2023) total	2017 total	2016 total	2015 total	2014 total	Observations
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(1)	ID	Indicator	Measurement unit	Target value (2023) total	2017 total	2016 total	2015 total	2014 total	Observations
F	4.1.1	Number of institutions, participating in cooperation	Units	46.00		0.00	0.00	0.00	
S	4.1.1	Number of institutions, participating in cooperation	Units	46.00		0.00	0.00	0.00	

Table 1: Result indicators

ID	Indicator	Measurement unit	Baseline value	Baseline year	Target value (2023) total	2017 total	2017 qualitative	2016 total	2016 qualitative	2015 total	2015 qualitative	2014 total	2014 qualitative	Observations
4.1.1	Number of solutions improving public services	Number	36.00	2013	40			0.00		36.00		0.00		

Not validated

Priority axis	TA - Technical assistance
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Table 2: Common and programme specific output indicators

(1)	ID	Indicator	Measurement unit	Target value (2023) total	2017 total	2016 total	2015 total	2014 total	Observations
F	TA.1	Events, seminars, workshops and trainings organised for publicity, information and capacity building about the Programme	Number of events	50.00	22	11.00	0.00	0.00	Information seminars for potential applicants of the 2nd Call for Proposals - 3; introductory seminars for projects from the 1st Call for proposals – 6; seminars on reporting – 4; seminars about public procurement – 2; communication seminars – 4, meeting with financial

(1)	ID	Indicator	Measurement unit	Target value (2023) total	2017 total	2016 total	2015 total	2014 total	Observations
									controllers – 1; Balts Unity Day - 1; event "European Cooperation Day" - 1.
S	TA.1	Events, seminars, workshops and trainings organised for publicity, information and capacity building about the Programme	Number of events	50.00	22	11.00	0.00	0.00	Information seminars for potential applicants of the 2nd Call for Proposals - 3; introductory seminars for projects from the 1 st Call for proposals – 6; seminars on reporting – 4; seminars about public procurement – 2; communication seminars – 4, meeting with financial controllers – 1; Balts Unity Day - 1; event "European Cooperation Day" - 1.
F	TA.2	Participants at different Programme events (conferences, workshops, seminars, trainings)	Number of participants	1,800.00	738	557.00	0.00	0.00	Information seminars for potential applicants of the 2nd Call for Proposals - 134; seminars for projects from the 1 st Call for proposals – 289; seminars on reporting issues – 239; seminar about procurement – 43; communication seminars – 118, meeting with financial controllers – 38; Balts Unity Day – 100; event "European Cooperation Day" - 200.
S	TA.2	Participants at different Programme events (conferences, workshops, seminars, trainings)	Number of participants	1,800.00	738	557.00	0.00	0.00	Information seminars for potential applicants of the 2nd Call for Proposals - 134; seminars for projects from the 1 st Call for proposals – 289; seminars on reporting issues – 239; seminar about procurement – 43; communication seminars – 118, meeting with financial controllers – 38; Balts Unity Day – 100; event

(1)	ID	Indicator	Measurement unit	Target value (2023) total	2017 total	2016 total	2015 total	2014 total	Observations
									"European Cooperation Day" - 200.
F	TA.3	Consultations held by the JS staff	Number of consultations	375.00	50.00	86.00	0.00	0.00	Along with individual consultations, on daily bases were provided numerous consultations via e-mails and telephone.
S	TA.3	Consultations held by the JS staff	Number of consultations	375.00	50.00	86.00	0.00	0.00	Along with individual consultations, on daily bases were provided numerous consultations via e-mails and telephone.
F	TA.4	Site visits to the projects	Number of site visits	145.00	11.00	0.00	0.00	0.00	Site visits were organised in order to participate in projects kick-off meetings.
S	TA.4	Site visits to the projects	Number of site visits	145.00	11.00	0.00	0.00	0.00	Site visits were organised in order to participate in projects kick-off meetings.
F	TA.5	Number of employees (full-time equivalents - FTEs) whose salaries are co-financed by technical assistance	full-time equivalent (FTE)	14.50	11.50	11.25	0.00	0.00	Workloads financed from TA budget: employees ensuring MA functions - 2,5; employees ensuring JS functions - 6,5; employees ensuring CA functions - 1,5; employees of AA - 1.
S	TA.5	Number of employees (full-time equivalents - FTEs) whose salaries are co-financed by technical assistance	full-time equivalent (FTE)	14.50	11.50	11.25	0.00	0.00	Workloads financed from TA budget: employees ensuring MA functions - 2,5; employees ensuring JS functions - 6,5; employees ensuring CA functions - 1,5; employees of AA - 1.

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

Pri ori ty axi s	IND Ty pe	ID	Indicator	Measure ment unit	Milestone for 2018 total	Final target (2023) total	2017	2016	2015	2014	Observati ons
1	O	CO22	Land rehabilitation: Total surface area of rehabilitated land	Hectares	0	16.00		0.00	0.00	0.00	
2	O	CO14	Roads: Total length of reconstructed or upgraded roads	km	0	46.08		0.00	0.00	0.00	
4	I	4.1.1	Approved projects under investment priority 11b	Number	10			0.00	0.00	0.00	
1	I	1.2.2	Approved projects under investment priority 6d	Number	2			0.00	0.00	0.00	
1	I	CO22	Approved projects under investment priority 6e	Number	4			0.00	0.00	0.00	
2	I	2.2.1	Approved projects under investment priority 8e for creating or improving educational and training infrastructure objects planned for joint use	Number	4			0.00	0.00	0.00	
2	I	CO14	Approved projects under investment priority 8e for roads reconstruction and upgrade	Number	1			0.00	0.00	0.00	
3	I	3.1.2	Approved projects under investment priority 9a for creating/improving social inclusion measures	Number	6			0.00	0.00	0.00	
3	I	3.1.1	Approved projects under investment priority 9a for creating/improving social services and infrastructure	Number	4			0.00	0.00	0.00	
3	I	3.2.1	Approved projects under investment priority 9b	Number	7			0.00	0.00	0.00	
2	O	2.2.1	Created or improved educational and training infrastructure objects planned for joint use	Number	0	13.00		0.00	0.00	0.00	
3	O	3.1.2	Created/improved social inclusion measures	Units	0	28.00		0.00	0.00	0.00	
3	O	3.1.1	Created/improved social services and infrastructure	Units	0	15.00		0.00	0.00	0.00	

1	F	1.1.2	Expenditure	EUR	2,954,207.00	16,412,260.00		0.00	0.00	0.00	
2	F	1.1.1	Expenditure	EUR	4,255,031.00	21,275,153.00		0.00	0.00	0.00	
3	F	1.1.1	Expenditure	EUR	2,066,730.00	12,157,233.00		0.00	0.00	0.00	
4	F	1.1.1	Expenditure	EUR	1,641,226.00	10,941,506.00		0.00	0.00	0.00	
3	O	3.2.1	Number of deprived communities participating in the regeneration activities	Units	0	36.00		0.00	0.00	0.00	
4	O	4.1.1	Number of institutions, participating in cooperation	Units	0	46.00		0.00	0.00	0.00	
1	O	1.2.2	Number of organisations supported	Number	0	17.00		0.00	0.00	0.00	

Not validated

3.4. Financial data

Table 4: Financial information at priority axis and programme level

As set out in Table 1 of Annex II to Commission Implementing Regulation (EU) No 1011/2014 (Model for transmission of financial data) and table 16 of model for cooperation programmes under the European territorial cooperation goal

Priorty 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	16,412,260.00	85.00%	7,435,574.92	45,31%	6,320,238.69	3,352.92	0.02%	12
2	ERDF	Total	21,275,153.00	85.00%	19,579,291.88	92.03%	16,642,398.08	3,150.00	0.01%	14
3	ERDF	Total	12,157,233.00	85.00%	2,651,205.37	21,81%	2,253,524.57	4,452.92	0.04%	7
4	ERDF	Total	10,941,506.00	85.00%	4,736,678.12	43,29%	4,026,176.39	2,176.46	0.02%	9
5	ERDF	Public	4,228,169.00	78.00%	4,228,169.00	100.00%	3,297,972.00	753,284.02	17,82%	1
Total	ERDF		65,014,321.00	84.54%	38,630,919.29	100.00%	32,540,309.73	766,416.32	1,18%	43
Grand total			65,014,321.00	84.54%	38,630,919.29	59,42%	32,540,309.73	766,416.32	1,18%	43

Where applicable, the use of any contribution from third countries participating in the cooperation programme should be provided (for example IPA and ENI, Norway, Switzerland)

N/A

Not validated

Table 5: Breakdown of the cumulative financial data by category of intervention

As set out in Table 2 of Annex II to Commission Implementing Regulation (EU) No 1011/2014 (Model for transmission of financial data) and tables 6-9 of Model for cooperation programmes

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	094	01	01	07					2,351,762.35	1,998,998.00	1,000.00	3
1	ERDF	095	01	01	07					2,131,439.49	1,811,723.57	2,352.92	5
1	ERDF	021	01	01	07					391,245.20	332,558.42	0.00	1
1	ERDF	086	01	01	07					230,609.22	196,017.84	0.00	1
1	ERDF	087	01	01	07					2,330,518.66	1,980,940.86	0.00	2
2	ERDF	049	01	01	07					900 286,38	765 243,42	0.00	1
2	ERDF	102	01	01	07					1,288,389.57	1,095,131.13	0.00	2
2	ERDF	103	01	01	07					2,559,074.44	2,175,213.27	1,000,00	4
2	ERDF	104	01	01	07					1,631,938.48	1,387,147.71	0.00	3
2	ERDF	118	01	01	07					2,611,497.20	2,219,772.62	2,150.00	3
2	ERDF	034	01	03	07					10,588,105.81	8.999.889,93	0.00	1
3	ERDF	055	01	03	07					256,994.74	218,445.53	0.00	1
3	ERDF	112	01	03	07					1,731,545.00	1,471,813.26	2,276,46	3

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
3	ERDF	109	01	03	07					662,665.65	563,265.78	2,176.46	3
4	ERDF	096	01	01	07					4,736,678.12	4,026,176.39	2,176.46	9
5	ERDF	121	01	01	07					4,228,169.00	3,297,972.00	753,284.02	1

Not validated

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

1. Operation (2)	2. The amount of ERDF support(1) envisaged to be used for all or part of an operation implemented outside the Union part of the programme area based on selected operations	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)	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	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)
N/A	0.00	0.00	0.00	0.00

(1) ERDF support is the Commission decision on the respective cooperation programme.

(2) In accordance with and subject to ceilings set out Article 20 of Regulation (EU) No 1299/2013.

4. SYNTHESIS OF THE EVALUATIONS

During 2017 no evaluations were carried out.

5. ISSUES AFFECTING THE PERFORMANCE OF THE PROGRAMME AND MEASURES TAKEN

(a) Issues which affect the performance of the programme and the measures taken

During the 1st Call for Proposals around 39% of received project applications did not pass the administrative and eligibility assessment. Lessons learnt from the organisation of the 1st Call for Proposals were taken into account, requirements and procedures were updated and, as a result, during the 2nd Call for Proposals only 11% from all project applications did not pass the administrative and eligibility assessment phase.

Although efforts were put from both – the MA`s and the EC side, till the end of 2017 was not clarified issue of 3 projects containing investments in long term social care institutions that were supported by the MC within 2nd Call for proposals. Shortly after the MC had selected them for funding during its 3rd meeting, a request to temporarily suspend approval of these projects was received from the EC. Taking into account the EC`s request the MA did not issue decisions on awarding financing to these 3 projects, but actively communicated with the EC in order to clarify this issue as soon as possible, as well as maintained close cooperation with responsible line ministry in Latvia by preparing requested information.

As the management and control system was successfully put in place in 2016 and vacancies were filled in with competent staff, the management and monitoring of Programme implementation was smoothly ensured and no other serious challenges were identified which would negatively affect Programme implementation.

(b) OPTIONAL FOR LIGHT REPORTS, otherwise it will be included in point 9.1. An assessment of whether progress made towards targets is sufficient to ensure their fulfilment, indicating any remedial actions taken or planned, where appropriate.

N/A

6. CITIZEN'S SUMMARY (ARTICLE 50(9) OF REGULATION (EU) No 1303/2013)

A citizen's summary of the contents of the annual and the final implementation reports shall be made public and uploaded as a separate file in the form of annex to the annual and the final implementation report

You can upload/find the Citizen's summary under General > Documents

7. REPORT ON THE IMPLEMENTATION OF FINANCIAL INSTRUMENTS (ARTICLE 46 OF REGULATION (EU) No 1303/2013)

N/A

Not validated

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)

8.1. Major projects

Table 7: Major projects

Project	CCI	Status of MP	Total investments	Total eligible costs	Planned notification/submission date	Date of tacit agreement/approval by Commission	Planned start of implementation	Planned completion date	Priority Axis/Investment priorities	Current state of realisation — financial progress (% of expenditure certified to Commission completion)	Current state of realisation — physical progress Main implementation stage of the project	Main outputs	Date of signature of first works contract (1)	Observations

										ared to total eligibl e cost)				
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(1) In the case of operations implemented under PPP structures the signing of the PPP contract between the public body and the private sector body (Article 102(3) of Regulation (EU) No 1303/2013).

Significant problems encountered in implementing major projects and measures taken to overcome them

N/A

Any change planned in the list of major projects in the cooperation programme

N/A

Not validated

8.2. Joint action plans

Progress in the implementation of different stages of joint action plans

N/A

Not validated

Table 8: Joint action plans (JAP)

Title of the JAP	CCI	Stage of implementation of JAP	Total eligible costs	Total public support	OP contribution to JAP	Priority axis	Type of JAP	[Planned] submission to the Commission	[Planned] start of implementation	[Planned] completion	Main outputs and results	Total eligible expenditure certified to the Commission	Observations
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Not validated

Significant problems encountered and measures taken to overcome them

N/A

Not validated

11.3 Contribution to macro-regional and sea basin strategies (where appropriate)
As stipulated by the Regulation (EU) No 1299/2013, recital 19, article 8(3)(d) on the "Content, adoption and amendment of cooperation programmes" and article 14(4) 2nd subparagraph (c) "Implementation reports", this programme contributes to MRS(s) and/or SBS:

As the Programme strategy reflects objectives of EUSBSR, description how project will contribute to the EUSBSR is taken into consideration during assessment of project applications. This approach has stimulated selecting of projects contributing to the EUSBSR and thus several projects from the 1st Call for Proposals provide a significant added value in Baltic Sea Region and create critical mass for supporting the implementation of the EUSBSR.

In total 24 projects with the total budget of 21,5 m EUR ERDF co-financing out of 42 projects contracted in 2017 are recognised as contributing to one or more Policy Areas (PA) of the EUSBSR.

2 projects (LLI-49 and LLI-249) are contributing to PA "Bioeconomy" by elaborating efficient crop rotation schemes to protect from the agricultural pollution soil at banks of the rivers flowing into Baltic sea, scientifically measure impact of hydro power plants to ecosystems of these rivers, develop methodologies and recommendations for policy-makers.

8 projects (LLI-10, LLI-64, LLI-65, LLI-173, LLI-181, LLI-187, LLI-199 and LLI-211) are contributing to PA "Tourism" stimulating networking and clustering of tourism stakeholders, developing joint tourist products and itineraries covering broader cross-border regions and various specialisations (agro, cultural heritage, gastronomy, eco, nature etc.). Moreover, 5 of these projects (LLI-64, LLI-65, LLI-173, LLI-181 and LLI-187) contribute also to PA "Culture" promoting culture of the region and preserving and presenting cultural heritage.

6 projects (LLI-195, LLI-232, LLI-82, LLI-92, LLI-194 and LLI-213) are contributing to PA "Secure". To save human lives and protect public and individual properties against destruction, serious damages or illicit transfer, among supported activities is development of legal and administrative cooperation in combating cross border crime, illegal migration, CBRN incidents, large scale disasters as well as improving systems of civil protection and cooperation and capacity rescuers at the seaside.

Project LLI-224 is implemented under PA "Health" and is creating cooperation between medical institutions in the cross-border region to ensure accessibility and service quality of emergency medical care.

6 projects (LLI-24, LLI-42, LLI-75, LLI-183, LLI-184 and LLI-206) are implemented under PA "Education" supporting development of new, interesting study and training programmes for pupils and students and providing trainings for teachers, ensuring support and mentoring by entrepreneurs to improve

quality of education, foster entrepreneurial mind-sets for children and youngsters thus also combating their early drop-out from schools and improving transition from education to labour market.

The direct award project LLI-280 is implemented under PA "Transport" investing in total 9,0 m EUR ERDF co-financing in improvement of cross border roads infrastructure to facilitate better connection of local roads to major transport corridors. Interconnection between such cities as (1) Saldus and Liepāja in Latvia and Mažeikiai in Lithuania; (2) Bauska in Latvia and Pasvalys, Pakruojis and Joniškis in Lithuania; (3) Jēkabpils, Krustpils in Latvia and Rokiškis, Kupiškis in Lithuania is being improved to facilitate cross-border mobility of labour and services.

- EU Strategy for the Baltic Sea Region (EUSBSR)
- EU Strategy for the Danube Region (EUSDR)
- EU Strategy for the Adriatic and Ionian Region (EUSAIR)
- EU Strategy for the Alpine Region (EUSALP)
- Atlantic Sea Basin Strategy (ATLSBS)

Objectives

<input checked="" type="checkbox"/>	1 - Save the Sea
<input checked="" type="checkbox"/>	2 - Connect the Region
<input checked="" type="checkbox"/>	3 - Increase Prosperity
	Policy areas
<input checked="" type="checkbox"/>	4.1 - Bioeconomy
<input checked="" type="checkbox"/>	4.2 - Culture
<input checked="" type="checkbox"/>	4.3 - Education
<input type="checkbox"/>	4.4 - Energy
<input type="checkbox"/>	4.5 - Hazards
<input checked="" type="checkbox"/>	4.6 - Health
<input type="checkbox"/>	4.7 - Innovation
<input type="checkbox"/>	4.8 - Nutri
<input type="checkbox"/>	4.9 - Safe
<input checked="" type="checkbox"/>	4.10 - Secure
<input type="checkbox"/>	4.11 - Ship
<input checked="" type="checkbox"/>	4.12 - Tourism
<input checked="" type="checkbox"/>	4.13 - Transport
	Horizontal actions
<input type="checkbox"/>	5.1 - Capacity
<input type="checkbox"/>	5.2 - Climate
<input checked="" type="checkbox"/>	5.3 - Neighbours
<input type="checkbox"/>	5.4 - Spatial planning

D. Please indicate the obtained results in relation to the EUSBSR (n.a. for 2016)

Please see information provided under section 11.3 "Contribution to macro-

regional and sea basin strategies".

E. Does your programme address the EUSBSR sub-objectives (with corresponding to specific targets and indicators) as stated in the "EUSBSR Action Plan"? (Please specify the target and the indicator)

Within the Programme is not foreseen addressing specific EUSBSR sub - objectives.

Not validated