

## **INTERREG IIIA Southern Finland – Estonia**

### **Implementation Report 2007 (approved by the Monitoring committee 26.5.2008)**



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## **1. Introduction**

The joint implementation of INTERREG IIIA programme in Southern Finland and Estonia slowed down during the year 2007 due to the ending programme period and the high implementation rate of 99,1%. One call for proposals was arranged and in March the Steering Committee decided that no new projects will be financed from the Programme. The Steering Committee, however, decided that de-committed funding from the concluding projects may be granted to on-going projects.

During the period 2000-2007 the Programme implementation has faced several changes when developing from Interreg/Phare co-operation to Interreg IIIA programme implemented on both sides of the border and also currently entering the final closure period of the Programme.

A modification took place in the Programme financial framework during 2007. The Monitoring Committee approved the Programme ERDF reallocations between Measures in May in order to balance the difference between the approved financial table and the commitment level. All financial tables are presented in this annual report according to these amended figures.

The second level control activities started also in Estonia. The first joint sample checks in Finland and Estonia took place during autumn.

The closure process continued on several levels. The Lead Partners were informed about the deadlines concerning the payments, reports and continuations. A draft of the winding-up strategy was written by the winding-up body and several meetings were held to get a start for the process. The Ex-post Evaluation was decided to start and launch a call for tender.

In spring 2007 the Programme Director took over the main tasks of the Secretary General on part time basis, 50%. Also other remarkable changes in the staff of the Technical Secretariat took place, two project coordinators ended their work and one new Interreg Secretary was employed.

INTERREG Monitoring Committee approved the report in its meeting (26.5.2008).

## ***2. Notice from the programming period***

The Interreg IIIA Southern Finland – Estonia programme of 2000-2007 was aimed to support the evolvement of this cross-border area from an external border of the EU to a border between two EU Member States. As such the programme endorsed learning processes and joint programme management in the fields of networks, employment and competitiveness and environmental questions.

The programme can be said to have functioned well. This applies both to the learning processes and the content-wise targets: the financial resources, the projects and the Monitoring Committee and Steering Committee worked towards the same objectives. The programme financing commitment rate rose to 99,1% for in total 164 projects. The out payment to projects is in total 11,6 m€ (ERDF).

The programme supported existing networks but also emphasized innovations and new partnerships. This entailed a slight contradiction. Existing and functioning partnership was particularly emphasized when the joint programme started; applying for funding was a relatively heavy process. One problem with existing networks, however, is their perceived stagnation. The networks are not always able to renew their work (content or methods) and even when there are practical and good results, the networks find it difficult to communicate these to the wider audience. Thus the benefits of the networks could often be improved.

The programme was aimed at a broad range of partners: the public and the private sector and non-governmental organisations or the third sector. During the joint implementation period some problems were, however, raised. Due to co-financing rules and definitions of eligibility the Estonian private sector and certain non-governmental organisations have, in the end, a limited possibility to participate in the programme. As for the third sector, the heavy procedures and slow moving of money poses challenges. The Lead Partner faces a considerable financial and management burden, and must be prepared for this.

In Finland large scale structural changes in society are still on going during 2007 targeting municipalities and their social service system. These structural changes are fundamental, joining municipalities to larger entities and causing changes in the total health, welfare and elderly care and vocational training. This causes lower rate of applicants from municipalities but again increasing amount of project applications from the social sector.

### 3. Progress in the Implementation of Priorities and Measures

#### 3.1 Joint Project Proposals, Steering Committee Decisions and Funding Commitments

<u>Joint Calls for Proposals (2004-2007)</u>	
Calls for proposals:	six deadlines: 29.10.2004, 15.3.2005, 15.9.2005, 13.2.2006, 1.9.2006 and 12.2.2007
No. of applications:	total 124 funding applications: 101 by Lead Partner in Finland and 23 by Lead Partner in Estonia
Funds applied for:	app. 25 M€ (ERDF), total costs 43 M€
Funds granted for projects:	55 (+5) <sup>1</sup> projects app. 10,1 M€ (ERDF), total costs 16,7 M€
Project average size:	total costs 315 365 € (between 57 245 € – 992 000 €) average co-financing 121 000 €/project (ERDF)
SC decisions in INTERREG IIIA Southern Finland – Estonia:	
Steering Committee:	6 members from Finland (Regional Councils and regional representations of the State co-financing authorities) and 6 members from Estonia (Ministries and Association of Local Administrations)
Proposals for the SC:	After submission the project proposals are prepared for the SC meetings in a uniform manner and the Technical Secretariat (TS) co-ordinates this process. TS is responsible for receiving the applications and checking the documentation. Project proposals are evaluated in parallel in both countries: TS arranges preparation/co-ordination meetings together with the State co-financing authorities in Finland and the Ministry of the Interior arranges meetings together with other Ministries in Estonia. Through this evaluation process comes also the position on State co-financing for projects in Finland and on the Ministry of the Interior' support in Estonia. TS participates in project preparation and evaluation meetings in both countries, compiles the information from both countries, checks the requirements for INTERREG funding and, prepares the proposals for SC with a uniform project proposal template.

The original aim of the INTERREG IIIA Southern Finland – Estonia programme was to commit all ERDF funding for projects by 31.12.2006. Unfortunately by the end of 2006 there were still some 1,1, M€ ERDF co-financing left (i.e. about 6 % of all programme financing). That is why the Steering Committee decided to have an extra call for proposals in order to commit all the available ERDF-funds.

The deadline for the final call for application was 12.2.2007 and the JTS received totally 22 applications, out of which one project proposal was cancelled. The Steering

<sup>1</sup> totally five ongoing projects received extra co-financing for their additional activities during the year 2007. The projects had to present a separate plan for these extra activities connected to the original project plan and these amendments were accepted and financed as independent projects. The procedure was approved in the Steering Committee meeting 13.11.2006 /point 11.

Committee handled these project proposals in March 27.3.2007: 13 projects were approved for financing and 8 projects were rejected. Moreover 5 projects got extra additional funding for their additional activities. After these project decisions the ERDF-financing is almost completely allocated (commitment rate 99,1 %).

**Table 1. Joint project proposals (deadlines in 2004-2007) and SC decision-making**

	Proposals	Approval	Rejection	Total SC- decisions
Deadline 29.10.2004: SC 08.03.2005 (11.04.2005)	21	11	3	14
Deadline 15.03.2005: SC 15.06.2005	23	10 (9)**	5	15
Deadline 15.09.2005: SC 15.12.2005	35	9	15	24
Deadline 13.2.2006: SC 29.03.2006	5	4 (3)**	1	5
Deadline 1.09.2006: SC 14.11.2006 ***)	18	8	6	14
for which SC approved 1 project application after further clarifications 8.1.2007	1	1		1
for which 3 project decision was made in the SC/ written procedure 26.1.2007	3	1	2	3
Deadline 12.2.2007: SC 27.-28.3.2007	22	13	8	21
<b>TOTAL*</b>	<b>124</b>	<b>57 (55) **)</b>	<b>40</b>	<b>97 (95)</b>

\*Difference between the number of project proposals submitted and the number of SC project decisions is due to cancellation of project proposals during preparation phase.

\*\* Two projects were cancelled after the Steering Committee decision/ co-financing decision

\*\*\*four projects were requested further clarifications and amendments to be made: one project was approved on the condition that the applicant clarifies the project proposal in a manner that it satisfies the sector experts and, three projects were left for further development by the deadline of 8.1.2007 (SC handled these matters in written procedure in 26.1.2007).

By the end of 2007 the decisions of the Steering Committee allocated in total ERDF 18,26 M€ thus 99.1 % of programme funding for the projects<sup>2</sup> during the whole programme period 2000-2006 (2007). A total of 15,8 M€ of national co-financing both from Finland and Estonia was channelled to projects from State resources as well as municipalities and other public sources. There is also private financing allocated to the projects mainly in Finland and, by the end of 2007 this amounts to some 2.51 M€ of project financing in total (see Table 2).

<sup>2</sup>NOTE: this figure already excludes the ERDF that has been returned for reallocation from the concluded projects (71 projects: ERDF some 0.7 M€) and the projects that the applicant has cancelled after the SC approval (five projects: ERDF some 0.6 M€).

**Table 2. Commitment of funds for the INTERREG projects by Measures 31.12.2007.**

	No. of proj.	Project Funding							Programme Financing			
		ERDF	State	Local	Other public	Eligible exp. total	Private funding	Funding total	ERDF 2001-06	Commitments 31.12.2007	change after MC 29.5.2007	Commitments 31.12.2007
1.1 Networks of Local and Regional Administration	36	3 235 325	1 369 708	1 380 453	415 158	6 400 644	89 982	6 490 626	3 131 919	103,3 %	3 192 919	101,3 %
1.2 Social interaction and contacts at the Local and regional Levels	19	1 819 448	968 936	554 419	190 356	3 533 159	261 490	3 794 649	2 034 067	89,5 %	1 973 067	92,2 %
<b>Priority 1 Interaction and networks</b>	<b>54</b>	<b>5 054 773</b>	<b>2 338 644</b>	<b>1 934 872</b>	<b>605 514</b>	<b>9 933 803</b>	<b>351 472</b>	<b>10 285 275</b>	<b>5 165 986</b>	97,9 %	<b>5 165 986</b>	97,9 %
2.1 Expertise and know-how	25	2 936 732	1 692 585	648 583	235 543	5 513 443	410 651	5 924 094	2 801 048	104,8 %	2 937 048	100 %
2.2 Operative environment of Enterprises	21	1 304 619	683 579	142 197	184 666	2 315 061	290 479	2 605 540	1 181 392	110,4 %	1 305 392	99,9 %
2.3 Tourism	16	1 676 562	729 983	501 801	222 775	3 131 121	444 340	3 575 461	1 981 455	84,6 %	1 703 455	98,4 %
2.4. Transport, Communications and Development of Interlinked Services	12	1 544 889	604 145	316 049	249 123	2 714 206	122 151	2 836 357	1 541 392	100,2 %	1 559 392	99,1 %
<b>Priority 2 Employment and Competitiveness</b>	<b>74</b>	<b>7 462 802</b>	<b>3 710 292</b>	<b>1 608 630</b>	<b>892 107</b>	<b>13 673 831</b>	<b>1 267 621</b>	<b>14 941 452</b>	<b>7 505 287</b>	99,4 %	<b>7 505 287</b>	99,4 %
3.1 Co-operation in environmental Protection and Monitoring	12	2 433 377	993 554	627 587	315 101	4 369 619	218 888	4 588 507	2 417 437	100,7 %	2 433 437	100 %
3.2 Co-operation in Improving the Environment	19	2 951 028	1 253 607	721 850	342 138	5 268 623	555 602	5 824 225	2 977 437	99,1 %	2 961 437	99,6 %
<b>Priority 3 Common environment</b>	<b>31</b>	<b>5 384 405</b>	<b>2 247 161</b>	<b>1 349 437</b>	<b>657 239</b>	<b>9 637 802</b>	<b>774 490</b>	<b>10 412 732</b>	<b>5 394 874</b>	99,8 %	<b>5 394 874</b>	99,8 %
<b>Priority 4 Special Support... (2002)</b>	<b>4</b>	<b>355 238</b>	<b>269 020</b>	<b>146 769</b>		<b>771 027</b>	<b>117 871</b>	<b>888 898</b>	<b>355 238</b>	(closed)	<b>355 238</b>	(closed)
<b>TOTAL ALL PRIORITIES*)</b>	<b>164</b>	<b>18 257 218</b>	<b>8 565 117</b>	<b>5 039 708</b>	<b>2 154 420</b>	<b>34 016 463</b>	<b>2 511 454</b>	<b>36 527 917</b>	<b>18 421 385</b>	<b>99,1 %</b>	<b>18 421 385</b>	<b>99,1 %</b>

\*The Steering Committee has approved a total of 159 projects to be funded from the programme; five projects have been cancelled and the financial data about them is not included in the statistics above, and one project has been carried out in two parts both in Measures 4.1 and 1.1, but anyhow listed as two separate projects. Moreover 5 projects have during the year 2007 received additional support for their extra activities, these figures are included in the above table.

### 3.2 Projects by Region, incl. Adjoining Regions under 20% Rule

There are three regions under the so-called 20% rule as adjoining regions to the programme region: Päijät-Häme and Kanta-Häme in Finland and Southern Estonia. Adjoining regions are involved in twelve joint projects, and the ERDF allocation to these regions is estimated on the basis of project plans as 1.0 M€. This represents some 10.5% of all ERDF allocation for the approved 60 joint projects. Summing up these figures with the situation in the end of the year 2004, the ERDF allocation for adjoining regions in Finland and in Estonia totals to 2.8 M€. This represents some 16.5% of all ERDF co-financing for approved projects in the INTERREG IIIA programme and about 75 % of the total maximum available for the adjoining regions (in Finland 73 % and in Estonia 82 % of the total maximum). The amount of co-financing to adjoining regions didn't increase during the year 2007, since the Steering committee decided on March 2006 that no new projects should be financed in the adjoining regions. The decision was based on the commitment situation. Anyhow the final realisation rate showed that the actual allocation to the adjoining regions was lower than expected.

**Table 3. Adjoining regions and the 20% rule in INTERREG IIIA Southern Finland – Estonia (€ by 31.12.2007\*, incl. Special Support COM 437).**

	ERDF	Finland	Estonia
Programme financing total (ERDF)	19 962 778	14 795 370	5 167 408
Project financing total (ERDF excl. TA)	18 412 385	13 667 370	4 754 015
<b>20% max.</b>	<b>3 684 277</b>	<b>2 733 474</b>	<b>950 803</b>
Approved SFCZ projects (24/92) with adjoining regions in Finland		1 549 948	
Approved complementing call projects (6/12) with adjoining regions in Estonia			190 035
Joint projects (12/60)		458 144	592 832
<b>Total (42/164 projects in total)</b>	<b>2 790 959</b>	<b>2 008 092</b>	<b>782 867</b>

\*FIMOS 31.12.2007 incl. realised figures of those projects already closed in the monitoring system.

In the joint projects INTERREG IIIA Southern Finland – Estonia there are no partners from third countries involved in the activities. Activities together with the third parties are realised with other means, e.g. a project on simulation model for risk management for hazards at sea is realised as Finnish-Estonian co-operation in INTERREG IIIA Southern Finland – Estonia programme and, parallel to this, as Finnish-Russian co-operation in INTERREG IIIA NPI Southeast Finland – Russia programme. If not as direct links, but other networks are also perceivable e.g. in tourism sector and training sector projects. Also in some cases projects used external expertise outside the programme area in the development/implementation phase of the project, but this can not be considered as participation of third countries.

### 3.3 Projects by Priority and with Regard to Horizontal Objectives

Approved projects by Priority 31.12.2007	
Priority 1:	55 projects utilising 97,9% of ERDF allocation
Priority 2:	74 projects utilising 99,4% of ERDF allocation
Priority 3:	31 projects utilising 99,8% of ERDF allocation
Priority 4:	4 projects (this Priority is closed)
<b>Total:</b>	<b>164 projects utilising 99,1% of ERDF allocation</b>

As of 31.12.2007, the new joint projects approved in 2004-2007 have contributed that the funds in all priorities have been committed almost in full. Priorities 1 (Interaction and Networks) and 2 (Employment and Competitiveness) gradually reached the full commitment level during the final call for application, priority 3 was already fully committed by the end of 2006.

During the last call totally 9 applications were received and finally 6 of them received ERDF-funding in the Priority 1. In Priority 2 the final call resulted of 13 applications out of which 7 were financed and one application was cancelled. Totally 5 ongoing projects received extra co-financing for their additional activities, one project was addressed to the priority 1 and 4 were in the priority 4. Since the priority 3 was already fully committed by the end of 2006, there were no new project approval decisions in that priority.

At the Monitoring Committee meeting (29.5.2007) some reallocations of funds were done between the Measures. The following changes were approved:

- re-allocation of 61 000 € from Measure 1.2 to Measure 1.1
- re-allocation of funds from Measure 2.3 as follows: 136 000 € to Measure 2.1, 124 000€ to Measure 2.2 and 18 000 € to Measure 2.4
- re-allocation of 16 000 € from Measure 3.2 to Measure 3.1

Horizontal objectives – joint projects (55):

information society projects	5 projects (ERDF 0.88 M€)
equal opportunities project	0 project
environmentally-positive projects	20 projects (ERDF 4.5 M€)

The objectives set in the programme for environmentally positive projects were reached already by the end of 2005. As of the end of 2007, out of 55 approved joint projects there are 20 environmentally friendly projects. Twelve of these are funded in Priority 3, three in Priority 2 (Measures 2.3 and 2.4) and five in Priority 1. (measure 1.1.) During the whole programme period 2001-2006 (2007) there have been altogether 46 environmentally positive projects.

When summing up the figures from the beginning of joint programme implementation (2004/5), a total of seven projects are initiated under the themes of information society, representing some 0,92 M€ ERDF co-financing granted for joint projects; two in Measure 1.1.: regionally unified method for the observation and screening of cognitive disorders and everyday operation/performance in elderly care using the support of IT-systems, two in Measure 2.1.: ICT training cooperation in providing the ICT assemblers with necessary qualifications and certificates in Finland and Estonia and a project promoting eLearning in health and medical information. Three projects were in Measure 2.4.: one aiming to form an international university education program in network based communication, second developing a database for follow-up of energy and water consumption in municipal buildings and the third one aiming to developing a computer based simulation model to the needs for bulk harbours.

Gender-related issues are handled in four joint projects funded from Measure 1.1, three of them dealing with elderly issues (one of these also classified under the theme of information society projects) and one project dealing with youth and sexuality issues. Previously funded SFCZ and complementing call projects contributed to other aspects of equal opportunities i.e. to inclusion of risk groups into society and, for example the themes of immigration, youth issues and drug-prevention are approached in the INTERREG projects, but during the whole

programme period there have been none concentrating in actual equal opportunities between the genders.

#### **4. INTERREG Projects: Monitoring Indicators**

The aim of the co-operation programme INTERREG IIIA is to ensure that cross-border regional co-operation supports balanced regional development by establishing viable contacts at different levels and within sectors of activities, which creates the prerequisites for employment and competitiveness and protects and improves the common environment.

##### **4.1 General Indicators, Key Indicators and Impact on Employment**

Totally 15 new joint projects were approved for financing by the SC in 2007. The new projects were added into the following development themes and issues:

- international training programme in the field of food industry
- comparing the vocational education and training systems and certifications
- increasing the cooperation between folk high schools
- regional university network
- a model for voluntary sea rescue model for Estonia
- elderly care model
- e-learning in health and medical informatics
- youth sexual education and sexual health
- lighthouses as tourism products
- a network model for the co-operation and innovations of companies mainly in the tourism sector
- increasing the use of energy wood and its environmental effects
- computer based simulation model for the needs of bulk harbours
- mapping and analysing strategic regional development programmes in the two metropolis areas (Tallinn, Helsinki)
- a model for investigating deposition and effects of ship borne atmospheric nitrogen emissions (call for applications during the year 2006)
- knowledge- and service based systems in the context of regional innovation network (call for applications during the year 2006)

Programme key indicators include indicators illustrating the type and evolvement of CBC activities in this co-operation region: level of co-operation (though, all new projects are *joint* projects with activities in both countries), CBC contacts (activities based either on new or existing contacts and, actual cross-border structures) and specific target groups incl. participation of private enterprises.

Twenty nine Lead Partners of the fifty five joint projects are representatives of education, research and development units. (five projects which were allocated additional co-financing during the year 2007 are not included in these figures). Eleven Lead Partners are local administration and/or units of municipalities; eight NGOs and five State/regional administration units. The same figures are illustrative for categorisation of Partners on the other side of the border in these projects. There are two Finnish Lead Partners resembling the type of a private enterprise.

In general terms, all joint projects base in a way or another on existing contacts between the project partners - on existing contacts made in earlier projects or on contacts made outside project activities.

The role of cross-border projects in job-creation and creation of new firms has been discussed throughout the programme period in mid-term evaluation update report and, the text is not repeated here for the joint projects. Activities that are expected to contribute to new jobs, sustained jobs and/or new firms are visible in joint projects connected with themes of businesses and business networks, subcontracting, vocational education and working life, but also in tourism and environmental sector.

Commonly used terms referring to quantity-wise project results found in the monitoring reports on all fields are benchmarking, exchange of experiences and knowledge/know-how, seminars, training sessions, study trips and workshops. In the few business sector activities the measurements are based on contacts made between entrepreneurs. In general most the results have been measured by the number of participants in the above mentioned project activities or in some cases, published articles or other materials. Joint training sessions and seminars are very typical activities in cross-border projects. Themes for CBC training in the joint projects are e.g. health and sports sector in local administrations, vocational training together with direct work-life and business contacts, student entrepreneurship, business development, business incubators, tourism sector, real-estate sector and, preparedness for oil-hazards or other environmental accidents at sea. In the more concrete environmental projects with pilot work the started or finished work can be also used as measurement of results.

Looking at the quality-wise results the most common are spreading of information, awareness raising in specific themes, succeeded publicity measures to general public, schools, state/municipality level actors etc. and improving the quality of educational cooperation, study methods and materials or environmentally friendly behaviour. These are mainly non-measurable quality results and activities and the real impacts are shown in longer time perspective.

**Table 4. Programme key indicators 31.12.2007 (data collected from project applications, funding decisions and project monitoring questionnaires / FIMOS monitoring system).**

<b>PROGRAMME KEY INDICATORS</b>	<b>2001 (indicative)</b>	<b>2003 (indicative)</b>	<b>2006 (indicative)</b>	<b>31.12.2007***) (realized)</b>
Degree of co-operation (share of community funding MEURO):				
- joint projects (planning and implementation)	0.8	3.6	7.8	<b>14.6</b>
- co-ordinated projects	1.1	2.9	5.6	<b>2.9</b>
- other projects	0.2	0.4	0.7	<b>0.8</b>
<i>Community funding total (MEURO)</i>	<i>(2.1)</i>	<i>(6.9)</i>	<i>(14.1)</i>	<i>(18.3)</i>
Coverage of projects and contacts in relation to planned target groups, (no. of projects) principle project applicant:				
- NGOs (3rd sector);	3	13	30	<b>33</b>
- education, research and development units;	10	34	84	<b>74</b>
- private enterprises	4	13	33	<b>7</b>
<i>No. of projects total</i>	<i>(25)</i>	<i>(90)</i>	<i>(220)</i>	<i>(164)</i>
Intensity of contacts (no. of projects):				
- no. of projects with new cross-border contacts	9	32	77	<b>43</b>
- no. of projects extending the scope of co-operation on the basis of already existing contacts	15	52	128	<b>108</b>
- no. of actual cross-border structures	1	6	15	<b>3</b>
<i>No. of projects total</i>	<i>(25)</i>	<i>(90)</i>	<i>(220)</i>	<i>(164)</i>
Effect on employment:				
- number of new jobs (men/women)	*	150 (72/78)	200 (92/108)	<b>105 (53/52)</b>
- number of jobs maintained (men/women)	*	200 (95/105)	700 (335/365)	<b>527 (257/270)</b>
Number of participants in cross-border training courses, exchange programmes and other similar arrangements <i>Persons having participated in training</i>	*	340	1050	<b>9068****)</b>
Number of new enterprises	*	15	50	<b>22</b>
Number of companies that:				
- co-operate with funding from the programme (principle project applicants)	4	13	13	<b>7</b>
- benefited directly from funding from the programme (project participants)	*	38	100	<b>1296</b>
Activities promoting the programme region				
- tourism (number of common promotion operations)	*	5	12	<b>**6</b>
- product "labelling" for the programme region (no. of common operations, also other than tourism)	*	2	5	<b>4</b>
Community policies:				
- number of projects with primary emphasis on equal opportunities	3	14	33	<b>1</b>
- number of projects with primary emphasis on environmental issues	8	33	77	<b>45</b>
Number of environmental programmes prepared with activities supported by the programme (e.g. tourism sector, SMEs, agriculture and local/regional administration)	*	10	35	<b>21</b>

Concerning year 2001, objective level is based on funding decisions (\*not reasonable to give an indicative figure on the level of funding decisions 2001)

\*\*\*) Key indicator objectives given as number of projects are based on an estimation of the number of projects accepted in the SFCZ INTERREG IIIA / INTERREG IIIA Southern Finland – Estonia programme in each funding year (five projects have been cancelled but the data about them is included in the statistics above):

\*\*\*\*) Please note that the figures of indicators are based on the database monitoring system FIMOS (situation on 18<sup>th</sup> of April 2007). Due to a change of the recording procedure (from spring 2007) the follow-up reports / indicators were recorded to the database in connection with the payment claim. Since we have still not received all the final payment claims (deadline 30.4.2008), the total numbers are not representing the absolute situation in 31.12.2007. Anyhow the final and exact figures of key indicators will be presented in the final report concerning the whole programming period.

\*\*\*\*\*) In these figures all the participants in the short-term and long-term training courses, seminars and modules are included.

Key indicator objectives given as number of projects are based on an estimation of the number of projects accepted in the SFCZ INTERREG IIIA/ INTERREG IIIA Southern Finland-Estonia programme in each funding year (five projects have been cancelled but the data about them is included in the statistic above).

year	2001	2002	2003	2004	2005	2006	total/ in the programme document	realized 31.12.2007
no of projects	25	30	35	42	42	46	220	164

## 4.2 Priorities and Measures – Specific Indicators

### 4.2.1 Priority 1: Interaction and Networks

*The objective* is to create and strengthen the co-operation contacts and networks on different levels and sectors of activity.

*Long-term impact:* ability to face present and future challenges in e.g. EU themes, increasing internationalisation, demands for information society and sustainable development

*Indicators:* increase in intensity of contacts (number/volume of projects with new or extended cross-border contacts and; actual cross-border structures); regional distribution of activities and; impact on employment and job creation, number of participants in training

**Table 5. Implementation of the Priority 1 (31.12.2007)**

	Total eligible cost (1=2+3)	ERDF (2)	National public (3=4+5)		Private (6)	Total (1+6)
			State (4)	Local (5)		
<b>Priority 1</b>	<b>9 861 587</b>	<b>5 165 986</b>	<b>3 110 137</b>	<b>1 585 464</b>	<b>450 000</b>	<b>10 031 587</b>
commitment 31.12.2007	9 933 803	5 054 773	2 338 644	2 540 383	351 472	10 285 275
Outpayment 31.12.2007	8 022 633	3 903 926	2 059 468	2 059 239	341 471	8 364 104

Commitment rate 97,9 % ERDF, Outpayments rate 77,2 % ERDF

#### Measure 1.1 Networks of Local and Regional Administration

Total of 35 projects, total costs 6,5 M€ / ERDF 3,2 M€. Projects are divided into three groups according to programme phase: pre Estonian EU-membership, preparation-stage and Joint Programming stage)

Examples of activities/projects financed in Southern Finland (2001-2004):

- co-operation between Finnish and Estonian municipalities/regions, e.g. Local agenda Lahti–Pärnu; twinning Uusimaa–Eesti; strategic planning training Karjaa–Baltics; immigrant language training Kouvola–Ida-Viru; schools and student welfare Vantaa–Ida-Viru; town twinning in e.g. culture and sports Turku–Tartu/Kuresaare/Viljandi. Typical activities are: meetings, seminars, excursions; civil servant exchange; strategy planning and training; exchange of ideas, learning from each others' methods etc.

Examples of activities/projects financed in Estonia (2001-2003 and 2004):

- Cultural Bridge town twinning Tartu-Turku
- Co-operation Lääne-Viru, Ida-Viru, Jõgeva and Finnish partners (3+3)

- Ankkuri/Majakas youth sector project, Hämeenlinna–Rapla/Lääne
  - HUUTA drug prevention Helsinki-Tallinn
  - Saame kokku twinning of municipalities, parishes and NGOs (Tartu-Turku)
- Joint projects (2004 – ):
- public transport systems in Tallinn and Helsinki metropolitan areas
  - health and exercising, Healthy Cities Network activities in municipalities
  - sustainable fishery Southwest Finland / Väinämeri
  - improvement of public services by making them more client-oriented and more efficient, services targeted especially for elderly people
  - a regionally unified method for the observation and screening of cognitive disorders and everyday operation/performance
  - cooperation between adult training institutions in Varsinais-Suomi and Läänemaa
  - development of eco-support activities
  - knowledge- and service based systems in the context of regional innovation network (call for applications during the year 2006)
  - regional university network
  - a model for voluntary sea rescue model to Estonia
  - elderly care model
  - e-learning in health and medical informatics
  - youth sexual education and sexual health
  - network model for the co-operation and innovations of companies mainly in the tourism sector

Remarks: By the end of 2007 totally 13 joint projects have been funded under the Measure 1.1. Moreover one project has gained extra funding for its activities during the year 2007. The number of local administrations involved as project partners (especially in Finland) has decreased in the joint projects compared with the situation in the beginning of the programme. Some projects have reported that the ongoing process of structural changes in municipalities in Finland has taken energy away from project activities and participants in that sector. Throughout the whole programme period there has been a slight contradict between the joint project approach favouring long-term partnerships and on the other hand, the idea of tempting new, innovative activities and partnerships in the programme. However the projects approved in 2007 brought along some new ideas and actors, such as the Baltic Region Healthy Cities Association and Finnish Lifeboat Institution. Still the notion applies that sometimes the concrete results and benefits from CBC networks and learning from each other are not disseminated enough for wider audience – even if the project target groups and participants themselves felt positive about the project. Crystallising of concrete activities, concrete results and involving the relevant partners in projects is one thing that was weighed in project info seminars during 2006. It was also a basic evaluation criteria when assessing the short and long term impacts of the project applications during the final call 2007.

### **Measure 1.2 Social Interaction and Contacts at the Local and Regional Levels**

Total of 19 projects, total costs 3,8 M€ / ERDF 1,8 M€. Projects are divided into three groups according to programme phase: pre Estonian EU-membership, preparation-stage and Joint Programming stage

Examples of activities/projects financed in Southern Finland (2001-2004):

- Co-operation between NGOs in sector of culture (artist networks, choirs, theatres, art schools, music schools) and in social affairs (youth, children and family welfare, drug prevention, labour organisations)

Examples of activities/projects financed in Estonia (2001-2003 and 2004):

- Folk-Culture networks, Estonian National Folklore Council / Southwest Finland

- youth project Vihti-Tartu
  - music schools co-operation,
- Joint projects (2004- ):
- wooden boat tradition in training institutions, museums etc.
  - co-operation between regional museums in Southwest Finland and Estonia
  - knowhow on traditional methods, restoration and protection of old buildings
  - countryside and network of environmental education
  - co-operation and networking between folk high schools

Remarks: In Measure 1.2 financing has been approved for 5 joint projects with more similarity in themes than in Measure 1.1. Out of these projects 3 concentrate in documentation, data gathering or networking in the field of history and tradition. The fourth one concentrated on environmental awareness by developing the school students' personal contacts with the countryside heritage, cultural environment and nature – thus hopefully bringing the impact of sustainable development in the future. The last one, financed in 2007 focused on improving and strengthening co-operation between folk high schools.

By the end of 2007 altogether 80 participating NGOs on the Finnish side in 16 projects have been reported. The monitoring system does not give accurate numbers for the same figures in Estonia, but according to project feed back the third sector is gradually getting more active also in Estonia. However, in joint project approach, the definition for eligibility of partners and co-financing rules some NGOs on the Estonian side out from the co-operation programme 2004-2006 (2007). Even if there were new applications submitted by the NGO's, there were evidence that partners couldn't handle the financial and project management burden of the Lead Partner approach. The size of joint projects has also increased to an unrealistic scale for small organisations. The needs and prerequisites for NGO's participation in CBC activities require analysing for the ongoing programme period 2007-2013 so that the activities could be supported with purposeful means.

#### 4.2.2 Priority 2: Employment and Competitiveness

*The objective* is to strengthen the programme area as a market area and improve the preconditions for employment and competitiveness.

*Long-term impact:* strengthening the Baltic Sea economic region (a balanced regional development, good employment conditions, competitiveness of the region)

*Indicators:* number (and volume) of projects where firms participate in cross-border co-operation; regional distribution of activities and; impact on employment and job creation, number of participants in training

**Table 6. Implementation of the Priority 2 (31.12.2007)**

	Total eligible cost (1=2+3)	ERDF (2)	National public (3=4+5)		Private (6)	Total (1+6)
			State (4)	Local (5)		
<b>Priority 2</b>	<b>13 476 490</b>	<b>7 505 287</b>	<b>4 321 808</b>	<b>1 649 395</b>	<b>1 550 000</b>	<b>15 026 490</b>
commitment 31.12.2007	13 673 831	7 462 802	3 710 292	2 500 737	1 267 621	14 941 452
Outpayment 31.12.2007	9 776 258	5 238 880	2 884 724	1 652 654	1 137 740	10 913 998

Commitment rate 99,4 % ERDF, outpayments rate 70,2 % ERDF

## Measure 2.1 Expertise and Know-how

Total of 25 projects, total costs 5.9 M€ / ERDF 2.9 M€. Projects are divided into three groups according to programme phase: pre Estonian EU-membership, preparation-stage and Joint Programming stage.

Examples of activities/projects financed in Southern Finland (2001-2004):

- co-operation between vocational training units: seminars, training, exchanging ideas and know-how; testing e-learning methods for media education and for training of trainers; vocational networks together with SMEs incl. contacts to Russia; science centres co-operation Vantaa-Tallinn-Tartu; utilising each others expertise e.g. in know-how of traditional building methods Saaremaa-Kotka/Hamina; data gathering and distribution on e.g. Northern Dimension expertise; co-operation of agricultural universities; Helsinki-Tallinn Science twin city e.g. brokerage events and joint resources for high-tech businesses; rheumatology expertise networks Pääjät-Häme – Northern Estonia

Examples of activities/projects financed in Estonia (2001-2003 and 2004):

- 3+3 vocational education co-operation Lääne-Viru, Ida-Viru, Jõgeva & Finnish partners
- immigration policy and training Vantaa/Tallinn

Joint projects:

- co-operation of vocational education institutions and working life
- co-operation of education institutions and sub-contracting SMEs
- student entrepreneurship
- agricultural research and testing (cold cowsheds)
- new EU education policy in Finland and Estonia
- information professionals of polytechnic and university libraries Turku/Tallinn
- implementation of network based communication geared towards adult education programs in Helsinki and Tallinn universities
- a network model for the co-operation and innovations of companies mainly in the tourism sector
- international training programme in the field of food industry
- comparing the vocational education and training systems and certifications
- e-learning in health and medical informatics

Remarks: for participation of the education and training sector this Measure has been very popular throughout the whole programme period. Some of the projects base on existing structures / contacts dating back to previous IIA programme, e.g. 3+3 and several other vocational education twinning. However, the same conclusions can be made as in implementation reports of 2005-2006: Some activities show only modest attempt to develop the activities from excursions and joint meetings/seminars towards investigating possibilities for actual joint activities or e.g. utilisation of joint resources. Sometimes also the more or less similar activities could have been financed from EU programmes like Leonardo da Vinci, Socrates or Gruntvig programmes for education and training, if only there were other international partners involved in the activities. Some projects do report results of actual new cross-border structures but in most cases the term 'structures' has been interpreted somewhat loosely. Another characteristic notable in this Measure is that Universities' own-financing in Finland, coming from state budget, can not be used as co-financing in EU-projects. Therefore the percentage of aid coming from Finnish national state co-financers is higher than average. Strengths of this sector are that there are many good project writers and experienced co-ordinators. Usually the organisations are also big enough that the Lead Partner's financial burden can be handled. It was appreciated that some totally

new innovations and approaches were introduced during the final call, e.g. the eLearning model in Health and Medical informatics.

### **Measure 2.2 Operative Environment of Enterprises**

Total of 21 projects, total costs 2.6 M€ / ERDF 1.3 M€. Projects are divided into three groups according to programme phase: pre Estonian EU-membership, preparation-stage and Joint Programming stage.

Examples of activities/projects financed in Southern Finland (2001-2004):

- Business incubators Lahti-Narva and Helsinki-Tallinn; surveys on business environment and possibilities (several on East Estonia both from Kymenlaakso and SW Finland); co-operation of SME organisations (Uusimaa-Estonia; SW Finland - Estonia; metal sector firms; wooden products sector firms; tourism etc.). Typical activities B-to-B meetings, excursions, trade fairs and training for SMEs, surveys and feasibility studies

Examples of activities/projects financed in Estonia (2001-2003 and 2004):

- several Phare projects in SME networking: Business Opportunities Development III (Tartu city administration); IT business incubators Tallinn-Helsinki (Tallinn Technical University); INNOCLUS I-II for Metal-Machine-Apparatus cluster (Tallinn City Enterprise Board); Women Skills, Women Entrepreneurs (SME Network System NGO); wooden product sector businesses FIN EST Wood Network (Järva county government)
- Pärnu County Design & Interior Network co-operation Lahti-Pärnu

Joint projects (2004 – ):

- business networks in co-operation of business development agencies Uusimaa/Ida-Viru
- co-operation of business incubators Helsinki-Tallinn
- creating a cooperation model for Finnish and Estonian designer companies of carpentry and furnishing products for joined design and developed.
- the development of the use of energy wood in heat production and the assessment of its environmental impacts.

Remarks for the business sector activities: problems of finding suitable national co-financing schemes for participation of the private sector in CBC projects were apparent already in the previous IIA programme and, now in 2004-2007 the enterprises are not eligible INTERREG project partners in Estonia. CBC financing programme is not a tool for SMEs, unless it is specifically designed as a tool for financing private enterprises. Although some of the projects repeat same structure and activities from one project to another, there seems to be large interest in the activities. Project practitioners see very optimistic about the long-term importance of these events and contacts, especially for the sector of small and medium-sized enterprises. Enthusiasm to broaden the activities in the future is clearly seen. Projects approved during the years 2006 and 2007 brought welcomed concrete activities in to this Measure. For example the last approved project in this Measure addresses in a concrete way how to promote co-operation and also how to increase the economic competitiveness among small forestry enterprises and private forest owners.

### Measure 2.3 Tourism

Total of 16 projects, total costs 3.6 M€ / ERDF 1.7 M€. Projects are divided into three groups according to programme phase: pre Estonian EU-membership, preparation-stage and Joint Programming stage)

Examples of activities/projects financed in Southern Finland (2001-2004):

- Tourism development, new products and promotion of existing services and products (SPA cities Naantali-West Estonia; cultural themes Mäntsälä/Pornainen-Lahemaa; common history Porkkala-Paldisk or pre-historical sites Mynämäki, Mietoinen and Paikuse; Baltic Sea coastal traditions; environmental programmes in tourism sector. Typical activities: training and networking of tourism services providers; joint brochures; testing new products/services; trade fairs; media visibility etc.

Examples of activities/projects financed in Estonia (2001-2003 and 2004):

- Järva/Harju Manor House Tourism and King's Road in Southern Finland
- Virtual Experience tourism promotion via means on internet (e.g Saaremaa)

Joint projects (2004 – ):

- yachting tourism in the archipelago
- spa and culture tourism
- developing tourism companies by design of tourism
- tourism in the themes of fortresses Kotka-Hamina and East part of Ida-Viru
- lighthouses as tourism products

Remarks for the tourism sector activities: For previous INTERREG IIA programme the tourism projects were evaluated very concrete and providing potential for especially rural and coastal livelihood. In the last report for 2001-2006 it was reported that this Measure had not been very attractive for new project applicants. The same applies during the year 2007; only two new project applications were received in this Measure out of which one project was approved (one was rejected) and one project received extra co-financing for their additional activities. The last project which received co-financing was addressed to lighthouses and the increase of their attractiveness in tourism business sector. It is a concrete example on promoting the business sector and creating hopefully larger and sustainable networks. Many of the projects on-going have had to apply for continuation, which can be interpreted as problems keeping up with the planned time tables.

### Measure 2.4 Transport, Communications and Development of Interlinked Services

Total of 12 projects, total costs 2.8 M€ / ERDF 1.5 M€. Projects are divided into three groups according to programme phase: pre Estonian EU-membership, preparation-stage and Joint Programming stage).

Examples of activities/projects financed in Southern Finland (2001-2004):

- Themes of maritime administration: maritime vessel traffic, risk management and simulation models for hazards in the Gulf of Finland and co-operation of voluntary lifeboat organisations. Themes of information society: survey on possibilities of joint resources in telemedicine Helsinki-Tallinn and surrounding regions; wireless services in the tourism sector.

Joint projects (2004 – ):

- web-based database for follow-up of energy and water consumption

- marine risk management network in the Gulf of Finland (project with linkage to another INTERREG IIIA project in South-East Finland / Russia)
- marine safety in the coast of Southern Finland and Pärnu
- ICT training co-operation and qualifications/certificates in Uusimaa, Southwest Finland and Estonia
- Deposition and effects of ship borne atmospheric nitrogen emissions
- Transit traffic and infrastructural needs in Finland and Estonia

Remarks for the transports and communication sector activities: Maritime transport is natural, concrete and almost inevitable theme for co-operation in this cross-border area. It has been more difficult to define common themes for the information society projects, especially bearing in mind a realistic financial scale of activities. In order to continue with the theme “information society” in CBC activities, the targets and possible activities should be defined more in detail. For the programming period 2007-2013 co-operation, also the possibility of small scale investments are eligible. In 2001-2007 these were excluded from financed activities.

#### 4.2.3 Priority 3: Common Environment

*The objective* of this priority is to protect and improve upon the common environment: to secure the ecological bases of the programme area and to preserve its valuable cultural environment.

*Long-term impact* will be securing a sound living and operating environment.

*Indicators:* number of environment and nature protection projects and projects supporting the realisation of the NATURA 2000 network; regional distribution of activities and; impact on employment and job creation, number of participants in training.

**Table 7. Implementation of the Priority 3 (31.12.2007)**

	Total eligible cost (1=2+3)	ERDF (2)	National public (3=4+5)		Private (6)	Total (1+6)
			State (4)	Local (5)		
<b>Priority 3</b>	<b>9 624 874</b>	<b>5 394 874</b>	<b>3 148 626</b>	<b>1 081 374</b>	<b>1 200 000</b>	<b>10 824 874</b>
commitment 31.12.2007	9 637 802	5 384 405	2 247 161	2 006 236	774 490	10 412 732
Outpayment 31.12.2007	6 982 173	3 820 756	1 698 830	1 462 587	655 207	7 637 380

Commitment rate 99,8% ERDF, Outpayments rate 70,9 ERDF

#### Measure 3.1 Co-operation in Environmental Protection and Monitoring

Total of 12 projects, total costs 4.6 M€ / ERDF 2.4 M€. Projects are divided into three groups according to programme phase: pre Estonian EU-membership, preparation-stage and Joint Programming stage.

Examples of activities/projects financed in Southern Finland (2001-2004):

- raising the environmental awareness (target groups e.g. school children, boat travellers in harbours of Helsinki and Tallinn and local inhabitants); developing methods and plans for nature protection areas Lahti-Hämeenlinna and Baltic counterparts; developing tourism in nature protection areas Archipelago and

West Estonia. Typical activities: information materials, internet pages, exhibitions for public, training sessions, studies and surveys etc.

Examples of activities/projects financed in Estonia (2001-2003 and 2004):

- building capacity for agri-environmental Measures, Centre for Ecological Engineering
- Creation of Alatskivi Nature Centre and training of teachers

Joint projects (2004 – ):

- environmental project of 3 Finnish and 3 Estonian regions
- ecological values in planning activities in the case of oil hazards at the sea
- development of geological data for education and tourism
- inventory and protection of cultural heritage in forestry in Harjumaa, Raplamaa, Läänemaa and Uusimaa
- Protection of aquatic communities in the Gulf of Finland: risk-based policymaking

### **Measure 3.2 Co-operation on Improving the Environment**

Total of 19 projects, total costs 5.8 M€ / ERDF 2.9 M€. Projects are divided into three groups according to programme phase: pre Estonian EU-membership, preparation-stage and Joint Programming stage.

Examples of activities/projects financed in Southern Finland (2001-2004):

- developing water sewage plans and systems in municipalities; developing waste management in boat harbours; testing antinutrient techniques for agriculture in river basins Southwest Finland – West Estonia; surveys and testing soil improvement methods Lahti-Uusimaa and South Estonia; networking businesses in environment sector; consulting in environmental plans for SMEs; activities targeted for schools and local inhabitants; etc.

Examples of activities/projects financed in Estonia:

- water supply, restoration of surface waters and environmental education in Jõgeva, Ida-Viru, Lääne-Viru and Finnish partners (3+3)
- methods of improving contaminated soil: Estonian Agricultural University
- networking of the environmental sector businesses Estonia and Southern Finland
- theatre for youth in themes of environment (various schools in both countries)

Joint projects (2004 – ):

- recycling of plastic waste
- co-operation of recycling centres
- strategy for utilisation of common reed in the coastal areas
- preparedness of voluntary organisations for oil hazards in the Gulf of Finland.
- Finnish-Estonian development and training project in real estate sector
- prevention of the environmental accidents

Remarks for the environment sector activities: Approximately one third of the whole programme financing is allocated for environmentally positive activities (understood widely, thus, themes of sustainable development). These projects are financed also in other programme Measures than Priority 3. The two Measures within the Priority 3 are overlapping and the division of projects in one or another Measure is somewhat artificial. Some of the activities and partnerships continue from one project to another, and these CBC projects would benefit from analyses of work carried out so far before continuing with a new project. Projects in the environment sector are concrete, and also the realisation rate of planned activities has been high. Environment is also the sector, where activities on either side of the Gulf of Finland are finally found affecting the whole maritime environment as well as the state of environment in the Baltic Sea region in general. For future CBC activities defining a few but very concrete co-

operation themes would help to target the resources for joint activities – this might also help focusing the activities into value added attainable from CBC in the environmental sector. What comes to the programme period 2007-2013 co-operation in the environmental sector, also the small scale investments in infrastructure are eligible; in 2001-2006 only some pilot-type activities including small investments have been financed.

### **5. Financial Implementation of the Assistance**

Funding Commitments / Project funding ERDF 31.12.2007:	
ERDF Funds 2001-2006 (incl. COM 437):	18,421,385 €
Project funding granted by the Managing Authority:	18,257,218 €
Project funding paid out for projects:	11,594,954 €
N+2 Rule in 2007: Reference year for the Commission financial commitments: 2005	
ERDF Funds 2001-2005	15,487,653 €
Payments on Account and payment claims to the Commission by 31.12.2007*	15,287,244 €
N+2 target in 2008 (reference year 2006)	4,475,125 €

\*incl. technical assistance, advance payments (total 1,018,570 €) and the payment claim dated 21.12.2007

#### **5.1 Payments from the Commission**

By the end of December 2007, a total of 13,470,337.75 € of payment on account was obtained from the Commission. The sixth payment claim in 2007 was submitted in Commission in 21.12.2007. The N+2 target was not reached and the amount decommitted under 2005 commitment was 200,409 euros. For exact figures and state-of-the- play by Measures see table 9.

**Table 8. Payments from the Commission.**

SFCZ INTERREG IIIA / INTERREG IIIA Southern Finland – Estonia

Payment applications			Commission allocations	
No	Date	€	Date	€
Payment on Account			11.1.2002	987 000.00
Payment on Account			27.11.2002	31 570.00
1	20.12.2002	234 024.74	5.3.2003	226 700.36
2	4.4.2003	241 145.23	20.5.2003	237 079.03
3	19.6.2003	467 986.00	30.7.2003	467 986.00
4	27.10.2003	416 952.00	26.11.2003	416 952.47
5	23.1.2004	521 247.82	12.3.2004	521 247.82
6	28.6.2004	788 118.25	9.9.2004	788 118.25
7	29.10.2004	548 782.09	28.12.2004	548 782.09
8	21.12.2004	865 859.45	18.2.2005	865 859.45
9	3.8.2005	724 417.94	23.9.2005	724 417.94
10	10.10.2005	653 359.05	28.10.2005	653 359.05
11	13.12.2005	948 024.31	30.1.2006	916 454.31
12	17.3.2006	604 430.93	24.4.2006	604 430.93
13	12.6.2006	583 181.62	19.7.2006	583 181.62
14	15.9.2006	694 605.92	27.10.2006	694 605.92
15	27.11.2006	608 836.38	22.12.2006	601 536.74
16	15.12.2006	402 946.93	19.1.2007	402 946.93
17	22.12.2006	1 098 723.87	29.1.2007	1 098 899.69
18	6.6.2007	377 689.64	11.7.2007	371 692.86
19	21.8.2007	706 195.17	10.10.2007	719315.59
20	16.10.2007	601 980.75	28.11.2007	601 980.75
21	20.11.2007	406 219.95	21.12.2007	406 219.95
22	14.12.2007	505 271.94	31.1.2008	
23	21.12.2007	1 311 633.68	8.2.2008	
		14 311 724.07		13 470 337.75

There is a separate bank account opened for the programme financing. The ERDF allocations from the Commission come to this bank account as well as the national co-financing allocations from the Finnish Ministry of Interior. The Ministry allocation is paid for the Regional Council as an advance payment normally 1-2 times a year - these payments follow the utilisation of the annual State budget allocations under the heading of Ministry of Interior budget line. The State budget allocations, in turn, are indicated programme-wise in Finland March each year for the following budget year.

Since the ERDF allocation and the Ministry allocation are on the same bank account, the outpayments for the projects can continue even if the ERDF balance on the account was temporarily negative due to the time lag between the payment claim from the Regional Council and the actual payment from the Commission. The interest that has accumulated of ERDS funds and the interest that has accumulated of Ministry allocation are counted separately.

By 31.12.2007 there has accumulated an interest of 57 386 € for the ERDF funds, on this INTERREG programme bank account during 2001-2007. The interest earned on the ERDF and Ministry allocations has been assigned for projects that support the preparation of the new Central Baltic INTERREG IVA 2007-2013 programme.

There is a separate bank account for the Technical Assistance allocations (50/50 of ERDF / the Finnish and from 2004 onwards also the Estonian national co-financing shares). The interest for this bank account during 2001-2007 has been 11 278 € (whereof ERDF 5 030 €) and it is utilised for the Technical Assistance expenditure.

### 5.2 Payments to Final Beneficiaries

Outpayments for Projects by Priority 31.12.2007. Project outpayments in the end of 2007 amount to some 13 M€ ERDF (total eligible costs app. 23 M€).

Priority 1: 55 projects amounting to 77,2 % of ERDF total allocation  
 Priority 2: 74 projects amounting to 70,2 % of ERDF total allocation  
 Priority 3: 31 projects amounting to 70,9 % of ERDF total allocation  
 Priority 4: 4 projects – the special support priority is closed

Total: 164 projects amounting to 70,4 % of ERDF total allocation

Table 9. on page 23 shows a summary of payments actually carried out by the Paying Authority by the end of 2007, and these figures include also the Technical Assistance Priority.

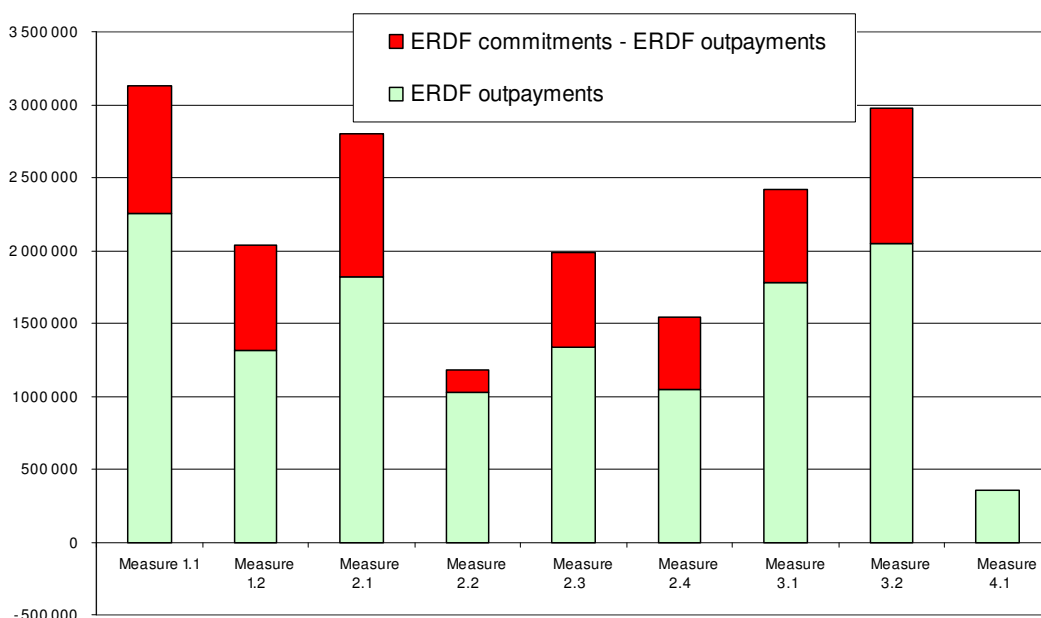


Figure 1. Programme ERDF financing by Measures (Fimos 31.12.2007).

## Projects closed by 31.12.2007 (cumulative):

No. of projects closed:	85 projects
Implementation rate ERDF, average:	88 %
(lowest – highest implementation rate):	(13-100%)
ERDF funds for reallocation (total):	759 540 €

There are 85 projects closed in the monitoring system and the rest of the projects will be closed during the year 2008 after the final payments have taken place.

**Table 9. Payments actually carried out by the Paying Authority by Priority and Measure up until 31.12.2007 (basing on payment claim dated 21.12.2007).**

Outpayments categorized in Programme Priorities and Measures				
CIP INTERREG IIIA Southern Finland – Estonia (SFCZ INTERREG IIIA)				
<b>2006</b>				
	Eligible costs total	Outpayment of eligible costs total	(%)	Fields of assistance*
Priority 1	9 861 587	7 294 342	73,96	
Measure 1.1	5 958 497	4 585 234	76,95	21 (50%), 22 (50%)
Measure 1.2	3 903 090	2 709 108	69,40	21 (50%), 22 (50%)
Priority 2	13 476 490	9 738 698	72,26	
Measure 2.1	5 135 152	3 543 770	69,01	23 (100%)
Measure 2.2	2 080 190	1 838 349	88,37	163 (25%), 164 (25%), 167 (25%), 24 (25%)
Measure 2.3	3 588 960	2 526 273	70,39	172 (33%), 173 (33%), 174 (33%)
Measure 2.4	2 672 188	1 830 306	68,49	315 (25%), 316 (25%), 323 (25%), 324 (25%)
Priority 3	9 624 874	6 982 881	72,55	
Measure 3.1	4 312 438	3 252 677	75,43	353 (50%), 343 (50%)
Measure 3.2	5 312 436	3 730 204	70,22	341 (25%), 343 (25%), 344 (25%), 345 (25%)
Priority 4	771 028	771 028	closed	
Measure 4.1	771 028	771 028	closed	The activities implemented with the special support cover the same main fields of assistance as the other Measures.
Priority 5	3 082 786	2 673 719	86,73	
Measure 5.1	2 236 786	1 990 452	88,99	411 (100%)
Measure 5.2	846 000	683 267	80,76	412 (33%), 413 (33%), 415 (33%)
<b>TOTAL</b>	<b>** 36 816 764</b>	<b>27 460 666</b>	<b>74,59</b>	

\*Note: the budgeted shares for each field of intervention at the Measure level are hypothetical rather than guiding figures. The programme monitoring system FIMOS 2000 allows a more detailed use of categorisation presented in the Commission Regulation (EC) No. 438/2001 Annex IV.

## **6. Ensuring the Quality and Effectiveness of Implementation**

### **6.1. Financial Control**

The second level control activities started in Estonia. The control was carried out by auditor Urmas Peterson from Ernst & Young in co-operation with the Finnish auditor Irma Högman from PwC Julkistarkastus Oy.

During the spring six projects were chosen to be checked, two of them were pointed out based on risk elements. The control activities started in autumn but the audit reports were delayed and MA did not receive them as planned during 2007.

Verification of products and services on the spot takes continuously place at least once per project. The verification activities have specially been under control during 2007. For the time being the control result indicates that the Commission's requirements will be fulfilled.

### **6.2 Information and Publicity Measures**

#### Information and publicity in 2007

- one call for proposal, deadline 12.2.2007
- project advice and support
- meetings with State co-financing authorities in Finland
- all programme materials available at [www.interreg-finest.net](http://www.interreg-finest.net)
- preparation of Central Baltic programme 2007-2013

#### Calls for proposals deadline 12.2.2007

The deadline for the final call for proposals round was 12.2.2007. The Call for proposals was announced already in November 2006 in main newspapers in Estonia (Eesti Päevaleht) and in Finland (Helsingin Sanomat) as well as web page and with direct e-mails to the potential applicants e.g. all those who had participated in the idea call. The applicant's information days were also arranged in December in Helsinki and Tallinn (altogether some 80 participants). All applicants were encouraged to have a project preparation meeting with the secretariat prior to the deadline of 12.2.2007. Nearly all projects had a preliminary meeting with the representatives of Technical Secretariat.

A new way of implementing the decision procedure was introduced during the last call. All the expert statements were brought straight to the Steering Committee meeting. It was also welcomed that no pre-priority lists were done beforehand but all the decisions were based on genuine discussion of their relevance and impact. There was more discussion about the co-financing decisions and the content of each proposal.

The Steering Committee handled the project proposals in March. The last call for proposals resulted to a total of 22 applications out of which 13 projects were approved and eight were rejected (one proposal was cancelled). After the final call almost all the ERDF-co-financing was committed.

### Project advice and support

It was no longer possible to apply for project preparation support (which was launched in 2005 and continued in 2006) in 2007.

To support the projects implementation the materials in both language versions were available at the programme's web page. In addition to this, all projects were invited for a practical meeting on project implementation, reporting and outpayment matters before the deadline for submitting in their first implementation report and payment application.

In the ERDF funding decisions a contact person has been named for each joint project – basically, this is the same person at the programme secretariat who has advised the applicant during project preparation. Each joint project has a steering group, and the contact person, as well as the contact person/supervisor of the national co-financing authority, is invited to participate in the project steering group meetings.

### Web page [www.interreg-finest.net](http://www.interreg-finest.net)

All application forms and other materials as well as reporting templates, decision and contract templates as well as payment claim forms are available at the web page in Finnish and Estonian. A shortened version is also available in the web page in Swedish and in English.

Programme state-of-the-play is updated in publicizing the SC meeting decisions together with updated list of projects and e.g. financial state-of-the-play.

### Meetings with programme implementing authorities

In 2007 one meeting with the co-financing authorities was held and the aim was to discuss issues related to the calls for proposals and assessment of project proposals: SC meetings and their preparation meetings (i.e. co-ordination meetings in Finland and expert meetings in Estonia).

Meetings between the Managing and Paying Authority Regional Council of Southwest Finland and the Ministry of the Interior are arranged on as-needed bases. Also support to the preparation of the Central Baltic Interreg IVA programme was offered.

## **6.3 Use of Technical Assistance**

INTERREG IIIA Southern Finland – Estonia Technical Assistance 2001-2007:

TA1 Programme Management, Implementation, Monitoring and Control: 2.237 M€  
TA2 Other Expenditures under Technical Assistance: 0.846 M€

The total budget of Technical Assistance in 2007 was 560,867 €. The total cost of the activities covered with the Technical Assistance in 2007 was 409,438 €. This represents some 73 % of the total budget. The surplus will be utilised in 2008.

Main activities under the Technical Assistance in 2007 were programme management incl. personnel costs, audits, running of the Technical Secretariat offices in Turku and Tallinn.

The project preparation team was partially run down in 2007 and the project payment team will be gradually run down during the year 2008.

**Table 10. Use of Technical Assistance in 2007 (see also Appendix 4).**

INTERREG IIIA Southern Finland – Estonia Technical Assistance	Figures 2006 (realised)	Total 2001- 2007 (realised)	TA Budget 2001-2008	Util.rate %
<b>5.1 Programme Management (5%)</b>	<b>307 165</b>	<b>1 963 754</b>	<b>2 236 786</b>	<b>88 %</b>
Personnel (411)	248 372	1 527 685		
Other management expenditure (411) (incl. project monitoring, audits and system audits, programme management related meetings, arrangements and travel; accomodation/premises, rents, mail, phone/fax etc.)	58 793	436 069		
<b>5.2 Other Technical Assistance (3%)</b>	<b>102 273</b>	<b>782 405</b>	<b>846 000</b>	<b>92 %</b>
Information / publicity (415)	89 828	652 517		
Reports, analyses, assessment, evaluation etc. (413)				
External expertise (413)				
Programme mid-term and final evaluation (412)				
Acquisition and maintenance of computer-assisted systems (413)	12 445	129 888		
<b>Technical Assistance Total</b>	<b>409 438</b>	<b>2 746 159</b>	<b>3 082 786</b>	<b>89 %</b>

#### **6.4 Monitoring Committee and Steering Committee Meetings, and Questions Related to Management**

There was one Steering Committee meeting in 2007 (27-28.3.2007 Estonia).

In addition to this three project matters were decided in a written procedure in January and also the Implementation Report 2007 was approved in a written procedure in May. Working languages of the Steering Committee are Finnish and Estonian, all meeting materials are distributed in two languages and there is simultaneous interpretation in the meetings. Major Steering Committee decision matters in 2007 were the joint project decisions, as well as the closure and winding-up timetables. During 2007 there was one call for proposals and it was decided that the funding released from closed projects can be used for additional funding proposals.

There was one Monitoring Committee meeting (29.5.2007 Tallinn). The Monitoring Committee handled the state-of-the-play of the programme, the Annual Report 2006 and the reallocation of funds between measures. Working language of Monitoring Committee is English.

The winding-up process started during 2007. The winding-up body, KPMG Kunta OY/ APA Pertti Keskinen, drew up a draft of the strategy and a summary of the content for the winding-up declaration of the Programme. Three joint meetings were arranged to plan the closure and winding-up process.

The Programme Director took over (on part time basis) the main tasks of the Secretary General in May and almost at the same time two Project Coordinators finished their job

during the spring and the summer. One new employee, Interreg Secretary, started in the beginning of the year. By the end of the year the staff of the Managing Authority and the Technical Secretariat consisted of 5,45 FTE.

### **6.5 *Compatibility with Community Policies***

Procurement rules, the equal opportunities and environmental impact are written into the programme, and they are taken into account in the various processes. Provisions have also been made within the Technical Assistance budget for utilising external expertise if necessary. E.g. the evaluation of environmental impact has been carried out as part of programme decision making: the applicant assesses the environmental impact using a separate EIA form that is appended to the INTERREG application form and, the environmental authorities are involved in national project preparation in Finland and in Estonia as well as they are members in the SC.

Activities in rural areas do not overlap with activities eligible under the national Rural Development Programmes in Estonia and Finland. All activities, also tourism and soil sampling actions have especially been focusing on joint cross-border operations creating joint networks, products and marketing activities. The Programme has not financed any soil sampling projects as indicated in the letter from COM dated 24.8.2007 /Assessment of the quality of the Annual Report 2006.

## APPENDIX 1. List of Joint Projects Approved by the Steering Committee by 31.12.2006

INTERREG IIIA SOUTHERN FINLAND – ESTONIA  
Joint Projects**1. INTERACTION AND NETWORKS****Measure 1.1 Networks of Local and Regional Administration**

The aim is to widen the local and regional administration cross-border networks across the Gulf of Finland, and thus, develop linkages and co-operation structures that assist cross-border integration.

1. PILET Piireületav ühistranspordivõrgustik ja piletiüsteem (public transport systems in capital areas, 2005-2006): MTÜ Helsinki-Tallinn Euregio / YTV (Helsinki Metropolitan Area Council)
2. Terveysliikunnasta hyvinvointia yhteistyössä yli rajojen (cross-border co-operation in health and sports South-West Finland, Uusimaa, Itä-Uusimaa and Estonia, 2005-2007): University of Turku, Centre for Extension Studies / MTÜ Eesti Tervislike Linnade Võrgustik (Estonia Healthy Cities Network)
3. Vakka-Suomen ja Väinänmeren kestävä kalatalouden tavoiteohjelmat (sustainable fishery, 2006-2007): University of Turku, Centre for Maritime Studies / Estonian Maritime Academy
4. Merta – Good Services, Good Experience (services for elderly people 2006-2007): city of Hämeenlinna / city of Tartu
5. eAgingWell (development of data collection system for planning services for the elderly 2006-2007): Åbo Akademi, Institute for Advanced Management Systems Research / Eurohouse MTÜ
6. AiKo – Varsinais-Suomen ja Läänen maakuntien aikuiskoulutusorganisaatioiden yhteistyö (co-operation of adult education institutes in Southwest Finland and Lääne in Estonia 2007): University of Turku, Department of Education / Tallinn Univeristy, Haapsalu College
7. Ekotukitoiminnan kehittäminen (co-operation of environment centres of Helsinki and Tallinn 2007): City of Helsinki, Environment Centre / City of Tallinn, Environment Department
8. First Link: tieto ja -asiointipalvelu alueellisen innovaatioverkoston tukijana (development of electronic information and customer service system, 2007): Turku Polytechnic / Tallinn University, Department of Information studies
9. Uudistettu vanhushuolto – malliksi muille (improved elderly care – setting an example, 2007): Culminatum Ltd Oy / Tallinna Sotsiaal- ja Tervishoiuamet (Tallinn Social Welfare and Health Services Department)
10. STRATEEG (the development of cooperation in the field of strategical planning in Helsinki – Tallinn metropolitan region, 2007): Uusimaa Regional Council / Harju County Government
11. Nuorten seksuaaliterveyden edistäminen paikallistason yhteistyönä (Promotion of sexual health amongst youth in cooperation with local municipalities and NGOs, 2007): Baltic Region Healthy Cities Association / MTÜ Süda-Eesti Sotsiaalkeskus
12. Varsinais-Suomen ja Saarenmaan maakuntakorkeakouluverkosto (The co-operation network between the provinces and high schools of South-West Finland and Saaremaa, 2007): University of Turku, Centre of Extension Studies / Sihtasutus Ülikoolide Keskus Saaremaal (Saaremaa University Centre)
13. Vapaaehtoinen meripelastus I (Voluntary marine search and rescue I, 2007): The Finnish Lifeboat Institution / Toila Vallavalitsus (Municipality of Toila)
14. Lisätoiminnot: 3+3 Yhteinen ympäristö (Additional operations: 3+3 Common Environment Project, 2007): Regional Council of Itä-Uusimaa / Jõgevamaa Omavalitsuste liit (association of local administrations)

**Measure 1.2 Social Interaction and Contacts at the Local and Regional Levels**

The aim is to deepen the linkages between the Southern Finland Coastal Zone and Estonia, and to increase the third sector involvement in cross-border co-operation, especially in the operations of mutual interest.

15. Suomi-Viro puuveneperinteen elvyttäminen II (reviving wooden boat tradition in SF and Estonia, 2005-2007) Ab Svenska Folkhögskolan, SFV Kuggomskolan / Aibolands museum, Haapsalu
16. HIT History in Town (co-operation between regional museums in Southwest Finland and Estonia, 2006-2007): Turku Provincial Museum / Tartu Linnamuuseum (City Museum)
17. Traditsiooniline ja väärtuslik vana maja (Traditional and Valuable Old Building: knowhow on traditional methods, restoration and protection of buildings 2006-2007): Estonian Heritage Society MTÜ Eesti Muinsuskaitse Selts / Föreningen för befrämjande av byggnadsvård rf
18. Maalle oppimaan - Maalle õppima (studying on the countryside: national network of environmental education in Finland and Estonia 2006-2007): MTT Agrifood Research Finland / Univeristy of Tartu
19. FinEst Learning Bridge (2007): University of Turku / Eesti Vabariidusliit (Estonian Non-formal Adult Education Association)

## 2. EMPLOYMENT AND COMPETITIVENESS

### Measure 2.1 Expertise and Know-how

The aim is to increase the know-how and expertise in the programme area, to find new common strength areas and fields of expertise, as well as to support the balanced development of the labour market.

20. VetWork (vocational education and working life; learning-by-doing networks Kymenlaakso, Päijät-Häme, Itä-Uusimaa, Lääne-Virumaa and Ida-Virumaa, 2005-2007): Porvoo International Services / Narva Kutseõppekeskus
21. Ecostall (Functionality and ecological features of cold cowsheds in Southern Finland and Estonia, 2005-2007): Agrifood Research MTT Vihti / Eesti Põllumajandusülikool (Estonia Agricultural University)
22. EDUDEV (co-operation between education institutions and enterprises for improving the subcontracting and business co-operation Southern Finland and Estonia, 2006-2007): Edupoli Porvoo/ Tallinna Tehnikakõrgkool (Tallinn College of Engineering)
23. From SEM to SME (Student Entrepreneurship Model leading to Small and Medium-Sized Enterprises South-West Finland and Tallinn, 2005-2007): Turku Polytechnic / Tallinn University of Technology (Tallinna Tehnikaülikool)
24. Suomalainen ja virolainen koulutus ja EU:n uusi koulutuspolitiikka (new EU education policy in Finland and Estonia, 2006-2007): University of Turku/ University of Tallinn
25. CIP WorkLab (Connecting Information Professionals of polytechnic and university libraries Turku and Tallinn, 2006-2007): Turku Polytechnic /University of Tallinn
26. Web for communication and guidance (university co-operation 2007): University of Helsinki, Palmenia Centre for Continuing Education, Kotka / Tallinn Univeristy, Rakvere College
27. FITIM (Planning an international FITIM educational platform, 2007): Laurea University of Applied Sciences / Lääne-Virumaa Kutsekõrgkool (Lääne-Viru School of Applied Sciences)
28. HETA (development of the cooperation in vocational training and professional certification in Helsinki and Tallinn regions, 2007): Riiklik Eksami- ja Kvalifikatsioonikeskus (The National Examination and Qualification Centre) / Kuntayhtymä Omnia (Federation of Municipalities Omnia)
29. Partnership East (2007): Porvoo International Services / Narva Kutseõppekeskus (Narva Vocational Training Center)
30. Baltic eLearning in Health and Medical Informatic, 2007: Åbo Akademi, Institute for Advanced Management Systems Research / MTÜ Eurohouse

### Measure 2.2 Operating Environment of Enterprises

The aim is to promote co-operation between enterprises in the Southern Finland Coastal Zone and Estonia and to encourage the establishment of firms in the programme area, as well as to improve the possibilities of firms to expand their markets and activities to a wider area. The business environment boosts entrepreneurship and engenders new cross-border enterprises and joint ventures.

31. FinEst Business Network (business development, business advice and business networks Uusimaa and Ida-Viru, 2005-2007): Lohjan Yrityspalvelukeskus Oy (Business Development Agency) / Ida-Virumaa Ettevõtluskeskus (Ida-Viru Enterprise Centre)
32. Lisätoiminnot: FinEst Business Network II (Additional operations: FinEst Business Network; business development, business advice and business networks Uusimaa and Ida-Viru, 2007): Business Development Agency / Ida-Viru Enterprise Centre
33. Cross-border small business environment (business incubators Helsinki-Tallinn and other regions, 2005-2007): Helsinki School of Economics and Business Administration, Small Business Centre / Tallinn Technology Park Development Foundation
- *Model for TTD – Training, Testing and Developing Centre (co-operation in mechatronics and electronics) Project cancelled. Lead partner Salpaus Further Education / Lahti Vocational Institute and partner across the border Tartu Science Park SA Tartu Teaduspark.*
34. Estonian and Finnish Design Challenge (competitiveness in wood and furniture industry 2007): Baltic Design and Interior Network NGO / Pärnu Business and Development Centre
35. Energiapuu – the development of the use of wood in heat production and the assessment of its environmental impacts (2007): Metsätalouden kehittämiskeskus Tapio (Forestry Development Centre Tapio) / Riigimetsa Majandamise Keskus (State forest management centre)

### Measure 2.3 Tourism

The aim is to develop an array of high-quality and multilingual tourism services on both sides of the Gulf of Finland. The development of tourism and related jobs in the rural, coastal and archipelago areas takes into consideration the capacity of nature in these sensitive areas.

36. Yachting in Archipelago (SW Finland and Estonia for target groups in St. Petersburg, Sweden and Germany, 2005-2007): Turku Touring / Läänemaa Arenduskeskus
37. Lisätoiminnot: Yachting in Archipelago (Additional operations: Yachting in Archipelago; foreign media's groups to the Finnish and Estonian archipelago and co-operational network to Sweden and Latvia, 2007): Turku Touring / Läänemaa Arenduskeskus (development centre)
38. KUTUR (spa-, culture- and tourism project promoting North Estonia and South Finland, 2005-2006): Pärnu town / Regional Council of Itä-Uusimaa
39. DIT – Design in Tourism (Building Credible Service and developing tourism companies by connecting their business to social, historical and cultural environment in Päijät-Häme and Estonia, 2006-2007): Lahti Polytechnic / Tartu University

40. Fort turism (building up an attractive tourism in the themes of fortresses Kotka-Hamina and East part of Ida-Viru, 2006-2007): Kotka Hamina Region of Finland Ltd. / Vaivara local administration
41. Majakat matkailutuotteeksi – Tuletornid turismitooteks (lighthouses as tourism objects, 2007): University of Turku / MTÜ Eurohouse
42. Lisätoiminnot: Metsandusliku pärandkultuuri tähtsustamine loodusturismis (additional operations: inventory and protection of cultural heritage in forestry, 2007): Estonia State Forest Management Centre / Forestry Development Centre Tapio in Finland

#### **Measure 2.4 Transport, Communications and Development of Interlinked Services**

The aim is to ensure that the transport and communication links between the Southern Finland Coastal Zone and Estonia promote a holistic development of the programme area: traffic is safe and border-crossings smooth; information technology links support the emergence of the information society.

43. e4 Portaali (web-database for follow-up of energy and water consumption in municipal buildings Southern Finland Estonia, 2005-2007): technical research centre VTT Building and Transport / Tallinn University of Technology TTÜ
44. Summeri II (simulation models for training hazards in the Gulf of Finland, incl. networks with Russia, 2005-2007): Kotka Polytechnic, Maritime Studies / Eesti Mereakadeemia (Estonian Maritime Academy)
45. Lisätoiminnot: Summeri II (Additional operations: Summeri II, 2007): Kotka Polytechnic, Maritime Studies / (Estonian Maritime Academy)
  - *Etelä-Suomen rannikon ja Pärnun välisen meriväylän turvallisuuden parantaminen (improving safety in the marine route between the coast of Southern Finland and Pärnu) Project cancelled. Lead partner Finnish Maritime Administration and partner across the border Estonian Maritime Administration.*
46. ICT Cert (ICT training co-operation and qualifications in Uusimaa, Southwest Finland and Estonia, 2005-2007): Adulta Oy vocational training centre Järvenpää / Estonian Infotechnology Fund (Eesti Infotehnoloogia Sihtasutus)
47. ShipNoDep (Deposition and effects of shipborne atmospheric nitrogen emissions, 2007): Merentutkimuslaitos (Finnish Institute of Marine Research) / Eesti Keskkonnaministeerium (Ministry of Environment)
48. OKT –infra – transit traffic and infrastructural needs in Finland and Estonia (2007): Lappeenranta University of Technology, Kouvola Unit / Estonian Maritime Academy

### **3. COMMON ENVIRONMENT**

#### **Measure 3.1 Co-operation in Environmental Protection and Monitoring**

The aim is to affect the state of the environment in the Gulf of Finland and the future of the common environment. Safeguarding the valuable natural and cultural environment of the programme area creates the basis for achieving the other long-term objectives of the joint programme.

49. 3+3 Yhteinen ympäristö (common environment project on e.g. sustainable recreation use of nature areas Itä-Uusimaa, Kymenlaakso, Päijät-Häme, Ida-Virumaa, Lääne-Virumaa, Jõgevamaa, 2005-2007): Regional Council of Itä-Uusimaa / Jõgevamaa Omavalitsuste liit (association of local administrations)
50. OILECO – Luonnontaloudellisten arvojen merkitys öljyvahinkojen torjunnassa ja haittojen minimoinnissa Suomenlahdella (ecological values in planning activities and minimizing the effects of sea hazards for the coastal areas, 2005-2007): Helsinki University Palmenia, Kotka / University of Tartu, Maritime systems
51. Geoturismi arendamine Eestis ja Soomes: õppides tundma maa minevikku (geological data for education and tourism in Southern Finland and Estonia, 2005-2007): MTÜ GEOGuide Baltoscandia, Tallinn / University of Turku, Department of Geology
52. Metsandusliku pärandkultuuri kaitse ja rakendamine (inventory and protection of cultural heritage in forestry in Harjumaa, Raplammaa, Läänemaa and Uusimaa, 2005-2007): Estonia State Forest Management Centre / Forestry Development Centre Tapio
53. EVAGULF - Suomenlahden vesiluonnon suojele: riskipohjainen päätöksenteko (protection of Gulf of Finland 2006-2007): University of Helsinki, Department of Biological and Environmental Sciences, Kotka / Estonian Marine Institute, University of Tartu

#### **Measure 3.2 Co-operation in Improving the Environment**

The aim is to ensure the citizens and enterprises in the programme area a clean, healthy and pleasant environment for living and operating. Cross-border co-operation increases environmental know-how and creates growth potential for the enterprises in this field.

54. RePlast FinEst -kehittämishanke – Muovin(+SER) uusiokäyttö (developing the recycling of plastic waste in Sfinland and EST, 2005-2007); Helsinki University Palmenia Lahti / TTÜ, MATTECH Center (Materialitööstustehnoloogiate Siirdekeskus)
55. Uusi Elämä - Uus Elu (Waste prevention, consumer education and recycling in Uusimaa, SW Finland, Tallinna, Harjumaa, Tartu and Ida-Virumaa, 2005-2007): Pääkaupunkiseudun Kierrätyskeskus Oy (Recycling Centre) / MTÜ Taaskasutus
56. Ruovikkostrategia Suomessa ja Virossa (strategy for utilisation of reed in Southern Finland and Estonia coastal areas, 2005-2007): South-West Finland Environment Centre / Tallinn University of Technology
57. Ölitörje-alase valmisoleku suurendamine Soome lahe ääres (voluntary organisations and preparedness for oil hazards in the Gulf of Finland, 2005-2006): SA Eestimaa Looduse Fond (Estonian Fond for Nature) / WWF Finland

58. Kiinteistöalan suomalais-virolainen kehitys- ja koulutushanke (Finnish-Estonian development and training project in real estate sector, 2005-2007): Real Estate Training Fund Kiinteistöalan koulutussäätiö / TTÜ, Ehitustootluse instituut (Tallinn University of Technology)
59. Ölitõrje-alase valmisoleku suurendamine Soome lahe ääres II (preparedness for oil hazards in the Gulf of Finland 2007): ELF Estonian Fund for Nature / WWF Finland
60. Ympäristöonnettomuudet ja niihin varautuminen (preparedness for environmental hazards 2006-2007): University of Helsinki, Palmenia Centre for Continuing Education / Estonian Meteorological and Hydrological Institute

NOTE: a more detailed list of projects incl. SFCZ projects (2001-2004) and the complementing call projects (2004) is available at **[www.interreg-finest.net](http://www.interreg-finest.net)**

APPENDIX 2. Statement of Expenditure by Priority and Measure 2007

Commission index number 2000 CB 16 0 PC 011								
Name: C(2004) 4260 INTERREG IIIA Southern Finland – Estonia [ C(2005)5791 / 21.12.2007 ]								
Date:								
Priority/Measure	Total actually paid and certified eligible expenditure (euro)							
	2007				Total			
	Public		Private	Expenditure	Public		Private	Expenditure
	Community	Other public			Community	Other public		
Priority 1								
Measure 1.1	571 648,09	507 117,00		1 078 765,09	2 252 325,42	2 332 908,27		4 585 233,69
Measure 1.2	373 345,93	319 386,63		692 732,56	1 317 526,45	1 391 581,73		2 709 108,18
Priority 2								
Measure 2.1	407 447,06	302 931,84		710 378,90	1 814 917,21	1 728 852,63		3 543 769,84
Measure 2.2	301 060,56	205 309,80		506 370,36	1 023 168,06	815 180,60		1 838 348,66
Measure 2.3	395 703,00	249 878,09		645 581,09	1 336 418,34	1 189 854,47		2 526 272,81
Measure 2.4	383 249,06	258 428,94		641 678,00	1 043 033,32	787 272,28		1 830 305,60
Priority 3								
Measure 3.1	608 879,94	390 312,14		999 192,08	1 778 524,31	1 474 152,65		3 252 676,96
Measure 3.2	650 704,72	454 957,80		1 105 662,52	2 042 232,89	1 687 970,71		3 730 203,60
Priority 4								
Measure 4.1					355 238,18	415 789,92		771 028,10
Priority 5								
Technical Assistance 5.1	196 171,36	196 171,40		392 342,76	995 226,10	995 226,25		1 990 452,35
Technical Assistance 5.2	20 781,41	20 781,41		41 562,82	341 633,31	341 633,31		683 266,62
Total								
ERDF Total	3 908 991,13	2 905 275,05		6 814 266,18	14 300 243,55	13 160 422,86		27 460 666,41

## APPENDIX 3. Technical Assistance (TA) expenditure in 2001-2007

	realised 2007	budgeted 2007		total 2001-07	TA budget 2001-08	2001-06 %
<b>TA1 Programme Management</b>	<b>307 165</b>	<b>380 000</b>		<b>1 963 754</b>	<b>2 236 786</b>	<b>88 %</b>
Personnel	248 372	260 000		1 527 685		
Other programme management related	58 793	120 000		436 069		
Audits, monitoring	20 269	50 000		91 269		
Meetings, travels (incl. e.g. interpretation, external expertise)	15 601	30 000		143 660		
Supplies, rents, mail, tele...	22 923	40 000		201 140		
<b>TA2 Other Technical Assistance</b>	<b>102 273</b>	<b>180 867</b>		<b>782 405</b>	<b>846 000</b>	<b>92 %</b>
Information and publicity	89 828	154 367		652 517		
Official announcements				68 291		
Information/training events		14 000		119 841		
Seminars for interest groups	-37	10 000		87 769		
Materials, publications, media contacts, other external exp.	1 084	22 000		126 705		
Translation/language checks	1 863	10 000		47 143		
Monitoring						
Project preparation support				15 850		
Interest	86 918	90 000		86 918		
Other		8 367				
Programme preparation				100 000		
Other than info/publicity-related	12 445	26 500		129 888		
Reports, analyses (external)	5 766	11 000		21 005		
External expertise (e.g. EIA)	38	4 000		17 411		
Mid-term and final evaluations		0		32 787		
Computer-assisted systems (e.g. fimos, extranet)	6 641	10 000		58 685		
Other		1 500				
<b>Technical Assistance in Total</b>	<b>409 438</b>	<b>560 867</b>		<b>2 746 159</b>	<b>3 082 786</b>	<b>89 %</b>

## APPENDIX 4. Financial table by priority and measure (ref. Vademecum, table 10)

Financial table for annual implementation report by priority and measure

Commission Reference No 2000 CB 16 0 PC 011

Title K (2001) 2809 Southern Finland-Estonia Interreg IIIA -programme

Year 2001- 2007

Priority/Measure	Total Public Eligible Expenditure	Total Eligible Actually Paid and Certified Expenditure (ERDF contribution)	% of Public Eligible Cost	Other	Fied of intervention
	1	2	3=2/1		
Priority 1					
Measure 1.1	4 585 233,69	2 252 325,42	49,12		21 (50%), 22 (50%)
Measure 1.2	2 709 108,18	1 317 526,45	48,63		21 (50%), 22 (50%)
Priority 2					
Measure 2.1	3 543 769,84	1 814 917,21	51,21		23 (100%)
Measure 2.2	1 838 348,66	1 023 168,06	55,66		163 (25%), 164 (25%), 167 (25%), 24 (25%)
Measure 2.3	2 526 272,81	1 336 418,34	52,90		
Measure 2.4	1 830 305,60	1 043 033,32	56,99		172 (33%), 173 (33%), 174 (33%) 315 (25%), 316 (25%), 323 (25%), 324 (25%)
Priority 3					
Measure 3.1	3 252 676,96	1 778 524,31	54,68		353 (50%), 343 (50%)
Measure 3.2	3 730 203,60	2 042 232,89	54,75		314 (25%), 343 (25%), 344 (25%), 345 (25%)
Priority 4					
Measure 4.1	771 028,10	355 238,18			The activities implemented with the special support cover the same main fields of intervention as the other Measures
Priority 5					
Technical assistance 5.1	1 990 452,35	995 226,10	50,00		411 (100%)
Technical assistance 5.2	683 266,62	341 633,27	50,00		
					412 (33%), 413 (33%), 415 (33%)
Total					
ERDF related	27 460 666,41	14 300 243,55	52,08		