



# Regional Development Block Grant

financed by  
Norwegian and EEA Financial Mechanisms

Enterprise Estonia  
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# FINANCING

## Norwegian Financial Mechanism

ca EUR 1.9 million  
(ca 30 million EEK)

## EEA Financial Mechanism

(donor-states: Norway, Iceland and Liechtenstein; Norway contribution is 95%)

Ca EUR 1.8 million  
(ca 28 million EEK)

Additional information: [www.eeagrants.fin.ee](http://www.eeagrants.fin.ee)



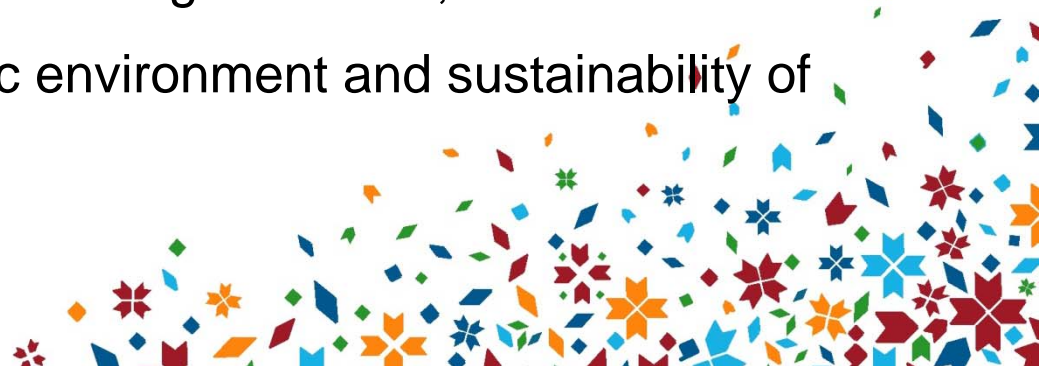
## REGIONAL DEVELOPMENT BLOCK GRANT

- A total of ca 53.2 million EEK (ca **3.4 million EUR**) is allocated for grants
- Implementation takes place on the entire territory of Estonia
- The Estonian Ministry of the Interior is responsible for the coordination of the Block Grant
- Enterprise Estonia is responsible for the implementation of the Block Grant
- There will be two open calls



# OBJECTIVES

- The general objective of the Block Grant is to contribute to the sustainable and balanced development of the regions of Estonia.
- The sub-objectives of the Block Grant are as follows:
  - To strengthen the administrative capacity of Estonian local governments, local government associations and county governments, mainly for developing public services and creating innovative/better development solutions for regions;
  - To promote cooperation between local governments, county governments, local government associations and non-profit associations on the local and regional level;
  - To improve the economic environment and sustainability of regions.



## Eligible applicants

- Local government units (LGs);
- Local government associations;
- County governments;
- Non-profit associations and foundations.



## Eligible activities

### Priority I

**“Promotion of local and regional cooperation and strengthening of the administrative capacity of public sector organisations”**

### Priority II

**“Improvement of the economic and development environment”**

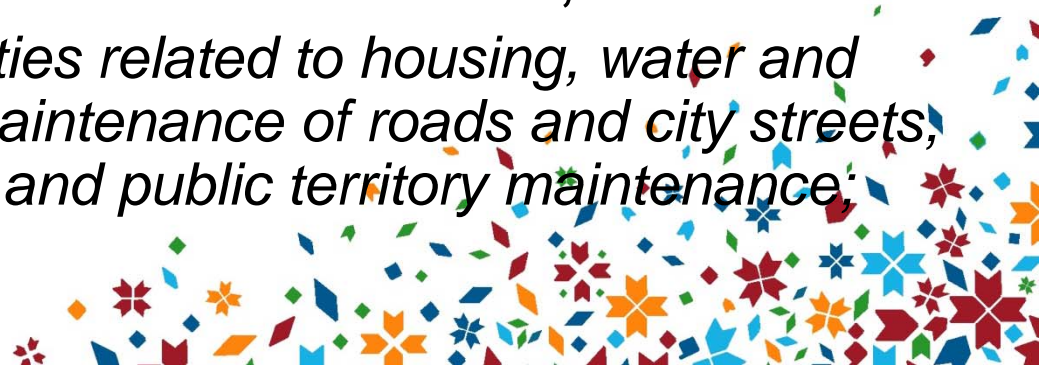


## Priority I - Eligible activities (1)

- 1) Surveys, analyses, forecasts, expert opinions, seminars etc undertaken by at least two LGs, with the following objectives:
  - development of the common public services
  - transfer of public services to non-profit associations
  - optimisation of territorial administrative division;

- 2) Pilot projects – better public services via cooperation between at least two LGs,

*exception: the activities related to housing, water and sewerage supply, maintenance of roads and city streets, waste management and public territory maintenance;*



## Priority I - Eligible activities (2)

- 3) Common development plans, strategies, spatial planning (by at least two LGs);
- 4) Increasing administrative capacity of local governments, local government associations and county governments,  
***Partnerships important!** Transfer of knowledge and best practice from local and regional authorities in other EEA and EFTA member states (especially Norway, Iceland and Liechtenstein);*
- 5) Enhancement of the negotiation and lobby skills of local government associations, their participation in policy-making processes  
***including pilot projects!***



## Priority II - Eligible activities

- 1) Establishment of public wireless internet and provision of public internet points with ID-card readers  
*NB: Regional activity – applicants may be only county governments or local government associations!*
- 2) Local traditional know-how transfer (local workshops);
- 3) Alternative activities for stimulating local employment;
- 4) Development of business networks between Estonia and EEA/EFTA member states.



## Eligible costs:

- Costs incurred by a grant recipient or a project partner which are necessary and directly related to the implementation of a project, and are incurred within the dates of eligibility.

### Limitations:

- **Overheads**

- can constitute up to **10%** of the project costs;
- should be based on real costs which relate to the implementation of a project (project manager salary, telecommunication costs, transportation costs etc) and allocated on a pro-rata basis to the project.

- **Real estate investment**

- can constitute up to **50%** of the project costs and incorporate all costs related to real estate (including reconstruction and repairing of buildings)
- are eligible if there is a direct link between the real estate investment and the objectives of the project.



# PARTNERSHIP

- The Financial Mechanisms aim to strengthen the **bilateral relations** between Estonia and the EEA/EFTA states, especially donor states. Strong and extensive partnership is a benefit for every project implementation and gives an advantage in application assessment.
- *Project partner may be a juridical body, which has an essential role in the project implementation and/or contributes to the project budget.*
- **Project partner may be :**
  - a juridical body registered in Estonia
  - a public authority or an equivalent body from any EEA/EFTA state
- Partners can get refund for their eligible costs and contribute to the budget in case they have signed a relevant **cooperation agreement** with a grant recipient.



## REQUIREMENTS TO PARTNERS

- A partner may not have tax arrears;
- If a partner has received financial aid which has been subject to repayment, the repayments must be made on time and in a correct sum;
- A partner has to proof in a written way the availability of recourses for co-financing of the project;
- If a partner is applying for financial aid from other sources for the project in question, the partner should notify the grant applicant about this.



## Grant amount per project:

- The minimum size of grants per project is **EEK 100 000** (EUR 6 391,16)
- The maximum size of grants per project is **EEK 3 100 000** (EUR 198 126,11)

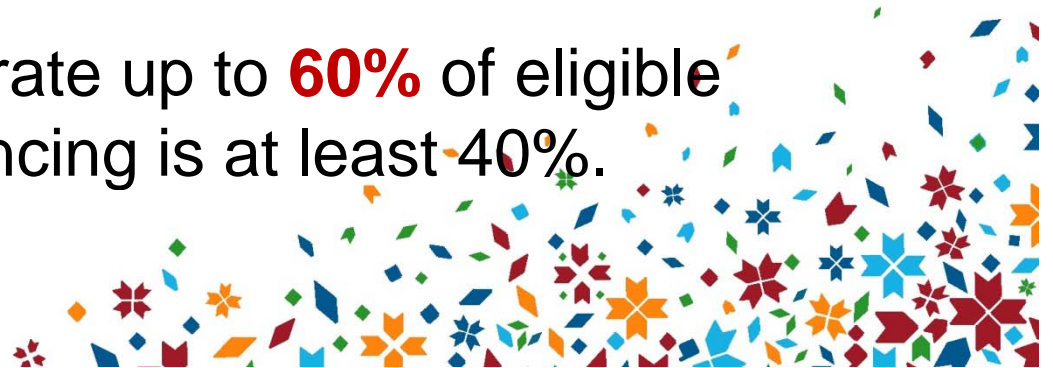
## Duration of projects:

- Maximum duration of projects is 24 months, but no longer than **28 February 2011**



## RATES OF GRANT ASSISTANCE

- grant rate up to **85%**
  - if at least 15% of eligible expenditures are funded from the budget of state or local government units
- grant rate up to **90%**
  - if grant recipients are non-profit associations or foundations that are operating in the public interest and are not under the control of the state or a local government
- grant rate up to **60%**
  - for activities falling under the priority II activity number 4
- In other cases, the grant rate up to **60%** of eligible expenditure and self-financing is at least 40%.



- **The first open call**

- Application submission deadline: 30<sup>th</sup> of June 2008
- Funds allocated for grants 26,6 million EEK

- **The second open call**

Application submission deadline falls between December 2008 -  
January 2009  
(the exact date will be specified later)

- The time for processing applications that meet the technical requirements is generally up to 90 working days as of the moment of application registration.



## ADDITIONAL INFO

In Estonian - [www.eas.ee/noremp](http://www.eas.ee/noremp)

In English - [www.eas.ee/?id=4012](http://www.eas.ee/?id=4012)

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In April 2008, informative seminars will be held in  
Tartu, Pärnu and Jõhvi



**THANK YOU FOR ATTENTION!**

