

European Union Structural Funds and Priority 4 “Infrastructure and Local Development” of the Estonian National Development Plan



As a member state of the European Union (EU), Estonia will have the opportunity to participate in the regional policy of the Community and to receive financial assistance from the EU budget. The principles of EU Structural Funds assistance and its use and application procedures are described in “The Estonian National Development Plan for the Implementation of Structural Funds – Single Programming Document 2004–2006” (SPD). SPD is the basis for cooperation between Estonia and the EU in enhancing social and economic development.

According to the needs of Estonian economy, four priority areas have been chosen for Estonia:

- Human resource development
- Competitiveness of enterprises
- Agriculture, fisheries and rural development
- Infrastructure and local development.

Priorities are divided into measures. Each project funded from the EU Structural Funds must comply with the SPD and the specific application requirements developed for the conditions of the respective measure by the Implementing Agency responsible for the measure. In addition, projects must comply with all the basic criteria listed below:

- The project has to comply with the SPD strategy and the objectives of the measure and priority under which funding is applied for;
- The project has to be relevant and up-to-date – meeting research results, development plans or clearly proved needs;
- The project must be economically efficient and effective;
- The project must be sustainable, creating a permanent or long-term added value;
- The applicant must be able to implement the project.

This brochure focuses on Priority 4 of the SPD – “Infrastructure and Local Development”. The brochure will help to find answers to such general questions as the objectives of the Priority, eligible applicants, supported activities and costs, etc.

Please note that the brochure does not list precise conditions for applicants and applications or deadlines for submission of applications. Rather, it contains a description of general guidelines to explain the objectives of the given Priority, the general application conditions and activities that may be potentially supported.

For more information about specific application submission conditions please refer to the Intermediate Body or Implementing Agency, of each measure. County development centres can assist and advise in project drafting. The list of county centres is given in Annex 1 of the brochure.

Priority 4 of the Estonian National Development Plan “Infrastructure and Local Development”

The general objective of the “Infrastructure and Local Development” priority is establishing infrastructures that support balanced and sustainable economic development.

This Priority shall concentrate on the development of such parts of the infrastructure that have direct impact on the socio-economic development or the improvement of which cannot be postponed any further. Regional growth centres will be preferred as defined by the national regional policy and spatial planning documents in force. The special focussing is important especially when developing the networks of educational establishments, hospitals and transport. The physical infrastructures significantly influence regional development – therefore, when implementing the measures, the needs of regional balancing will be kept in mind.

As a rule, development of infrastructures held by private bodies will not be supported. In general, no support will be available for commercial telephone and data communication networks, or the distribution of electricity and transmission networks.

The “Infrastructure and Local Development” priority is financed from the European Regional Development Fund (ERDF). During the funding period 2004–2006, 181 million euros will be allocated under this priority, of which the co-funding of the ERDF will amount to 138 million euros and the Estonian match funding to 43 million euros.

It should be noted that not all the measures under Priority 4, except for 4.2 and 4.6.2, are open to all applicants. The projects to be financed and the financial plan will be first approved by the Government of the Republic.

Measure 4.1: Development of Transport Infrastructure.

The objects of the Measure are state roads, railways, ports and airports.

Objectives of the Measure

- Removing bottlenecks of transport connections that hinder economic development and modernisation of connection opportunities;
- Construction and upgrading of transport projects linked to the Trans-European transport network (TEN-T);
- Improving access to regional centres;
- Improving safety in transport sector;
- Improving environmental situation in the transport sector;
- Technical preparation of infrastructure projects (studies, design).

Supported activities

- Roads;
- Railways;
- Airports;
- Ports and waterways;
- Studies.

Applications may be submitted by

- State boards responsible for transport;
- Commercial transport undertakings with state participation.

Financial plan 2004–2006

During the funding period 2004–2006, 35.6 million euros will be allocated under this Measure, of which the co-funding of ERDF will amount to 26.7 million euros and the Estonian match funding to 8.9 million euros.

Application Procedure

Applications are received and processed at the Implementing Agency for Measure 4.1. According to the project field, the Implementing Agencies are:

- Estonian Road Administration;
- Estonian Maritime Administration;
- Estonian Railway Inspectorate;
- Estonian Civil Aviation Administration.

If an Implementing Agency is the applicant, the application will be received and processed by the Ministry of Economic Affairs and Communications.

These conditions were elaborated by the Intermediate Body for Measure 4.1, the Ministry of Economic Affairs and Communications.

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Measure 4.2: Development of Environmental Infrastructure.

Objectives of the Measure

- Improving the environmental situation in Estonia;
- Achieving and ensuring a good status of surface waters and ground-water;
- Reducing the environmental impact of the energy sector, improving efficiency and increasing the share of renewable energy;
- Prevention and reduction of waste production, together with the related health and environmental hazards;
- Preservation of biological and landscape diversity.

Supported areas

Water protection and use

- Regeneration and restoration of the status of water-bodies (regeneration);
- Treatment and sanitation of water-bodies);
- Elimination of past pollution from water bodies affecting the status of water.

Renewable energy

- Introducing renewable energy, emphasis is on increasing the share of electric power produced from renewable sources;
- Preparatory studies.

Waste management

- Closing down and sanitation of old and small landfills;
- Implementation of selective waste collection systems and increase of waste recovery;
- Recovery of biodegrading waste for compost.

Biological and Landscape Diversity

- Restoration of the habitats in Natura 2000 sites;
- Purchasing small-scale equipment directly related to restoration of habitats;
- Development of infrastructure.

Applications may be submitted by

- Enterprises (general partnerships, limited partnerships, private limited companies, public limited companies, commercial associations);
- Local municipalities, state agencies dealing with environmental protection, enterprises under the control of the state, local government or other public entity;
- NGOs and foundations.

Financial plan 2004–2006

During the funding period 2004–2006, 12.8 million euros will be allocated under this Measure, of which the co-funding of ERDF will amount to 9.6 million euros and the Estonian match funding to 3.2 million euros.

Application Procedure

Applications are received and processed by the Implementing Agency of the Measure, the Environmental Investment Centre (EIC).

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These conditions were elaborated by the Intermediate Body for this Measure, the Ministry of Environment.

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Measure 4.3: Modernisation of Infrastructure for Vocational and Higher Education

Objectives of the Measure

- Creating the necessary conditions for delivering internationally competitive vocational and higher education that meets labour market requirements;
- Achieving a modern environment that promotes learning and research activities in vocational and higher education institutions;
- Providing a technical basis promoting qualitative learning and research activities, including making computers and Internet available for all the students and expansion of Internet-based services;
- Development of infrastructures that help young people to enter the labour market.

Supported activities

- Constructing and renovating buildings and research-bases of vocational and higher education institutions;
- Procuring contemporary equipment, inventory and work devices necessary for learning and research in vocational schools;
- Establishing youth information and career counselling centres and public youth centres.

Applications may be submitted by

The measure supports investment projects of only these vocational educational institutions, applied higher educational institutions, public universities, information and counselling centres and open youth centres that have been listed in the Plan for Use of Investment Support elaborated by the procedure established by the Minister of Education and Research and approved by the Government of the Republic (Order no. 344-k of the Government of the Republic of 6 May 2004).

Financial plan 2004–2006

During the funding period 2004–2006, 34.9 million euros will be allocated under this Measure, of which the co-funding of ERDF will amount to 27.9 million euros and the Estonian match funding to 7 million euros.

Application Procedure

Applications will be received by INNOVE, Foundation for Life-long Learning Development, which is the Implementing Agency for this Measure.

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These conditions were elaborated by the Intermediate Body for this Measure, the Ministry of Education and Research.

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Measure 4.4: Reorganisation of the Hospital Network

Objectives of the Measure

- Ensuring regionally balanced quality and accessibility of health care services and enhancing the efficiency of service delivery;
- Supporting the reorganisation of the hospital network according to the Hospital Network Development Plan;
- Ensuring the conformity of hospital buildings, treatment and working conditions to the established standards.

Supported activities

- Design of hospital buildings;
- Construction of hospital buildings, including:
 - erection of new buildings;
 - expansion, reconstruction, modification of utility systems and demolition of existing buildings;
 - equipment.

Applications may be submitted by

Companies or foundations that are operating a hospital specified in the list of hospitals set out in the Hospital Network Development Plan established by Regulation No. 105 of the Government of the Republic of 02 May 2003 (RT I 2003, 35, 223).

Financial plan 2004–2006

During the funding period 2004–2006, 33.1 million euros will be allocated under this Measure, of which the co-funding of ERDF will amount to 24.8 million euros and the Estonian match funding to 8.3 million euros.

Application Procedure

Applications are received and processed by the Implementing Agency of the Measure, the Ministry of Social Affairs.

These conditions were elaborated by the Intermediate Body for this Measure, the Ministry of Social Affairs.

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Measure 4.5: Information Society Development

Objectives of the Measure

The measure is aimed at supporting the realisation of objectives set in the Estonian information policy document “Principles of Information Policy 2004–2006” as well as in “eEurope 2005”.

The specific objectives are:

- Development of one-stop channel for citizens and ensuring the interoperability of information systems;
 - Further development of public sector e-services.
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Supported activities

Creation and implementation of new IT solutions necessary for the development of information society (eCitizen Portal, service layer of state registers and ID-card applications to enable the communication of citizens with state registers, digital health history, etc.);

- Creation of demand for innovative solutions (e.g. Public Key Infrastructure that can be used for offering secure services);
- Upgrading the public IT infrastructure for enabling participation in the information society related initiatives of the EU.

Applications may be submitted by

- Central government bodies.

Financial plan 2004–2006

During the funding period 2004–2006, 8.3 million euros will be allocated under this Measure, of which the co-funding of ERDF will amount to 6.2 million euros and the Estonian match funding to 2.1 million euros.

Application Procedure

Applications are received and processed by the Implementing Agency of the Measure, the Estonian Informatics Centre (EIC).

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These conditions were elaborated by the Intermediate Body for this Measure, the Ministry of Economic Affairs and Communications.

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Measure 4.6: Local Socio-Economic Development

Objectives of the Measure

- Contributing to Estonia's general viable and balanced economic development through the elimination of bottlenecks in local infrastructures and enhancing local attractiveness;
 - Improving the availability and quality of public services (mainly concerning basic education, district heating);
 - Increasing the economic efficiency of local public infrastructure;
 - Providing employment opportunities and raising the quality of life of local population (jointly with other measures);
 - Eliminating local bottlenecks that hinder the maximum use of local development potential;
 - Developing specific competitive advantages of the regions.

Supported areas

- Education and social infrastructure for employment;
- Local transport infrastructure;
- Municipal technical infrastructure;
- Local tourism and recreation.

The following fields will not be supported:

- Maintenance and repairs of maintenance character;
- Investments into local streets and roads, except those mentioned under local tourism and recreation;
- Local infrastructure related to social services for elderly and health care;
 - Purchase of public transport vehicles;
 - Investments into infrastructure in private ownership (except hiking routes, observation towers and opening of sites in case of which contractual relations with the private land owner securing public use of the facility will be established at least for 5 years);
 - Regular events already initiated and any other repeating activities (except first time arrangement of future regular events and activities);

- Construction or renovation of administrative premises of protected areas if foreseen for administrative purposes;
- Development of accommodation and catering.

Applications may be submitted by

- Local municipalities;
- Municipal companies, i.e. companies with at least 50% municipal ownership (eligible only in case of investments into municipal technical infrastructure);
- Foundations and non-governmental organisations (eligible only in case of investments into education and social infrastructure and in case of local tourism and recreation).

Exceptionally also in case of local tourism and recreation:

- County museums;
- State authorities managing protected nature objects.

Financial plan 2004–2006

During the funding period 2004–2006, 57 million euros will be allocated under this Measure, of which the co-funding of ERDF will amount to 42.8 million euros and the Estonian match funding to 14.2 million euros.

Application Procedure

Applications are received and processed by the Implementing Agency of the Measure, Foundation Enterprise Estonia.

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These conditions were elaborated by the Intermediate Body for this Measure, the Ministry of Internal Affairs.

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Contacts of County Development Centres

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