

TWINNING FINAL REPORT



EUROPEAN COMMISSION

**TWINNING PROJECT'S
FINAL REPORT**

Project Title: Improving the Quality of Estonia's National Greenhouse Gas Inventory

Partners: Statistics Finland and the Ministry of the Environment, Estonia

Date: 2 October 2009

Twinning Contract number: EE06-IB-TWP-ENV-06

Twining Contract number: EE06-IB-TWP-ENV-06

Section 1: Project data

| | |
|-------------------------------------|----------------------------------------------------------------------|
| Twining Contract Number | <i>EE06-IB-TWP-ENV-06</i> |
| Project Title: | Improving the Quality of Estonia's National Greenhouse Gas Inventory |
| Twining Partners (MS and BC) | Statistics Finland Ministry of the Environment, Estonia |
| Duration of the project: | 8 December 2008 to 7 October 2009 |
| MS Project leader: | Riitta Pipatti |
| BC Project leader: | Viktor Grigorjev |

Section 2: Content

2A – EXECUTIVE SUMMARY

2B – BACKGROUND

2C – IMPLEMENTATION PROCESS

2D – ACHIEVEMENT OF MANDATORY RESULTS

2E – IMPACT

2F – FOLLOW-UP AND SUSTAINABILITY

2G –CONCLUSIONS

2H – FINAL RECOMMENDATIONS

2I – ANNEXES

2A - EXECUTIVE SUMMARY

This twinning Light project “Improving the Quality of Estonia’s National Greenhouse Gas Inventory” aimed at analysing the Estonian inventory preparation and finding ways to improve it, so that the inventory will meet the requirements under United Nations Framework Convention on Climate Change and the Kyoto Protocol, as well as the EC Mechanism for monitoring greenhouse gas emissions and for implementing the Kyoto Protocol.

The project was implemented during eight missions and the mandatory results defined in the project proposal of the project were achieved. The Estonian inventory process, including quality and uncertainty management, and methodologies used to prepare the estimates were analysed and recommendations were made for improvement. Many recommendations were implemented already during the project. An important part of the project was also the development of the terms of reference (TOR) for an integrated IT system for preparation of the greenhouse gas inventory. The IT system covered also the air pollutant inventory system. In addition to the TOR for the IT system, a demo version of the proposed system was developed, in order to facilitate its implementation.

The project identified the Estonian inventory team to be competent and motivated to develop the inventory process. The resources and institutional arrangements would need strengthening, including higher level support from the relevant ministries. The institutional arrangements received much attention during the project, and were partly strengthened by increased collaboration within the organisations participating in the inventory process, as well as with other expert organisations relevant for the inventory process.

A new QA/QC plan was developed during the project, and guidance for its implementation was given. The uncertainty analysis methodology was improved, however additional resources would be needed for implementation of a higher tier methodology in estimating the uncertainties. Recommendations for methodological improvements in the estimation of the emissions and removals were given for all sectors. The land use, land-use change and forestry sector, and especially the reporting on afforestation, reforestation and deforestation under Article 3, paragraph 3, was identified as an area where improvements should be prioritised. Detailed recommendations on the improvements need were given. In addition, a supporting project funded by the Finnish Ministry of the Environment was established during the project.

The project established contacts with the Estonian and Finnish inventory teams, and collaboration will continue also after the project. Annual meetings of the inventory teams and mutual projects for improving specific parts of the inventories will be the forms of collaboration.

Results of the project will be introduced to the higher level officials in the Ministry of the Environment containing list of necessary improvements to the greenhouse gases inventory and national system with expected timescale and necessary budget where appropriate. Depending on the available resources, a plan for the improvement of the inventory and national system will be developed and implemented.

2B - BACKGROUND

Starting Point

The estimation and reporting of national greenhouse gas (GHG) emissions and removals are mandatory requirements under the United Nations Framework Convention on Climate Change (UNFCCC). The national GHG inventory is annually submitted to the secretariat of the UNFCCC. The inventories are also reviewed annually by international expert review teams. The reviews are coordinated by the UNFCCC secretariat.

The inventories under the UNFCCC are also inventories under the Kyoto Protocol. The national GHG inventory and the supplementary information to be included in the inventory based on guidelines under Article 7, paragraph 1, constitute the basis for the assessment of compliance with the quantified emission limitation or reduction commitments of the Protocol.

The Kyoto Protocol requires its Parties also to establish and maintain a national system for the estimation and reporting of greenhouse gas emissions. The system must fulfil specific legal, institutional and functional requirements to ensure that the inventory can be prepared in accordance with the requirements and set timelines¹. The national system is also reviewed by the above mentioned expert review teams. Problems identified by the expert review teams with the inventory estimates can lead to the calculation of adjusted estimates, which are calculated in a conservative way, and can increase the emission reduction or limitation burden of the Party. Severe problems with the estimates, or problems with the national system, can lead to the loss of eligibility to use the mechanisms² of the Kyoto Protocol.

Member States of the European Union (EU) have also reporting obligations under the monitoring mechanism for Community greenhouse gas emissions and for implementing the Kyoto Protocol (Decision 280/2004/EC). The reporting obligations are largely consistent with those under the UNFCCC and Kyoto Protocol, but include some additional elements like reporting of indicators. The timelines for reporting to the European Commission are more stringent, as the EC inventory is done based on the submissions under the monitoring mechanism. When a member state fails to meet the requirements under the EC monitoring mechanism, the Commission will initialise the infringement procedure.

The Estonian Ministry of the Environment is the national entity responsible for the national greenhouse gas inventory preparation and submissions under the UNFCCC, Kyoto Protocol and EU monitoring mechanism. The ministry has delegated the responsibility of the coordination of inventory calculations and documentation as well as the compilation of the inventory report and the Common Reporting Format (CRF) tables to Estonian Environment Information Centre (EEIC). Sectoral experts at the Tallinn University of Technology (TUT) and Estonian Environmental Research Centre (EERC) perform the inventory calculations and prepare parts of the inventory report.

In recent years, the expert review teams have identified potential problems with the Estonian Greenhouse Gas Inventory. The identified problems are related both to the performance of the national system (such as the status of legal arrangements, lack of quality assurance/quality control plan, and the lack of an uncertainty analysis and insufficient archiving processes) and the inventory calculations.

¹ Decision 19/CMP.1. Guidelines for national systems under Article 5, paragraph 1, of the Kyoto Protocol. FCCC/KP/CMP/2005/8/Add.3, pp. 14 - 20.

² Mechanisms of the Kyoto Protocol: Emission Trading, Joint Implementation and the Clean Development Mechanism.

At present the sectoral experts use independent calculation models, mostly spreadsheet models based on the IPCC guidelines and good practice reports³. The calculation spreadsheet and models are not available for the inventory compiler. Also, the compilation includes many manual phases, which increase the risk of errors. Therefore, Estonia has aimed to develop an integrated IT system for the greenhouse gas inventory.

The EEIC is also responsible for the compilation of the air pollutant inventories under the Convention of Long Range Transboundary Air Pollution (CLRTAP) and related directives of the EC. The EEIC has estimated that additional benefits (efficiency, improved consistency of inventory data) could be achieved if the IT system for the GHG inventory would be integrated with the air pollutant inventory processes.

The project was initiated to address the potential problems in the Estonian inventory system and preparation process, and to increase the sustainability and efficiency of the inventory process through detailed planning and implementation of an integrated IT system.

Objectives

The objective of the project was to improve the Estonian greenhouse gas (GHG) inventory so that it would meet the reporting requirements under the UNFCCC and the Kyoto Protocol, as well as EC monitoring mechanism.

The improvements in the Estonian inventory should ensure that the expert review teams under the UNFCCC and the Kyoto Protocol would find the Estonian national system for estimation of GHG emissions and removals, and the national inventory satisfactory.

The purpose of the project was also to analyse the sustainability of the Estonian national system and make recommendations for its improvement.

The mandatory results of the project were defined as follows:

1. The Estonian inventory process and sectoral methodologies and documentation in the National Inventory Report have been analysed and recommendations for improvement have been made. Some improvements were foreseen to be implemented during the project, some by the Estonian inventory team after the project.
2. Terms of reference (TOR) for the development of a single IT system to facilitate data handling and reporting of greenhouse gas emissions have been developed. Integration of the calculations of the greenhouse gas emissions and emissions of air pollutants are included in the TOR. The IT system will be implemented by EEIC through the project funded by Estonian Environment Investment Centre after the end of the project.
3. The QA/QC plan for the Estonian greenhouse gas inventory has been developed. Guidance for the implementation, including examples of QA/QC procedures from other EU member states, has been given during the project.
4. Guidance for improving the uncertainty management of the Estonian greenhouse gas inventory has been given. The guidance has included examples of uncertainty management systems from other EU member states.

³ Revised 1996 IPCC Guidelines for National Greenhouse Gas Inventories (1997); IPCC Good Practice Guidance and Uncertainty Management in National Greenhouse Gas Inventories (2000); IPCC Good Practice Guidance for Land Use, Land-Use Change and Forestry (2003).

5. The knowledge of the Estonian inventory experts on the requirement of reporting under the UNFCCC and Kyoto Protocol and methodologies to prepare the emission and removal estimates has increased during the project so that they are able to prepare a transparent and good quality greenhouse gas inventory.
6. Professional contacts between the Finnish and Estonian inventory teams have been established.

2C - IMPLEMENTATION PROCESS

Developments outside the project

During the implementation of the project the global economy declined. Also the Estonian economy declined which led to budget cuts. The budget for the inventory preparation was cut with 50 per cent. Due to the shortage of financial resources, the implementation of some of the recommendations of the project is uncertain.

During the project Estonia made its national inventory submission for the year 2009. This submission will be reviewed 28 September – 3 October 2009. The project was implemented only after the submission in 2009 and its impact of improvement in the inventory estimation and documentation can be seen only in the submission 2010. Some aspects of the project, like the development of the QA/QC plan will however be of use in the review in 2009.

Project developments

The notification for the project was received 8 December 2008. This was too early, as due to the needs of the inventory process in both the MS and BS, the start of the project was planned to the latter half of March 2009, when the inventory submission to the EC due 15 March is made. However, later notification of the project was not possible because of the contracting deadline (15.12.2008) for project financed from Transition Facility 2006 Programme. The project implementation started as planned, and due to this an additional month to complete the project was needed (Addendum 1).

The project covered the whole inventory: national system, QA/QC, uncertainties and all its sectors (energy, industrial processes, solvent and other product use, agriculture, land use, land-use change and forestry and waste). The number of experts participating in the project was therefore large. Despite this, the project was finalised according to the workplan. Only minor changes in work plan were made due to sick leaves and other constraints related to the availability of experts during specific missions. Some minor changes in the workplan were initiated to enhance the achievement of the objectives (sideletters 1 and 2). The final workplan is attached to this report (Annex 1).

The project started with a kick-off meeting (**Activity 1**) where the Estonian project manager and inventory coordinator and QA expert presented their inventory system, the institutional arrangements and the inventory preparation process including the QC/QC plan and uncertainty management practices. The Estonian sectoral experts presented the methodologies used to calculate the sectoral estimates and identified issues of priority for further analysis and consideration during the project. The Finnish project leader presented the requirements in the UNFCCC reporting guidelines, guidelines for reporting information under Article 7.1 of the Kyoto Protocol, guidelines for national systems under the Kyoto Protocol and the IPCC Good Practice guidance reports. Based on the discussions at the meeting the workplan was revised and

issues to be addressed in the subsequent missions were agreed at a more detailed level. The presentations from the kick-off meeting can be found in Annex 2.

The analysis and improvement of the national system (**Activity 2.1**) was identified as an overarching issue related to all objectives of the project. The experts and organisations involved in the national system were identified to be competent and motivated for the work. The resources for the inventory work, and support from the government and ministries, would on the other hand need strengthening. During the discussions with representatives from the ministries, and the experts from the organisations involved in the inventory preparation, the need to involve additional experts and institutions in the inventory process was identified as key to ensure that the national system can fulfil its tasks. During the project contacts were established between the inventory experts and experts from relevant data collection and expert organisations. The collaboration with the key actors preparing the inventory was also developed in a more systematic direction. The enhancement of future collaboration and contribution by the institutions not responsible for the inventory would require resources and commitment for support from the government and the ministries. A main finding was also that the awareness of the importance of the GHG inventory and the implications of the inventory not meeting the requirements is low in the Estonian government. Effort to improve this was made during the project by inviting official from the ministries to participate in the sessions on the national system during mission 3, and mission 8.

The activities (**Activities 2.2 and 2.3**) related to the analysis of the sectoral inventory methods and recommendations how to improve them were rather straightforward technical and methodological issues. The methodologies used in the energy, industrial processes, agriculture and waste sector were found to be mainly consistent with the UNFCCC and IPCC guidelines and good practice. The need for additional support for activity data collection and expertise for development of method taking the national circumstances into account were identified and effort was put to establish contacts between the inventory experts and relevant experts from other organisations. In the inventory preparation the access of good quality activity data is the key. Some sectors used largely aggregated activity data, e.g. from national statistics. The use of aggregate data is often a limitation for use of higher tier methods. Some experts had also access to metadata used in the compilation of the statistics. The access to these data was based on personal contacts rather than established procedures and agreement between organisations. This was identified as a risk for continuous functioning of the inventory process. Options for access to more detailed and complete set of activity were identified during the project. The need for improvement in the estimation methods varied by sector, and recommendations for these were given. The work was done in good collaboration between the MS and BS experts.

The development of the TOR for the IT system (**Activity 3**) was the most resource consuming and also technically most demanding task of the project. The work involved analysis of the data sources used in the development of the GHG inventory and the sectoral calculations methods/models as well as the current system used in compiling the inventory using the reporting tool (CRF Reporter). Also the data collection systems and established databases for the air pollutant inventories were analysed. These were generally more detailed than those used by the GHG inventory. A common activity data base including the start data for the calculations was found to be the starting point of the integrated system. The system would include all relevant classifications (CRF, NRF, and NACE) needed in the different reporting formats. As the sectoral calculations systems are still evolving, a stepwise approach to integrate the calculations into system was proposed. The access to the system from several organisations and experts at the same time was proposed. Security aspects as well as need for flexibility in implementing changes to the system were also seen as important feature in the functionality of the system. Figure 1 describes the structure of the proposed IT system and the

TOR for the system is included in Annex 3. A demo version of the IT system was also developed during the project. This has been forwarded to the Estonian team.

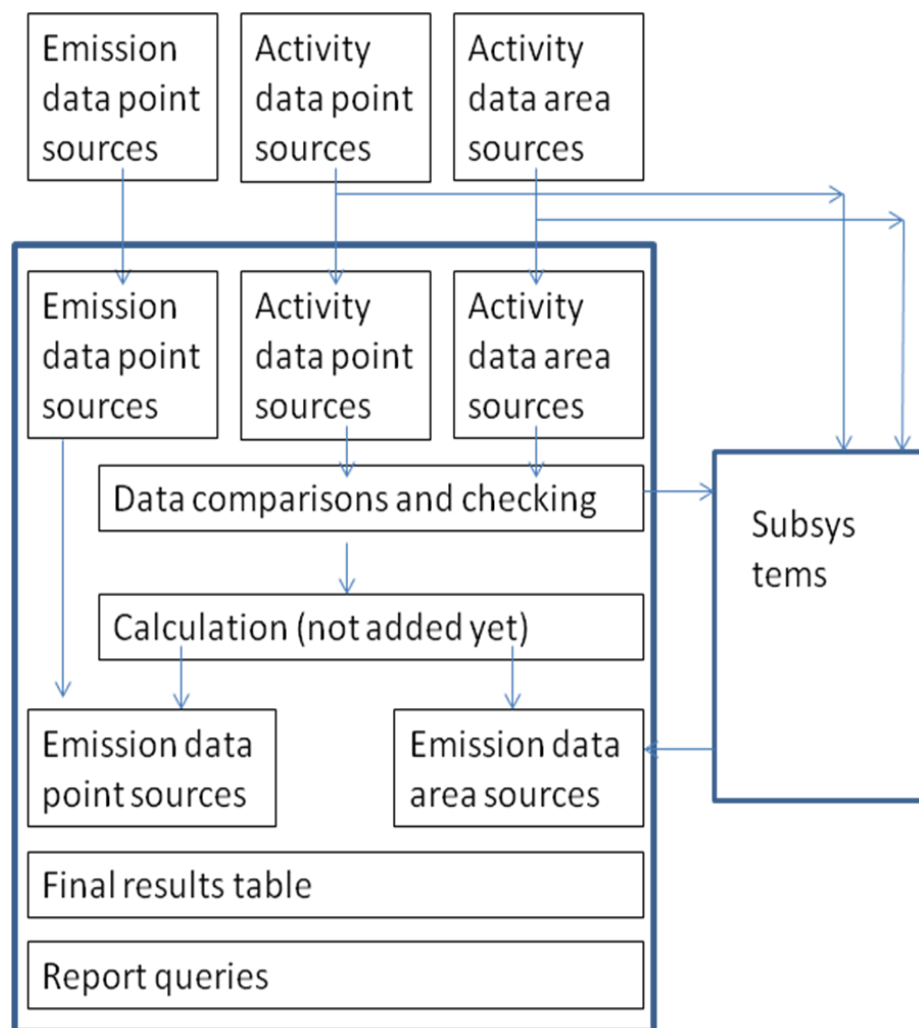


Figure 1. Structure of the proposed integrated IT system.

In **Activity 4** the quality control and quality assurance (QA/QC) measures in Estonian inventory preparation process were analysed. The objective was to enable Estonia to produce a QA/QC plan that fulfils the requirements under the UNFCCC and Kyoto Protocol and to raise the awareness and motivation of the Estonian inventory team for continuous improvement of the inventory process. During the project, the Finnish approach to QA/QC was presented and this was used as the basis for the developing the QA/QC plan for the Estonian inventory. The new plan was drawn during the project by the Estonian inventory collaboration with assistance from the Finnish expert. The plan includes an annual schedule for the inventory preparation and compilation and a list of the specific QC and QA actions, the schedule for the actions and the responsibilities (see Annex 4).

The analysis and development of the uncertainty management of the inventory (**activity 5**) included a presentation on the uncertainty analysis and management of the Finnish inventory and adoption of this system to Estonian circumstances. The goal to be able to use tier 2 methods for uncertainty estimation in the Estonian inventory was evaluated to require resources and capacity which were beyond existing. The Finnish expert developed some examples for how the tier 2 estimates could be done, and Estonia will implement these when resources for the work become available. However, Estonia will be able to move to a tier 2 key category analysis

in its next inventory submission due in 2010 as a result of the activity. The tier 2 key category analysis combines data on the significance of the category with the uncertainty of the category.

The mission reports and presentations from missions 2 to 7 in Annex 5 include more detailed descriptions of the analyses and recommendations related to activities 2 to 5.

The future collaboration on inventory related issues (**activity 6**) was discussed throughout the project and finalised into a structured list of actions during the last mission (mission 8) of the project (see Annex 6). A project on the identification of land areas for reporting of afforestation, reforestation and deforestation activities under Article 3, paragraph 3 of the Kyoto Protocol was agreed already under the course of the project. This project will be done in collaboration with the Estonian inventory team and forestry experts. The Finnish Forest Institute will perform the project which is funded by the Finnish Ministry of the Environment. Collaboration with the Finnish Environment Institute for support in classification links between the GHG and air pollutant, as well as for support in some air pollutant related issues, are planned. The Finnish inventory team collaborates with the Swedish inventory team for development of methodologies to estimate the GHG emissions and reporting issues since many years. It was agreed that possibilities for the Estonian inventory team to take part in this collaboration will be explored. This collaboration would include one to two annual meetings of the teams.

The final seminar (**activity 7**) was held on 28 August 2009. During the seminar the Finnish project manager and short-term experts gave presentations (see Annex 7) on the results of the project and on their recommendations for future steps in improvement of the Estonia greenhouse gas inventory. The Estonian project manager presented also her evaluation of the project. She concluded that the project objectives were met. The different activities of the project were discussed, with focus on activity 3 (integrated IT system). Overall, all parties were satisfied in with the project results.

Activity 8 encompassed both the coordination of the project the steering committee meetings. The project was coordinated by the project leaders and the Estonian project manager. The coordination included planning of the activities of the project which were agreed largely by email. During first mission a meeting was held to introduce the project coordinators to the project as well as to discuss the project implementation. During this meeting the work plan was refined and the contents of the start-up discusses.

The Steering Committee (see Annex 8) met three times, during the first, third and eighth (last) missions. At the first meeting the Steering Committee approved the refined workplan, discussed the contents and finalisation of the workplan as well as the conduct of the project in general. During its second meeting, the Steering Committee approved the Start-up meeting and at the final meeting evaluated the project outcomes and agreed on the finalisation of the start-up report.

Detailed descriptions of the conduct of the activities are given in the mission reports and presentations during the missions as well as the list of actions for future collaboration (Annexes 4, 5 and 6).

Project visibility

The Estonian Environment Information Centre wrote a press release during the kick-off meeting for the project. The press release was published on the websites of Estonian Environment Information Centre and Ministry of the Environment resulted in 2 articles in news portals in Estonia.

The visibility of EC financing was covered by mentioning the funding in the press release. All reports and other outputs of the project contain the EU logo and the project number. The project has been presented briefly in discussions and seminars with experts and organisations, not participating in the project.

The project has enhanced the knowledge of the importance of the GHG inventory in meeting the commitments under the UNFCCC; Kyoto Protocol and the EC in Estonian ministries and other governmental organisations.

2D - ACHIEVEMENT OF MANDATORY RESULTS

The project was completed as planned and the mandatory results were achieved. An overview on how the mandatory results were achieved by activity is given in the subsequent sections which address the results and recommendations from the project and in Annex 0 Overview of mandatory results. More detailed descriptions of the activities, their results and recommendations can be found in attached copies of the summary mission report and the presentations from the final seminar.

Mandatory result 1: The Estonian inventory process and sectoral methodologies and documentation in the National Inventory Report have been analysed and recommendations for improvement have been made. Some improvements were foreseen to be implemented during the project, some by the Estonian inventory team after the project.

In activities 1 and 2 (see above 2C), the Finnish experts analysed the Estonian national system for inventory preparation, the sectoral (energy, industrial processes, agriculture, land-use, land use change and forestry (LULUCF) and waste) methodologies including activity data collection, choice of methods and emission factors (EFs) and other parameters. The Finnish short-term experts (STEs) gave presentations with option for improvement and discussed in detail these with the Estonian inventory team. Also expert from other organisations were involved in the discussions, especially to enhance the data collection and access to improved EFs for the inventory. The Finnish STEs gave recommendations for improvements for all sectors.

Benchmarks for mandatory result 1: The analysis of the Estonian sectoral methodologies and recommendations were included in the mission reports (see Annex 5) These were finalised during May to July 2009.

Mandatory result 2: Terms of reference (TOR) for the development of a single IT system to facilitate data handling and reporting of greenhouse gas emissions has been developed. Integration of the calculations of the greenhouse gas emissions and emissions of air pollutants are included in the TOR.

The terms of reference (TOR) for the IT system were developed in activity 3. The TOR encompasses both the greenhouse gas inventory as well as the air pollutants. The TOR was developed by the Finnish STEs in collaboration with the Estonian greenhouse gas inventory team, and several experts for the Air Bureau of the Estonian Environmental Information Centre. The Air Bureau is responsible for the preparation of the air pollutant inventories in Estonia. The TOR including examples for its implementation were finalised during mission 8 in August 2009 (Annex 3).

Benchmark for mandatory result 2: TOR and examples for its implementation (Annex 3). The TOR has been approved by the Steering Committee.

Mandatory result 3; The QA/QC plan for the Estonian greenhouse gas inventory has been developed. Guidance for the implementation, including examples of QA/QC procedures from other EU member states, has been given during the project.

The QA/QC management of the Estonian inventory was analysed and developed in activity 4. The Finnish STE analysed the Estonian system, gave a presentation on the Finnish QA/QC management in the greenhouse gas inventory preparation. The STE worked together with the Estonian inventory coordinator and person responsible for the QA of the inventory, as well as other member of the inventory team, to further develop the QA/QC management of the Estonian greenhouse gas inventory. During the project the Estonian inventory coordinators developed with assistance from the Finnish STE a new QA/QC plan for the Estonian inventory preparation. The Finnish STE gave in addition several recommendations for future steps in the improvement of the quality management of the Estonian inventory.

Benchmark for mandatory result 3: The improved QA/QC plan for the Estonian inventory and the documentation of the recommendations for improving the QA/QC procedures in the Estonian inventory are included in the mission reports in Annex 5. The documents have been approved by the Steering Committee.

Mandatory result 4: Guidance for improving the uncertainty management of the Estonian greenhouse gas inventory has been given. The guidance has included examples of uncertainty management systems from other EU member states.

The uncertainty management of the Estonian inventory was analysed and developed in activity 4. The work was conducted during mission 5 in June 2009. The Finnish STE analysed the Estonian uncertainty analyses, presented the Finnish system for uncertainty management, and provided the Estonian team with a spreadsheet model. The spreadsheet computes Tier 1 uncertainty estimates and uses these in Tier 2 key category analysis. Adoption of this model enables the Estonian team to meet one recommendation from the 2008 UNFCCC review.. The Estonian team were also provided with examples on how to conduct Tier 2 uncertainty analyses. Lastly, the STE also developed, together with the Estonian team, a plan to improve the uncertainty management of the Estonian inventory.

Benchmark for mandatory result 4: The documentation with concepts and recommendations for improvement of the uncertainty management system are included in the mission report on the activity 4. The documentation has been approved by the Steering Committee.

Mandatory result 5: The knowledge of the Estonian inventory experts on the requirements of reporting under the UNFCCC and Kyoto Protocol and methodologies to prepare the emission and removal estimates has increased during the project so that they are able to prepare a transparent and good quality greenhouse gas inventory.

The knowledge of the Estonian inventory expert was assessed to be good already during the first missions. During mission 1/activity 1 (kick-off meeting) the Finnish PL gave a presentation on the inventory requirements under the UNFCCC and the Kyoto Protocol. The presentations by Estonian experts on the inventory methods and procedures gave an overview of their knowledge in these issues. The project helped throughout its implementation in enhancing the knowledge of all participants of the reporting requirements under the UNFCCC and Kyoto Protocol as well as on the good practice methodologies for preparation of a high quality

inventory. The experience from Finland and other member states were used as examples during the missions.

Benchmark for mandatory result 5: Participants from Tallinn University of Technology (3), Estonian Environmental Research Centre, Estonian Environmental Information Centre and the Ministry of the Environment as well as expert from other Estonian ministries and institutions (altogether 15 participants, the list of participants is included in Annex 7) have obtained knowledge on inventory preparation in Finland, and best practises in European Union.

Mandatory result 6. Professional contacts between the Finnish and Estonian inventory teams have been established.

During the project the Estonian and Finnish inventory team members established professional contacts. No formal agreement was seen necessary for the future utilisation of these contacts for improving the inventories in both countries in the future. However, several proposals on assistance and/or collaboration between the institutions involved were initiated during the project. Examples of such projects are listed in Annex 6.

Benchmark for mandatory results 6. Collaboration projects planned and agreed as a continuance of the project are listed in Annex 6.

2E - IMPACT

Overall, the achievement of the results is estimated to lead to the fulfilment of the objective of the project: *to improve the Estonian greenhouse gas (GHG) inventory so that it would meet the reporting requirements under the UNFCCC and the Kyoto Protocol, as well EC monitoring mechanism.* The first test for this will be the in-country review of the Estonian greenhouse gas inventory submission in September-October 2009, by an international expert review team coordinated by the UNFCCC secretariat. Although the submission was made before the project implementation, many of the benchmarks for the mandatory results can be utilised in the inventory already. The improvements in the national system (increased knowledge and increased collaboration with other relevant institutions), the new QA/QC plan, the uncertainty analyses and the increased knowledge and recommendations on the sectoral methods (benchmarks for mandatory results 1, 3, 4 and 5, see previous section).

The IT system will be implemented by EEIC through a project funded by Estonian Environment Investment Centre after the end of this Twining Light project. The development of the TOR for the IT system (benchmark for mandatory result 2) is a major step in moving towards the implementation of the IT system. The IT systems will make the inventory preparation more effective, increase harmonisation of international reporting done by Estonia and also be a tool for improved QC for inventory preparation. As it is foreseen, that the integrated IT system will also make it possible to utilise more detailed activity data in future inventory preparation, it is also expected to improve the accuracy of the inventory in future years.

The future collaboration between the Finnish and Estonian inventory teams, including the teams preparing the air pollutant inventories, will ensure continuous improvement also in the future (benchmark for mandatory result 6).

The scarce resources, the way the annual contracts are done with the organisations and expert participating in the inventory preparation, as well as the higher level support from the ministries for the inventory preparation, were however identified as risk factors in the Estonian inventory system. The experts participating in the work presently were found to be competent and

motivated to perform the tasks. Uncertainty in the continuance of the tasks and resources may be reflected in changes in personnel. As inventory work requires expertise which takes time to build, the inventory team should be made larger and effort should be put in training replacement personnel. Collaboration with expert not participating in the inventory preparation directly, such as expert from the institutions collecting data (Statistics Estonia, Estonian forest research, the emission trading registry, etc.) were also insufficient at the start of the project, but enhanced during the project. Continuance in improving this collaboration is vital to the development of the inventory.

The project was useful for the Estonian counterpart, but also for the Finnish experts. The inventory systems in Estonia and Finland have many features in common, and during the systematic analysis of the inventory methodologies both counterparts learned much. The methodological basis of the Estonian GHG inventory was sound when the project started, and by implementing the recommendations made during the project, the overall objective of the project can be met, provided the resources needed for this are made available.

2 F - FOLLOW-UP AND SUSTAINABILITY

Results of the project will be introduced to the higher level officials in the Ministry of the Environment containing list of necessary improvements to the greenhouse gases inventory and national system with expected timescale and necessary budget where appropriate. Depending on the available resources a plan for the improvement of the inventory and national system will be developed and implemented.

BC administration will continue the work on improving the quality of GHG inventory. There will be new reporting obligations under Kyoto protocol in the next inventory submission that will be a subject to improvement in addition to the recommendations given during the project. In coming years, different new reporting requirements have to be met and that means constant improvement and widening of the inventory and inventory report. If possible, those issues will be addressed in future collaboration under new projects with Finnish colleagues.

As described more in detail in the annexes of the final report, the mandatory results have been achieved and the only thing that can prolong the process of implementation of the results to Estonia's GHG inventory is lack of financial resources.

2G - CONCLUSIONS

Overall Assessment

During the project a systematic analysis of the Estonian greenhouse gas inventory preparation, including the institutional arrangements, inventory methodologies, QA/QC procedures, uncertainty analyses and other crosscutting issues (such as archiving) were done. In addition, the terms of reference for an integrated IT system for the preparation of the greenhouse gas inventory and air pollutant inventory was developed. The project identified shortcomings and strengths in the Estonian inventory system, and provided recommendations for its improvement. The tasks of the project were completed and the mandatory results achieved.

The project has already had an impact on inventory preparation in Estonia. Many of the methodological recommendations have been implemented; the QA/QC and uncertainty management of the inventory have been improved. An important achievement of the project has also been, that is has enhance the awareness of the importance of the inventory in Estonia and

improved collaboration with the inventory team and Estonian expert whose expertise and data are necessary in further development of the inventory, especially in meeting the Kyoto Protocol requirements.

2H – RECOMMENDATIONS: lessons learned

The future actions in improving the Estonian inventory are very much dependent of whether resources will be available to implement the recommendations put forward in the project. It is also important work for a more stable national inventory system, with support from the national higher administration. The greenhouse gas inventory is tool in climate policy planning. Development of the policy process (climate strategy, inter-ministerial climate change working groups, etc.) is also vital. In development work of the national system for future it is very important to pay attention on the work by EC in these tasks in order to harmonize systems within the EC and to be able to meet EC's rules and provisions in this respect.

2I – ANNEXES (CD only)

Annex 1: Workplan of the project (final)

Annex 2. Presentations from the kick-off meeting *and list of participants*

Annex 3. Terms of reference for an integrated IT system for the Estonian Greenhouse Gas Inventory and Air Pollutant inventory

Annex 4. QA/QC plan

Annex 5. Mission reports and presentations during missions 2 to 7

Annex 6. Future collaboration - list of agreed and planned actions.

Annex 7. Presentations from the final seminar and list of participants

Annex 8. List of Steering Committee members

Overview mandatory results achieved

Annex 0

| Component | ACTIVITY | expected MANDATORY RESULTS (Components) | Deadline | Delay +/- [months] | expected BENCHMARKS (Activities) | ASSESSMENT to date | Self-assessment Rate HS (Highly satisfactory), S (Satisfactory), U (Unsatisfactory) |
|------------------|----------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|-----------------|---------------------------|---------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|
| 1 | Activity 1, Assessment of the current inventory system in Estonia and preliminary assessment of the needs for improvement (Kick-off meeting) | | End March | 0 | Kick-off meeting | Kick-off meeting built awareness of the project, the workplan was refined | S |
| 2 | Activity 2: | Estonian specialists have knowledge that enables to prepare reliable and transparent GHG inventory | April - May | 0-2 | Analysis and recommendations for improvement in the mission reports | The national system and methodologies used in the preparation of the inventory were assessed and recommendations for improvements made. | HS |
| | 2.1 Analysis of the whole inventory system | | April - May | 2 | Analysis and recommendations for improvement of the national system | The Estonian inventory team is competent and motivated. Resources and institutional arrangements were identified as areas where improvement is needed. The system would need to be made more stable, and e.g. move from annual contracts to longer term agreements. Collaboration with data providing and other expert organisations should be strengthened. Steps in | HS |

| | | | | | | |
|--|------------------------------------------------------------------------------------------------|--|-------------|---|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|
| | | | | | <p>this direction were taken during the project.</p> <p>Due to lack of resources participation in international inventory collaboration has been cut down. This diminishes the preparedness to respond to changes in inventory requirement, e.g. the knowledge of Kyoto Protocol supplementary requirements was insignificant. The knowledge was increased as a result of the project.</p> | |
| | 2,2 Analysis of inventory methodologies for the energy, industrial processes and waste sectors | | April - May | 0 | <p>Analysis and recommendations for improvement</p> <p>These sectors were generally of good quality, although several areas for improvement were identified.</p> <p>In energy the estimates are based on energy statistics (aggregate data) and could be made more accurate by utilisation of more disaggregated data (more interaction with the air pollutant inventory and with the expert responsible for emission trading data would be desirable).</p> <p>The emissions from the industrial processes sector are small and relatively well know. The experts were not aware of the data collection systems of the EEIC.</p> | HS |

| | | | | | | | |
|--|--------------------------------------------------------------------------------|--|-------------|-----|----------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|
| | | | | | | Ways to identify missing sources were addressed. For the waste sector alternative ways for estimation of "missing historical "data and choice of parameter by use of national expertise (increased collaboration) were addressed as ways to improve the emission estimates. | |
| | 2.3 Analysis of inventory methodologies for the agriculture and LULUCF sectors | | April - May | 1-2 | Analysis and recommendations for improvement | <p>Methodologies in the agriculture sector correspond generally to the requirements, in some areas activity data was lacking. Collaboration with agricultural experts is needed to enhance the understanding of changes in agricultural practises in Estonia.</p> <p>The LULUCF sector preparation needs additional resources. Collaboration with national forestry experts needs strengthening. In several areas the activity data and parameters (e.g. for soils) used in the calculation are not sufficient. Also the preparedness for reporting under Article 3.3 (deforestation, afforestation/reforestation) was insufficient. Recommendations for improvement and a</p> | HS |

Twinning Contract number: EE06-IB-TWP-ENV-06

| | | | | | | | |
|---|----------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|---|------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|
| | | | | | | project on improve information on land areas in Kyoto Protocol reporting were initiated. | |
| 3 | Activity 3: IT system analysis and TOR | Terms of reference elaborated to develop a single national IT system to facilitate GHG emission data handling, calculation and reporting (IT s | April - July | 1 | TOR for an integrated IT system Demo version of the IT system Manual for the IT system | The current calculation system and sectoral calculation methods were assessed in order to develop the disintegrated system towards one integrated system. The system would incorporate also parts of the air pollutant inventory system. A stepwise approach was chosen. Common start data would be the basis of the new system. Technical details and examples for developing the system are part of the TOR. | HS |
| 4 | Activity 4 QA/QC procedures | Concepts and suggestions developed to improve the quality assurance/control procedures of GHG inventory with examples from existing systems of other Member States | April-May | 2 | Analysis and recommendations for improvement Improved QA/QC plan, | An improved QA/QC plan was developed during the project. The implementation of the QA/QC procedures was addressed, incl. setting timetables for the preparation, inventory team meetings. | HS |
| 5 | Activity 5: Uncertainty Management | Concept and suggestions developed to improve the uncertainty | April-May | 1 | Analysis and recommendations for improvement Example | Support to review and update the uncertainty estimates of the Estonian inventory was given. The approach used will be | HS |

Twining Contract number: EE06-IB-TWP-ENV-06

| | | | | | | | |
|---|----------------------------------|----------------------------------------------------------------------------------------------|-------------|---|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|
| | | management of GHG inventory with examples from existing systems of other Member States | | | calculation sheet for the uncertainty analysis | based on a tier 1-method. The Estonian team was able to produce a tier 2 key category assessment based on the Finnish example. Examples for how to develop tier 2 - uncertainty estimates were also given. The resources for this inventory area would need to be strengthened for implementation of a tier 2 method for all categories. | |
| 6 | Activity 6, Future collaboration | Professional contacts between the Finnish and Estonian inventory teams have been established | June-August | 0 | <p>A project for estimation of land areas for Kyoto Protocol reporting</p> <p>A list of issues were future collaboration is pursued.</p> <p>Continuance of the collaboration through annual meetings</p> | <p>The options for future collaboration were addressed during the whole project and summarised to a list at the end of the project.</p> <p>Financing for some of the projects will be applied from the Finnish Ministry of the Environment.</p> <p>The collaboration on information exchange and possible QA would continue based on annual meetings, likely in a broader collaboration context.</p> | S |
| 7 | Activity 7: Final seminar | | | | Summary of the project results and guidance for future in presentations | The Finnish expert presented their findings and recommendations at the final seminar. The Estonian PM presented her evaluation of the results. | S |

Twining Contract number: EE06-IB-TWP-ENV-06

| | | | | | | | |
|---|-------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------|--------------|---|--------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|
| | | | | | | The Estonian PM, sectoral experts and other participants of the final seminar considered the mandatory results to be achieved. The implementation of the IT system in autumn 2009 and the UNFCCC review in Sept-Oct 2009 will provide evidence on the success. | |
| 8 | Activity 8: Coordination of the project, Steering Committee | Mandatory reports and other documentation Monitoring of and guidance to the implementation of the project | March - Sept | 0 | Coordination and monitoring of the project | The coordination of the project was done in collaboration with the Estonian PL and PM, and the Finnish PL. Support was given from the SC members. The project run smoothly, only minor changes to the refined work plan agreed during mission 1 were needed, despite the demanding schedule and large number of expert. | S |

The deadlines are taken from the project proposal. Compared to the revised workplan agreed during Mission 1 there were no delays in the implementation of the project. The changes to the workplan were necessary, as the number of Estonian expert was smaller than anticipated and because of this it was not possible to implement the project with the deadlines set out in the project proposal.

| Section 3: Expenditure | | | | | | |
|-------------------------------|--------------------------------------|------------------------|----------------------------------|-----------------------|------------------|-------------------|
| Budget Section | Budget item | Original Budget | Budget after side letters | Costs incurred | Balance | % utilised |
| 1 | Project Co-ordination and Management | 15 972,00 | 15 972,00 | 14 207,63 | 1 764,37 | 88,95 |
| 2 | Project Activities | | | | | |
| | Activity 1. | 13 060,00 | 11 404,00 | 10 124,23 | 1 279,77 | 88,78 |
| | Activity 2. | 29 968,00 | 32 980,00 | 31 245,05 | 1 734,95 | 94,74 |
| | Activity 3. | 31 368,00 | 32 424,00 | 31 178,26 | 1 245,74 | 96,16 |
| | Activity 4. | 4 524,00 | 5 880,00 | 5 499,50 | 380,50 | 93,53 |
| | Activity 5. | 9 048,00 | 9 048,00 | 8 641,98 | 406,02 | 95,51 |
| | Activity 6. | 2 918,00 | 1 862,00 | 1 056,00 | 806,00 | 56,71 |
| | Activity 7. | 13 060,00 | 10 348,00 | 8 015,29 | 2 332,71 | 77,46 |
| | Project Activities Total | 103 946,00 | 103 946,00 | 95 760,31 | 8 185,69 | 92,13 |
| | Translation, interpretation | 3 000,00 | 3 000,00 | 0,00 | 3 000,00 | 0,00 |
| | Sub total | 122 918,00 | 122 918,00 | 109 967,94 | 12 950,06 | 89,46 |
| | Provision for changes in prices | 3 072,95 | 3 072,95 | 50,25 | 3 022,70 | 1,64 |
| | Total | 125 990,95 | 125 990,95 | 110 018,19 | 15 972,76 | 87,32 |

Twining Light EE06-IB-TWP-ENV-06 - FINANCIAL REPORT

| Actions to be undertaken under the Twining project | Original Budget | | | Budget after side letters (1-2) and addendum | Amount paid in Euros | | Total amount paid | Balance |
|----------------------------------------------------------------------------------------------------|-----------------|-------------|------------------|----------------------------------------------|--------------------------------|------------------------------|-------------------|-----------------|
| | Unit cost | No of units | Total MS cost | | Start-up report 1.1.-27.3.2009 | Final Period 28.3.-30.9.2009 | Final Report | |
| 1 PROJECT COORDINATION AND MANAGEMENT | | | | | | | | |
| Co-ordination meeting, Kick-off meeting | | | | | | | | |
| Expert fee of PL Riitta Pipatti | 350,00 | 3 | 1 050,00 | 1 050,00 | 1 050,00 | | 1 050,00 | 0,00 |
| Project Management Costs' | 1 050,00 | 1,5 | 1 575,00 | 1 575,00 | 1 575,00 | | 1 575,00 | 0,00 |
| Expert fee of STE Jaakko Ojala | 250,00 | 3 | 750,00 | 750,00 | 750,00 | | 750,00 | 0,00 |
| Project Management Costs' | 750,00 | 1,5 | 1 125,00 | 1 125,00 | 1 125,00 | | 1 125,00 | 0,00 |
| Per diem | 181,00 | 6 | 1 086,00 | 1 086,00 | 1 086,00 | | 1 086,00 | 0,00 |
| Travel tickets | 300,00 | 2 | 600,00 | 600,00 | 287,42 | | 287,42 | 312,58 |
| Project monitoring and Steering Committee | | | | | | | | |
| Expert fee of PL Riitta Pipatti | 350,00 | 1 | 350,00 | 350,00 | | 350,00 | 350,00 | 0,00 |
| Project Management Costs' | 350,00 | 1,5 | 525,00 | 525,00 | | 525,00 | 525,00 | 0,00 |
| Expert fee of STE Jaakko Ojala | 250,00 | 1 | 250,00 | 250,00 | | 250,00 | 250,00 | 0,00 |
| Project Management Costs' | 250,00 | 1,5 | 375,00 | 375,00 | | 375,00 | 375,00 | 0,00 |
| Per diem | 181,00 | 2 | 362,00 | 362,00 | | 362,00 | 362,00 | 0,00 |
| Travel tickets | 300,00 | 2 | 600,00 | 600,00 | | 280,00 | 280,00 | 320,00 |
| Final seminar and Steering Committee | | | | | | | | |
| Expert fees of PL Riitta Pipatti | 350,00 | 2 | 700,00 | 700,00 | | 700,00 | 700,00 | 0,00 |
| Project Management Costs' | 700,00 | 1,5 | 1 050,00 | 1 050,00 | | 1 050,00 | 1 050,00 | 0,00 |
| Expert fee of STE Jaakko Ojala | 250,00 | 2 | 500,00 | 500,00 | | 500,00 | 500,00 | 0,00 |
| Project Management Costs' | 500,00 | 1,5 | 750,00 | 750,00 | | 750,00 | 750,00 | 0,00 |
| Per diem | 181,00 | 4 | 724,00 | 724,00 | | 724,00 | 724,00 | 0,00 |
| Travel tickets | 300,00 | 2 | 600,00 | 600,00 | | 468,21 | 468,21 | 131,79 |
| Visibility costs | | | 1 000,00 | 1 000,00 | 0,00 | 0,00 | 0,00 | 1 000,00 |
| Audit certificate costs | | | 2 000,00 | 2 000,00 | | 2 000,00 | 2 000,00 | 0,00 |
| Total Project Co-ordination Costs | | | 15 972,00 | 15 972,00 | 5 873,42 | 8 334,21 | 14 207,63 | 1 764,37 |
| 2 PROJECT ACTIVITIES | | | | | | | | |
| ACTIVITY 1: Assessment of current inventory system | | | | | | | | |
| 1.1. Kick-off meeting | | | | | | | | |
| Expert fee of 8 STE: PFo,KGr,TLa,SMa,TOi,LRa,KSa,KSsk | 350,00 | 8 | 2 800,00 | 2 450,00 | 2 450,00 | | 2 450,00 | 0,00 |
| 'Project Management Costs' | 2 800,00 | 1,5 | 4 200,00 | 3 675,00 | 3 675,00 | | 3 675,00 | 0,00 |
| Expert fee of 2 STE: ALe, PPe | 250,00 | 2 | 500,00 | 500,00 | 500,00 | | 500,00 | 0,00 |
| 'Project Management Costs' | 500,00 | 1,5 | 750,00 | 750,00 | 750,00 | | 750,00 | 0,00 |
| Per diem | 181,00 | 10 | 1 810,00 | 1 629,00 | 1 629,00 | | 1 629,00 | 0,00 |
| Travel tickets | 300,00 | 10 | 3 000,00 | 2 400,00 | 1 120,23 | | 1 120,23 | 1 279,77 |
| 1.1 Total | | | 13 060,00 | 11 404,00 | 10 124,23 | 0,00 | 10 124,23 | 1 279,77 |
| Total Activity 1 | | | 13 060,00 | 11 404,00 | 10 124,23 | 0,00 | 10 124,23 | 1 279,77 |
| ACTIVITY 2: Analysis of current inventory process and methodologies, recommendations | | | | | | | | |
| 2.1. Preliminary analysis of the whole inventory system | | | | | | | | |
| Expert fee of PL RPi and STE LRa | 350,00 | 2 | 700,00 | 700,00 | | 700,00 | 700,00 | 0,00 |
| 'Project Management Costs' | 700,00 | 1,5 | 1 050,00 | 1 050,00 | | 1 050,00 | 1 050,00 | 0,00 |
| Per diem | 181,00 | 2 | 362,00 | 362,00 | | 362,00 | 362,00 | 0,00 |
| Travel tickets | 300,00 | 1 | 300,00 | 600,00 | | 242,00 | 242,00 | 358,00 |
| 2.1. Total | | | 2 412,00 | 2 712,00 | 0,00 | 2 354,00 | 2 354,00 | 358,00 |
| 2.2. Analysis of inventory methodologies for energy, industrial processes and waste sectors | | | | | | | | |
| Expert fee of 4 STE: KGr,KSa,PFo,KSsk | 350,00 | 14 | 4 900,00 | 5 250,00 | | 5 250,00 | 5 250,00 | 0,00 |
| 'Project Management Costs' | 4 900,00 | 1,5 | 7 350,00 | 7 875,00 | | 7 875,00 | 7 875,00 | 0,00 |
| Per diem | 181,00 | 14 | 2 534,00 | 2 715,00 | | 2 715,00 | 2 715,00 | 0,00 |
| Travel tickets | 300,00 | 4 | 1 200,00 | 1 500,00 | | 836,35 | 836,35 | 663,65 |
| 2.2. Total | | | 15 984,00 | 17 340,00 | 0,00 | 16 676,35 | 16 676,35 | 663,65 |

| Actions to be undertaken under the Twining project | Original Budget | | | Budget after side letters (1-2) and addendum | Amount paid in Euros | | Total amount paid | |
|--------------------------------------------------------------------------------------------|-----------------|-------------|-------------------|----------------------------------------------|--------------------------------|------------------------------|-------------------|------------------|
| | Unit cost | No of units | Total MS cost | | Start-up report 1.1.-27.3.2009 | Final Period 28.3.-30.9.2009 | Final Report | Balance |
| 2.3. Analysis of inventory methodologies for agriculture and LULUCF sectors | | | | | | | | |
| Expert fee of 2 STE: PPe, ALe | 250,00 | 8 | 2 000,00 | 2 000,00 | | 2 000,00 | 2 000,00 | 0,00 |
| 'Project Management Costs' | 2 000,00 | 1,5 | 3 000,00 | 3 000,00 | | 3 000,00 | 3 000,00 | 0,00 |
| Expert fee of 1 STE: TLa | 350,00 | 4 | 1 400,00 | 1 750,00 | | 1 750,00 | 1 750,00 | 0,00 |
| 'Project Management Costs' | 1 400,00 | 1,5 | 2 100,00 | 2 625,00 | | 2 625,00 | 2 625,00 | 0,00 |
| Per diem | 181,00 | 12 | 2 172,00 | 2 353,00 | | 2 353,00 | 2 353,00 | 0,00 |
| Travel tickets | 300,00 | 3 | 900,00 | 1 200,00 | | 486,70 | 486,70 | 713,30 |
| 2.3. Total | | | 11 572,00 | 12 928,00 | 0,00 | 12 214,70 | 12 214,70 | 713,30 |
| Total Activity 2 | | | 29 968,00 | 32 980,00 | 0,00 | 31 245,05 | 31 245,05 | 1 734,95 |
| ACTIVITY 3: Analysis of current IT system and recommendations for its elaboration | | | | | | | | |
| 3.1. IT system analysis and TOR | | | | | | | | |
| Expert fee of 2 STE: SMa, KSk | 350,00 | 28 | 9 800,00 | 10 150,00 | 700,00 | 9 450,00 | 10 150,00 | 0,00 |
| 'Project Management Costs' | 9 800,00 | 1,5 | 14 700,00 | 15 225,00 | 1 050,00 | 14 175,00 | 15 225,00 | 0,00 |
| Per diem | 181,00 | 28 | 5 068,00 | 5 249,00 | 362,00 | 4 887,00 | 5 249,00 | 0,00 |
| Travel tickets | 300,00 | 6 | 1 800,00 | 1 800,00 | 0,00 | 554,26 | 554,26 | 1 245,74 |
| 3.1. Total | | | 31 368,00 | 32 424,00 | 2 112,00 | 29 066,26 | 31 178,26 | 1 245,74 |
| Total Activity 3 | | | 31 368,00 | 32 424,00 | 2 112,00 | 29 066,26 | 31 178,26 | 1 245,74 |
| ACTIVITY 4: Analysis and development of the QA/QC procedures for the GHG inventory | | | | | | | | |
| 4.1. QA/QC procedures | | | | | | | | |
| Expert fee of STE: LRA | 350,00 | 4 | 1 400,00 | 1 750,00 | | 1 750,00 | 1 750,00 | 0,00 |
| 'Project Management Costs' | 1 400,00 | 1,5 | 2 100,00 | 2 625,00 | | 2 625,00 | 2 625,00 | 0,00 |
| Per diem | 181,00 | 4 | 724,00 | 905,00 | | 905,00 | 905,00 | 0,00 |
| Travel tickets | 300,00 | 1 | 300,00 | 600,00 | | 219,50 | 219,50 | 380,50 |
| 4.1. Total | | | 4 524,00 | 5 880,00 | 0,00 | 5 499,50 | 5 499,50 | 380,50 |
| Total Activity 4 | | | 4 524,00 | 5 880,00 | 0,00 | 5 499,50 | 5 499,50 | 380,50 |
| ACTIVITY 5: Analysis and development of uncertainty management of the GHG inventory | | | | | | | | |
| 5.1. Uncertainty management | | | | | | | | |
| Expert fee of 2 STE: SMa, TOi | 350,00 | 8 | 2 800,00 | 2 800,00 | | 2 800,00 | 2 800,00 | 0,00 |
| 'Project Management Costs' | 2 800,00 | 1,5 | 4 200,00 | 4 200,00 | | 4 200,00 | 4 200,00 | 0,00 |
| Per diem | 181,00 | 8 | 1 448,00 | 1 448,00 | | 1 448,00 | 1 448,00 | 0,00 |
| Travel tickets | 300,00 | 2 | 600,00 | 600,00 | | 193,98 | 193,98 | 406,02 |
| 5.1. Total | | | 9 048,00 | 9 048,00 | 0,00 | 8 641,98 | 8 641,98 | 406,02 |
| Total Activity 5 | | | 9 048,00 | 9 048,00 | 0,00 | 8 641,98 | 8 641,98 | 406,02 |
| ACTIVITY 6: Preparation of a collaboration agreement for GHG inventory improvement | | | | | | | | |
| 6.1. Collaboration agreement | | | | | | | | |
| Expert fee of PL RPi, STE KSa | 350,00 | 2 | 700,00 | 350,00 | | 350,00 | 350,00 | 0,00 |
| 'Project Management Costs' | 700,00 | 1,5 | 1 050,00 | 525,00 | | 525,00 | 525,00 | 0,00 |
| Expert fee of STE JOj | 250,00 | 1 | 250,00 | 250,00 | | 0,00 | 0,00 | 250,00 |
| 'Project Management Costs' | 250,00 | 1,5 | 375,00 | 375,00 | | 0,00 | 0,00 | 375,00 |
| Per diem | 181,00 | 3 | 543,00 | 362,00 | | 181,00 | 181,00 | 181,00 |
| 6.1. Total | | | 2 918,00 | 1 862,00 | 0,00 | 1 056,00 | 1 056,00 | 806,00 |
| Total Activity 6 | | | 2 918,00 | 1 862,00 | 0,00 | 1 056,00 | 1 056,00 | 806,00 |
| ACTIVITY 7: Final Seminar | | | | | | | | |
| 7.1. Final seminar | | | | | | | | |
| Expert fee of 8 STE: PFO, KGr, TLa, SMa, TOi, LRA, KSa, KSk | 350,00 | 8 | 2 800,00 | 2 100,00 | | 1 750,00 | 1 750,00 | 350,00 |
| 'Project Management Costs' | 2 800,00 | 1,5 | 4 200,00 | 3 150,00 | | 2 625,00 | 2 625,00 | 525,00 |
| Expert fee of 2 STE: ALe, PPe | 250,00 | 2 | 500,00 | 500,00 | | 500,00 | 500,00 | 0,00 |
| 'Project Management Costs' | 500,00 | 1,5 | 750,00 | 750,00 | | 750,00 | 750,00 | 0,00 |
| Per diem | 181,00 | 10 | 1 810,00 | 1 448,00 | | 1 267,00 | 1 267,00 | 181,00 |
| Travel tickets | 300,00 | 10 | 3 000,00 | 2 400,00 | | 1 123,29 | 1 123,29 | 1 276,71 |
| 7.1. Total | | | 13 060,00 | 10 348,00 | 0,00 | 8 015,29 | 8 015,29 | 2 332,71 |
| Total Activity 7 | | | 13 060,00 | 10 348,00 | 0,00 | 8 015,29 | 8 015,29 | 2 332,71 |
| Total Project Activities | | | 103 946,00 | 103 946,00 | 12 236,23 | 83 524,08 | 95 760,31 | 8 185,69 |
| Translation, interpretation , materials | | | 3 000,00 | 3 000,00 | 0,00 | 0,00 | 0,00 | 3 000,00 |
| PROJECT SUB-TOTAL | | | 122 918,00 | 122 918,00 | 18 109,65 | 91 858,29 | 109 967,94 | 12 950,06 |
| Provision for changes in prices (max 2.5%) | | | 3 072,95 | 3 072,95 | 0,00 | 50,25 | 50,25 | 3 022,70 |
| PROJECT TOTAL | | | 125 990,95 | 125 990,95 | 18 109,65 | 91 908,54 | 110 018,19 | 15 972,76 |

| Project: | EE06-IB-TWP-ENV-06 | | | | | | | | | | |
|------------------|-----------------------------------------------------------------------------|----------------------------|--------------------|------------------------|-------------------------------------------------------|---------------------------------|---------------------------------|---------------------------|-------------------------------------------|----------------------------------------------|----------------------------------------|
| Contract: | Improving the Quality of Estonia's National Greenhouse Gas Inventory | | | | | | | | | | |
| | DETAILED FINANCIAL REPORT | | | | | | | | | | |
| Period: | 1.1.-30.9.2009 | | | | | | | | | | |
| Section | Services / goods purchased or direct costs | Date(s) of services | Invoice no | Date of invoice | Breakdown and clarification | Amount in local currency | INFOR-EURO exchange rate | Amount paid in EUR | Amount foreseen in original budget | Amount introduced by side letters 1-2 | Amount charged to contingencies |
| 1 | PROJECT COORDINATION AND MANAGEMENT | | | | | | | | | | |
| | Co-ordination meeting, kick-off meeting | | | | | | | | | | |
| | Expert fees of PL Riitta Pipatti | 24-26.3.2009 | | | 3 * 350 €, arrival 23.3. 20:40, departure 26.3. 17:55 | | | 1 050,00 | 1 050,00 | | |
| | Project Management Costs' | 24-26.3.2009 | | | 1.5 * 1050 € | | | 1 575,00 | 1 575,00 | | |
| | Per diem | 23-26.3.2009 | | | 3 * 181 € | | | 543,00 | 543,00 | | |
| | Air ticket | 23-26.3.2009 | 76631 | 19.3.2009 | Economy Class. Invoice of Travel Agency Area | | | 145,71 | 300,00 | | |
| | Expert fees of STE Jaakko Ojala | 24-26.3.2009 | | | 3 * 250 €, arrival 23.3. 20:40, departure 26.3. 21:30 | | | 750,00 | 750,00 | | |
| | Project Management Costs' | 24-26.3.2009 | | | 1.5 * 750 € | | | 1 125,00 | 1 125,00 | | |
| | Per diem | 23-26.3.2009 | | | 3 * 181 € | | | 543,00 | 543,00 | | |
| | Air ticket | 23-26.3.2009 | ETKT 1052445895858 | 19.3.2009 | Economy class ticket | | | 141,71 | 300,00 | | |
| | Project monitoring and Steering Committee meeting | | | | | | | | | | |
| | Expert fee of PL Riitta Pipatti | 28.5.2009 | | | 1*350 €, arrival 27.5. 19:30, departure 28.5. 17:30 | | | 350,00 | 350,00 | | |
| | 'Project Management Costs' | 28.5.2009 | | | 1.5 * 350 € | | | 525,00 | 525,00 | | |
| | Per diem | 27-28.5.2009 | | | 1 * 181 € | | | 181,00 | 181,00 | | |
| | Ferry ticket | 27-28.5.2009 | Area M5984317 | 26.5.2009 | Tallink business lounge | | | 125,00 | 300,00 | | |
| | Expert fee of STE Jaakko Ojala | 28.5.2009 | | | 1*250 €, arrival 27.5. 19:30, departure 28.5. 17:30 | | | 250,00 | 250,00 | | |
| | 'Project Management Costs' | 28.5.2009 | | | 1.5 * 250 € | | | 375,00 | 375,00 | | |
| | Per diem | 27-28.5.2009 | | | 1 * 181 € | | | 181,00 | 181,00 | | |
| | Ferry ticket | 27-28.5.2009 | Res.no. 32871153 | 27.5.2009 | Tallink business lounge | | | 155,00 | 300,00 | | |
| | Final seminar and Steering Committee | | | | | | | | | | |
| | Expert fee of PL Riitta Pipatti | 27.-28.8.2009 | | | 2*350 €, arrival 27.8. 00:50, departure 28.8. 17:30 | | | 700,00 | 700,00 | | |
| | 'Project Management Costs' | 27.-28.8.2009 | | | 1.5 * 700 € | | | 1 050,00 | 1 050,00 | | |
| | Per diem | 27.-28.8.2009 | | | 2 * 181 € | | | 362,00 | 362,00 | | |
| | Travel tickets | 27.-28.8.2009 | Area 91406, 91486 | 24.8.2009 | Flight Brussels-Tallinn / Tallink business lounge | | | 240,21 | 300,00 | | |
| | Expert fee of STE Jaakko Ojala | 27.-28.8.2009 | | | 2*250 €, arrival 27.8. 00:20, departure 28.8. 17:55 | | | 500,00 | 500,00 | | |
| | 'Project Management Costs' | 27.-28.8.2009 | | | 1.5 * 500 € | | | 750,00 | 750,00 | | |
| | Per diem | 27.-28.8.2009 | | | 2 * 181 € | | | 362,00 | 362,00 | | |
| | Air ticket | 27.-28.8.2009 | Res.No. 3DANRQ | 24.8.2009 | Finnair E-ticket | | | 228,00 | 300,00 | | |
| | Visibility costs | | | | | | | 0,00 | 1 000,00 | | |
| | Audit certificate costs | 17.9.2009 | 1280243 | 24.9.2009 | Invoice of Auditor Oy (without VAT) | | | 2 000,00 | 2 000,00 | | |
| | Project Coordination Costs Total | | | | | | | 14 207,63 | 15 972,00 | 15 972,00 | |

Twinning Contract number: EE06-IB-TWP-ENV-06

| Section | Services / goods purchased or direct costs | Date(s) of services | Invoice no | Date of invoice | Breakdown and clarification | Amount in local currency | INFOR-EURO exchange rate | Amount paid in EUR | Amount foreseen in original budget | Amount introduced by side letters 1-2 | Amount charged to contingencies |
|-------------|-----------------------------------------------------------|---------------------|--------------------|-----------------|-----------------------------------------------------------|--------------------------|--------------------------|--------------------|------------------------------------|---------------------------------------|---------------------------------|
| 2 | PROJECT ACTIVITIES | | | | | | | | | | |
| | Activity 1: Assessment of current inventory system | | | | | | | | | | |
| 1.1. | Kick-off meeting | | | | | | | | | | |
| | Expert fee of STE Leena Raittinen | 25.3.2009 | | | 1*350 €, arrival 24.3. 23:55, departure 25.3. 18:00 | | | 350,00 | 350,00 | | |
| | 'Project Management Costs' | 25.3.2009 | | | 1.5 * 350 € | | | 525,00 | 525,00 | | |
| | Per diem | 24-25.3.2009 | | | 1 * 181 € | | | 181,00 | 181,00 | | |
| | Ferry ticket | 24-25.3.2009 | 76768 | 20.3.2009 | Invoice of Travel Agency Area (cabin price 86 € deducted) | | | 53,00 | 150,00 | | |
| | Expert fee of STE Tuija Lapveteläinen | 25.3.2009 | | | 1*350 €, arrival 24.3. 23:55, departure 25.3. 18:00 | | | 350,00 | 350,00 | | |
| | 'Project Management Costs' | 25.3.2009 | | | 1.5 * 350 € | | | 525,00 | 525,00 | | |
| | Per diem | 24-25.3.2009 | | | 1 * 181 € | | | 181,00 | 181,00 | | |
| | Ferry ticket | 24-25.3.2009 | 76766 | 20.3.2009 | Invoice of Travel Agency Area (cabin price 86 € deducted) | | | 53,00 | 150,00 | | |
| | Expert fee of STE Teemu Oinonen | 25.3.2009 | | | 1*350 €, arrival 24.3. 23:55, departure 25.3. 18:00 | | | 350,00 | 350,00 | | |
| | 'Project Management Costs' | 25.3.2009 | | | 1.5 * 350 € | | | 525,00 | 525,00 | | |
| | Per diem | 24-25.3.2009 | | | 1 * 181 € | | | 181,00 | 181,00 | | |
| | Ferry ticket | 24-25.3.2009 | 76767 | 20.3.2009 | Invoice of Travel Agency Area (cabin price 86 € deducted) | | | 53,00 | 300,00 | | |
| | Expert fee of STE Kai Skoglund | 25.3.2009 | | | 1*350 €, arrival 24.3. 23:55, departure 25.3. 18:00 | | | 350,00 | 350,00 | | |
| | 'Project Management Costs' | 25.3.2009 | | | 1.5 * 350 € | | | 525,00 | 525,00 | | |
| | Per diem | 24-25.3.2009 | | | 1 * 181 € | | | 181,00 | 181,00 | | |
| | Ferry ticket | 24-25.3.2009 | 76769 | 20.3.2009 | Invoice of Travel Agency Area (cabin price 86 € deducted) | | | 53,00 | 300,00 | | |
| | Expert fee of STE Pia Forsell | 25.3.2009 | | | 1*350 €, arrival 24.3. 23:55, departure 25.3. 18:00 | | | 350,00 | 350,00 | | |
| | 'Project Management Costs' | 25.3.2009 | | | 1.5 * 350 € | | | 525,00 | 525,00 | | |
| | Per diem | 24-25.3.2009 | | | 1 * 181 € | | | 181,00 | 181,00 | | |
| | Ferry ticket | 24-25.3.2009 | 76764 | 20.3.2009 | Invoice of Travel Agency Area (cabin price 86 € deducted) | | | 53,00 | 300,00 | | |
| | Expert fee of STE Santtu Mattila | 25.3.2009 | | | 1*350 €, arrival 24.3. 19:30, departure 27.3. 21:00 | | | 350,00 | 350,00 | | |
| | 'Project Management Costs' | 25.3.2009 | | | 1.5 * 350 € | | | 525,00 | 525,00 | | |
| | Per diem | 24-25.3.2009 | | | 1 * 181 € | | | 181,00 | 181,00 | | |
| | Ferry ticket | 24-27.3.2009 | 32533320 | 22.3.2009 | | | | 53,00 | 300,00 | | |
| | Expert fee of STE Kristina Saarinen | 25.3.2009 | | | 1*350 €, arrival 24.3. 14:10, departure 25.3. 21:30 | | | 350,00 | 350,00 | | |
| | 'Project Management Costs' | 25.3.2009 | | | 1.5 * 350 € | | | 525,00 | 525,00 | | |
| | Per diem | 24-25.3.2009 | | | 1 * 181 € | | | 181,00 | 181,00 | | |
| | Air ticket | 24-25.3.2009 | 2009207023729 | 20.3.2009 | Economy Class. Invoice of Kaleva Travel Oy | | | 283,61 | 300,00 | | |
| | Expert fee of STE Paula Perälä | 25.3.2009 | | | 1*250 €, arrival 25.3. 00:20, departure 25.3. 21:30 | | | 250,00 | 250,00 | | |
| | 'Project Management Costs' | 25.3.2009 | | | 1.5 * 250 € | | | 375,00 | 375,00 | | |
| | Per diem | 25.3.2009 | | | 1 * 181 € | | | 181,00 | 181,00 | | |
| | Air ticket | 25.3.2009 | ETKT 1052445886985 | 17.3.2009 | Finnair, Economy class ticket | | | 231,71 | 300,00 | | |
| | Expert fee of STE Aleksu Lehtonen | 25.3.2009 | | | 1*250 €, arrival 24.3. 17:25, departure 25.3. 17:55 | | | 250,00 | 250,00 | | |
| | 'Project Management Costs' | 25.3.2009 | | | 1.5 * 250 € | | | 375,00 | 375,00 | | |
| | Per diem | 24-25.3.2009 | | | 1 * 181 € | | | 181,00 | 181,00 | | |
| | Air ticket | 24-25.3.2009 | 20096900273098 | 20.3.2009 | Invoice of Kaleva Travel Oy | | | 286,91 | 300,00 | | |

Twinning Contract number: EE06-IB-TWP-ENV-06

| Section | Services / goods purchased or direct costs | Date(s) of services | Invoice no | Date of invoice | Breakdown and clarification | Amount in local currency | INFOR-EURO exchange rate | Amount paid in EUR | Amount foreseen in original budget | Amount introduced by side letters 1-2 | Amount charged to contingencies |
|-------------|-----------------------------------------------------------------------------------------------|---------------------|---------------|-----------------|-----------------------------------------------------|--------------------------|--------------------------|--------------------|------------------------------------|---------------------------------------|---------------------------------|
| | Expert fee of STE Kari Grönfors | | | | | | | 0,00 | 350,00 | 0,00 | |
| | 'Project Management Costs' | | | | | | | 0,00 | 525,00 | 0,00 | |
| | Per diem | | | | | | | 0,00 | 181,00 | 0,00 | |
| | Travel ticket | | | | | | | 0,00 | 600,00 | 0,00 | |
| | 1.1 Total | | | | | | | 10 124,23 | 13 060,00 | 11 404,00 | |
| | Activity 1 Total | | | | | | | 10 124,23 | 13 060,00 | 11 404,00 | |
| | Activity 2: Analysis of current process and methodologies, recommendations | | | | | | | | | | |
| 2.1. | Preliminary analysis of the whole inventory system | | | | | | | | | | |
| | Expert fee of STE Leena Raittinen | 28.5.2009 | | | 1*350 €, arrival 25.5. 19:30, departure 28.5. 17:30 | | | 350,00 | 350,00 | | |
| | 'Project Management Costs' | 28.5.2009 | | | 1.5 *350 € | | | 525,00 | 525,00 | | |
| | Per diem | 27-28.5.2009 | | | 1 * 181 € | | | 181,00 | 181,00 | | |
| | Ferry ticket | 25-28.5.2009 | Area 86403 | 9.6.2009 | Tallink business lounge | | | 125,00 | 300,00 | | |
| | Expert fee of PL Riitta Pipatti | 1.7.2009 | | | 1*350 €, arrival 30.6. 16:30, departure 1.7. 17:30 | | | 350,00 | 350,00 | | |
| | 'Project Management Costs' | 1.7.2009 | | | 1.5 * 350 € | | | 525,00 | 525,00 | | |
| | Per diem | 31.6.-1.7.2009 | | | 1 * 181 € | | | 181,00 | 181,00 | | |
| | Ferry ticket | 31.6.-1.7.2009 | Area M5987958 | 25.6.2009 | Tallink business lounge | | | 117,00 | 0,00 | 300,00 | |
| | 2.1 Total | | | | | | | 2 354,00 | 2 412,00 | 2 712,00 | |
| 2.2. | Analysis of inventory methodologies for energy, industrial processes and waste sectors | | | | | | | | | | |
| | Expert fee of STE Pia Forsell | 5.-7.5.2009 | | | 3*350 €, arrival 4.5. 16:30, departure 7.5. 17:30 | | | 1 050,00 | 1 050,00 | | |
| | 'Project Management Costs' | 5.-7.5.2009 | | | 1.5 * 1050 € | | | 1 575,00 | 1 575,00 | | |
| | Per diem | 4.-7.5.2009 | | | 3 * 181 € | | | 543,00 | 543,00 | | |
| | Ferry ticket | 4.-7.5.2009 | Area M5981011 | 29.4.2009 | Tallink cabin | | | 102,50 | 300,00 | | |
| | Expert fee of STE Kari Grönfors | 6.-8.5.2009 | | | 3*350 €, arrival 5.5. 19:30, departure 8.5. 17:30 | | | 1 050,00 | 1 050,00 | | |
| | 'Project Management Costs' | 6.-8.5.2009 | | | 1.5 * 1050 € | | | 1 575,00 | 1 575,00 | | |
| | Per diem | 5.-8.5.2009 | | | 3 * 181 € | | | 543,00 | 543,00 | | |
| | Ferry ticket | 5.-8.5.2009 | Area 81739 | 6.5.2009 | Tallink business lounge | | | 125,00 | 300,00 | | |
| | Train ticket Tampere-Helsinki-Tampere | 5.-8.5.2009 | Area 81067 | 29.4.2009 | 2. class ticket and service fee without VAT | | | 65,60 | | | |
| | Expert fee of STE Kari Grönfors | 26.-27.5.2009 | | | 2*350 €, arrival 25.5. 19:30, departure 27.5. 17:30 | | | 700,00 | 350,00 | 700,00 | |
| | 'Project Management Costs' | 26.-27.5.2009 | | | 1.5 * 700 € | | | 1 050,00 | 525,00 | 1 050,00 | |
| | Per diem | 25.-27.5.2009 | | | 2 * 181 € | | | 362,00 | 181,00 | 362,00 | |
| | Ferry ticket | 25.-27.5.2009 | Area 84273 | 26.5.2009 | Tallink business lounge | | | 125,00 | 0,00 | 300,00 | |
| | Train ticket Tampere-Helsinki-Tampere | 25.-27.5.2009 | | | Second class ticket without VAT | | | 51,66 | | | |
| | Expert fee of STE Kai Skoglund | 4.-6.5.2009 | | | 3*350 €, arrival 3.5. 22:00, departure 6.5. 17:30 | | | 1 050,00 | 1 050,00 | | |
| | 'Project Management Costs' | 4.-6.5.2009 | | | 1.5 * 1050 € | | | 1 575,00 | 1 575,00 | | |
| | Per diem | 3.-6.5.2009 | | | 3 * 181 € | | | 543,00 | 543,00 | | |
| | Ferry ticket | 3.-6.5.2009 | Area 81009 | 29.4.2009 | Tallink deck / business lounge | | | 133,00 | 300,00 | | |
| | Expert fee of STE Kristina Saarinen | 25.-28.5.2009 | | | 4*350 €, arrival 24.5. 20:40, departure 28.5. 21:30 | | | 1 400,00 | 1 400,00 | | |
| | 'Project Management Costs' | 25.-28.5.2009 | | | 1.5 * 1400 € | | | 2 100,00 | 2 100,00 | | |
| | Per diem | 24.-28.5.2009 | | | 4 * 181 € | | | 724,00 | 724,00 | | |
| | Air ticket | 24.-28.5.2009 | 2010207034319 | | Economy class. Kaleva Travel | | | 233,59 | 300,00 | | |
| | 2.2 Total | | | | | | | 16 676,35 | 15 984,00 | 17 340,00 | |

Twinning Contract number: EE06-IB-TWP-ENV-06

| Section | Services / goods purchased or direct costs | Date(s) of services | Invoice no | Date of invoice | Breakdown and clarification | Amount in local currency | INFOR-EURO exchange rate | Amount paid in EUR | Amount foreseen in original budget | Amount introduced by side letters 1-2 | Amount charged to contingencies |
|-------------|------------------------------------------------------------------------------------------|---------------------|-------------------|-----------------|---------------------------------------------------------|--------------------------|--------------------------|--------------------|------------------------------------|---------------------------------------|---------------------------------|
| 2.3. | Analysis of inventory methodologies for agriculture and LULUCF sectors | | | | | | | | | | |
| | Expert fee of STE Paula Perälä | 29.6.-2.7.2009 | | | 4*250 €, arrival 28.6. 22:00, departure 2.7. 17:30 | | | 1 000,00 | 1 000,00 | | |
| | 'Project Management Costs' | 29.6.-2.7.2009 | | | 1.5 * 1000 € | | | 1 500,00 | 1 500,00 | | |
| | Per diem | 29.6.-2.7.2009 | | | 4 * 181 € | | | 724,00 | 724,00 | | |
| | Ferry ticket | 29.6.-2.7.2009 | Res. no. 33033213 | | Tallink deck | | | 50,00 | 300,00 | | |
| | Expert fee of STE Aleksii Lehtonen | 8.-11.6.2009 | | | 4*250 €, arrival 7.6. 19:30, departure 11.6. 17:30 | | | 1 000,00 | 1 000,00 | | |
| | 'Project Management Costs' | 8.-11.6.2009 | | | 1,5 * 1000 € | | | 1 500,00 | 1 500,00 | | |
| | Per diem | 7.-11.6.2009 | | | 4 * 181 € | | | 724,00 | 724,00 | | |
| | Ferry ticket | 7.-11.6.2009 | 2010 2070 35819 | 26.5.2009 | Tallink business lounge. Invoice of Kaleva Travel Oy | | | 156,70 | 300,00 | | |
| | Expert fee of STE Tuija Lapveteläinen | 25.-28.5.2009 | | | 4*350 €, arrival 24.5. 19:30, departure 28.5. 17:30 | | | 1 400,00 | 1 400,00 | | |
| | 'Project Management Costs' | 25.-28.5.2009 | | | 1.5 * 1400 € | | | 2 100,00 | 2 100,00 | | |
| | Per diem | 24.-28.5.2009 | | | 4 * 181 € | | | 724,00 | 724,00 | | |
| | Ferry ticket | 24.-28.5.2009 | Area 83604 | 20.5.2009 | Tallink business lounge | | | 155,00 | 300,00 | | |
| | Expert fee of STE Tuija Lapveteläinen | 11.6.2009 | | | 1*350 €, arrival 10.6. 19:30, departure 11.6. 17:30 | | | 350,00 | 0,00 | 350,00 | |
| | 'Project Management Costs' | 11.6.2009 | | | 1.5 * 350 € | | | 525,00 | 0,00 | 525,00 | |
| | Per diem | 10-11.6.2009 | | | 1 * 181 € | | | 181,00 | 0,00 | 181,00 | |
| | Ferry ticket | 10-11.6.2009 | Area 84316 | 26.5.2009 | Tallink business lounge | | | 125,00 | 0,00 | 300,00 | |
| | 2.3 Total | | | | | | | 12 214,70 | 11 572,00 | 12 928,00 | |
| | Activity 2 total | | | | | | | 31 245,05 | 29 968,00 | 32 980,00 | |
| | Activity 3: Analysis of current IT system and recommendations for its elaboration | | | | | | | | | | |
| 3.1. | IT system analysis and TOR | | | | | | | | | | |
| | Expert fee of STE Santtu Mattila | 26.-27.3.2009 | | | 2*350 €, arrival 24.3. 19:30, departure 27.3. 21:00 | | | 700,00 | 700,00 | | |
| | 'Project Management Costs' | 26.-27.3.2009 | | | 1.5 * 700 € | | | 1 050,00 | 1 050,00 | | |
| | Per diem | 25.-27.3.2009 | | | 2 * 181 € | | | 362,00 | 362,00 | | |
| | Expert fee of STE Santtu Mattila | 4.-8.5.2009 | | | 5*350 €, arrival 3.5. 22:00, departure 8.5. 21:00 | | | 1 750,00 | 1 750,00 | | |
| | 'Project Management Costs' | 4.-8.5.2009 | | | 1.5 * 1750 € | | | 2 625,00 | 2 625,00 | | |
| | Per diem | 3.-8.5.2009 | | | 5 * 181 € | | | 905,00 | 905,00 | | |
| | Ferry ticket | 3.-8.5.2009 | Res. no. 32740528 | 2.5.2009 | Tallink deck / business lounge | | | 145,00 | 300,00 | | |
| | Expert fee of STE Santtu Mattila | 1.-5.6.2009 | | | 5*350 €, arrival 30.5. 18:30, departure 5.6. 19:00 | | | 1 750,00 | 1 750,00 | | |
| | 'Project Management Costs' | 1.-5.6.2009 | | | 1.5 * 1750 € | | | 2 625,00 | 2 625,00 | | |
| | Per diem | 30.5.-5.6.2009 | | | 5 * 181 € | | | 905,00 | 905,00 | | |
| | Ferry ticket | 30.5.-5.6.2009 | Rec. 01197 | 30.5.2009 | Linda Line, tourist class | | | 51,30 | 300,00 | | |
| | Expert fee of STE Santtu Mattila | 29.6.-3.7.2009 | | | 5*350 € | | | 1 750,00 | 1 750,00 | | |
| | 'Project Management Costs' | 29.6.-3.7.2009 | | | 1.5 * 1750 €, arrival 28.6. 18:30, departure 3.7. 19:00 | | | 2 625,00 | 2 625,00 | | |
| | Per diem | 28.6.-3.7.2009 | | | 5 * 181 € | | | 905,00 | 905,00 | | |
| | Ferry ticket | 28.6.-3.7.2009 | Res. no. 3321551 | | Linda Line, tourist class | | | 38,98 | 300,00 | | |
| | Expert fee of STE Santtu Mattila | 10.-14.8.2009 | | | 5*350 €, arrival 9.8. 20:30, departure 14.8. 19:00 | | | 1 750,00 | 1 750,00 | | |
| | 'Project Management Costs' | 10.-14.8.2009 | | | 1.5 * 1750 € | | | 2 625,00 | 2 625,00 | | |
| | Per diem | 9.-14.8.2009 | | | 5 * 181 € | | | 905,00 | 905,00 | | |
| | Ferry ticket | 9.-14.8.2009 | Res. no. 3459985 | | Linda Line, tourist class | | | 38,98 | 300,00 | | |

Twinning Contract number: EE06-IB-TWP-ENV-06

| Section | Services / goods purchased or direct costs | Date(s) of services | Invoice no | Date of invoice | Breakdown and clarification | Amount in local currency | INFOR-EURO exchange rate | Amount paid in EUR | Amount foreseen in original budget | Amount introduced by side letters 1-2 | Amount charged to contingencies |
|------------|--------------------------------------------------------------------------------------------|---------------------|------------------|-----------------|-----------------------------------------------------|--------------------------|--------------------------|--------------------|------------------------------------|---------------------------------------|---------------------------------|
| | Expert fee of STE Kai Skoglund | 29.6.-1.7.2009 | | | 3*350 €, arrival 28.6. 19:30, departure 1.7. 17:30 | | | 1 050,00 | 1 050,00 | | |
| | 'Project Management Costs' | 29.6.-1.7.2009 | | | 1.5 * 1050 € | | | 1 575,00 | 1 575,00 | | |
| | Per diem | 28.6.-1.7.2009 | | | 3 * 181 € | | | 543,00 | 543,00 | | |
| | Ferry ticket | 28.6.-1.7.2009 | Area 88121 | 29.6.2009 | Invoice of Travel Agency Area | | | 125,00 | 300,00 | | |
| | Expert fee of STE Kai Skoglund | 10.-13.8.2009 | | | 4*350 €, arrival 9.8. 19:30, departure 13.8. 17:30 | | | 1 400,00 | 1 050,00 | 1 400,00 | |
| | 'Project Management Costs' | 10.-13.8.2009 | | | 1.5 * 1400 € | | | 2 100,00 | 1 575,00 | 2 100,00 | |
| | Per diem | 9.-13.8.2009 | | | 4 * 181 € | | | 724,00 | 543,00 | 724,00 | |
| | Ferry ticket | 9.-13.8.2009 | Area 90044 | 6.8.2009 | Tallink business lounge | | | 155,00 | 300,00 | | |
| | 3.1 Total | | | | | | | 31 178,26 | 31 368,00 | 32 424,00 | |
| | Activity 3 total | | | | | | | 31 178,26 | 31 368,00 | 32 424,00 | |
| | Activity 4: Analysis and development of the QA/QC procedures for the GHG inventory | | | | | | | | | | |
| 4.1 | Analysis and development of the QA/QC perocedures for the GHG inventory | | | | | | | | | | |
| | Expert fee of STE Leena Raittinen | 5.-6.5.2009 | | | 2*350 €, arrival 4.5. 16:30, departure 6.5. 17:30 | | | 700,00 | 700,00 | | |
| | 'Project Management Costs' | 5.-6.5.2009 | | | 1.5 * 700 € | | | 1 050,00 | 1 050,00 | | |
| | Per diem | 4.-6.5.2009 | | | 2 * 181 € | | | 362,00 | 362,00 | | |
| | Ferry ticket | 4.-6.5.2009 | Area 81012 | 29.4.2009 | Tallink cabin | | | 102,50 | 300,00 | | |
| | Expert fee of STE Leena Raittinen | 26.-27.5.2009 | | | 2*350 €, arrival 25.5. 19:30, departure 28.5. 17:30 | | | 700,00 | 700,00 | | |
| | 'Project Management Costs' | 26.-27.5.2009 | | | 1.5 *700 € | | | 1 050,00 | 1 050,00 | | |
| | Per diem | 25.-27.5.2009 | | | 2 * 181 € | | | 362,00 | 362,00 | | |
| | Expert fee of STE Leena Raittinen | 1.7.2009 | | | 1*350 €, arrival 30.6. 16:30, departure 1.7. 17:30 | | | 350,00 | | 350,00 | |
| | 'Project Management Costs' | 1.7.2009 | | | 1.5 * 350 € | | | 525,00 | | 525,00 | |
| | Per diem | 31.6.-1.7.2009 | | | 1 * 181 € | | | 181,00 | | 181,00 | |
| | Ferry ticket | 31.6.-1.7.2009 | Area 88657 | 7.7.2009 | Tallink business lounge | | | 117,00 | | 300,00 | |
| | 4.1 Total | | | | | | | 5 499,50 | 4 524,00 | 5 880,00 | 0,00 |
| | Activity 4 total | | | | | | | 5 499,50 | 4 524,00 | 5 880,00 | 0,00 |
| | ACTIVITY 5: Analysis and development of uncertainty management of the GHG inventory | | | | | | | | | | |
| 5.1 | Uncertainty management | | | | | | | | | | |
| | Expert fee of STE Teemu Oinonen | 9.-12.6.2009 | | | 4*350 €, arrival 8.6. 19:30, departure 12.6. 17:30 | | | 1 400,00 | 1 400,00 | | |
| | 'Project Management Costs' | 9.-12.6.2009 | | | 1.5 * 1400 € | | | 2 100,00 | 2 100,00 | | |
| | Per diem | 8.-12.6.2009 | | | 4 * 181 € | | | 724,00 | 724,00 | | |
| | Ferry ticket | 8.-12.6.2009 | Area 83618 | 20.5.2009 | Tallink business lounge | | | 155,00 | 300,00 | | |
| | Expert fee of STE Santtu Mattila | 12.6.2009 | | | 1*350 €, arrival 11.6. 20:30, departure 12.6. 19:00 | | | 350,00 | 350,00 | | |
| | 'Project Management Costs' | 12.6.2009 | | | 1.5 * 350 € | | | 525,00 | 525,00 | | |
| | Per diem | 11.6.2009 | | | 1 * 181 € | | | 181,00 | 181,00 | | |
| | Ferry ticket | 11.6.2009 | Res. no. 3286669 | | Linda Line, tourist class | | | 38,98 | 300,00 | | |
| | Expert fee of STE Santtu Mattila | 24.-26.8.2009 | | | 3*350 €, arrival 23.8. 23:20, departure 27.8. 19:00 | | | 1 050,00 | 1 050,00 | | |
| | 'Project Management Costs' | 24.-26.8.2009 | | | 1.5 * 1400 € | | | 1 575,00 | 1 575,00 | | |
| | Per diem | 23.-26.8.2009 | | | 3 * 181 € | | | 543,00 | 543,00 | | |
| | 5.1 Total | | | | | | | 8 641,98 | 9 048,00 | 9 048,00 | 0,00 |
| | Activity 5 total | | | | | | | 8 641,98 | 9 048,00 | 9 048,00 | 0,00 |

Twinning Contract number: EE06-IB-TWP-ENV-06

| Section | Services / goods purchased or direct costs | Date(s) of services | Invoice no | Date of invoice | Breakdown and clarification | Amount in local currency | INFOR-EURO exchange rate | Amount paid in EUR | Amount foreseen in original budget | Amount introduced by side letters 1-2 | Amount charged to contingencies |
|-------------------------------------------------------------------------------------------|--------------------------------------------|---------------------|---------------|-----------------|-----------------------------------------------------|--------------------------|--------------------------|--------------------|------------------------------------|---------------------------------------|---------------------------------|
| ACTIVITY 6: Preparation of a collaboration agreement for GHG inventory improvement | | | | | | | | | | | |
| 6.1 | Collaboration agreement | | | | | | | | | | |
| | Expert fee of STE Kristina Saarinen | 28.8.2009 | | | 1*350 €, arrival 26.8. 14:10, departure 28.8. 20:55 | | | 350,00 | 700,00 | 350 | |
| | 'Project Management Costs' | 28.8.2009 | | | 1.5 * 350 € | | | 525,00 | 1 050,00 | 525 | |
| | Per diem | 28.8.2009 | | | 1 * 181 € | | | 181,00 | 362,00 | 181 | |
| | Expert fee of STE Jaakko Ojala | | | | | | | 0,00 | 250,00 | 250 | |
| | 'Project Management Costs' | | | | | | | 0,00 | 375,00 | 375 | |
| | Per diem | | | | | | | 0,00 | 181,00 | 181 | |
| | 6.1 Total | | | | | | | 1 056,00 | 2 918,00 | 1 862,00 | 0,00 |
| | Activity 6 total | | | | | | | 1 056,00 | 2 918,00 | 1 862,00 | |
| Activity 7: Final seminar | | | | | | | | | | | |
| 7.1. | Final seminar | | | | | | | | | | |
| | Expert fee of STE Pia Forsell | 27.8.2009 | | | 1*350 €, arrival 26.8. 19:30, departure 27.8. 17:30 | | | 350,00 | 350,00 | | |
| | 'Project Management Costs' | 27.8.2009 | | | 1.5 * 350 € | | | 525,00 | 525,00 | | |
| | Per diem | 26.-27.8.2009 | | | 1 * 181 € | | | 181,00 | 181,00 | | |
| | Ferry ticket | 26.-27.8.2009 | Area 91031 | 19.8.2009 | Tallink business lounge | | | 125,00 | 300,00 | | |
| | Expert fee of STE Kari Grönfors | 27.8.2009 | | | 1*350 €, arrival 27.8. 00:50, departure 27.8. 21:30 | | | 350,00 | 350,00 | | |
| | 'Project Management Costs' | 27.8.2009 | | | 1.5 * 350 € | | | 525,00 | 525,00 | | |
| | Per diem | 26.-27.8.2009 | | | 1 * 181 € | | | 181,00 | 181,00 | | |
| | Air ticket | 26.-27.8.2009 | Area 91373 | 21.8.2009 | Brussels-Tallinn, Tallinn-Tampere | | | 350,25 | 300,00 | | 50,25 |
| | Expert fee of STE Teemu Oinonen | 27.8.2009 | | | 1*350 €, arrival 26.8. 19:30, departure 27.8. 17:30 | | | 350,00 | 350,00 | | |
| | 'Project Management Costs' | 27.8.2009 | | | 1.5 * 350 € | | | 525,00 | 525,00 | | |
| | Per diem | 26.-27.8.2009 | | | 1 * 181 € | | | 181,00 | 181,00 | | |
| | Ferry ticket | 26.-27.8.2009 | Area 90045 | 6.8.2009 | Tallink business lounge | | | 155,00 | 300,00 | | |
| | Expert fee of STE Paula Perälä | 27.8.2009 | | | 1*250 €, arrival 26.8. 23:59, departure 27.8. 17:30 | | | 250,00 | 250,00 | | |
| | 'Project Management Costs' | 27.8.2009 | | | 1.5 * 250 € | | | 375,00 | 375,00 | | |
| | Per diem | 26.-27.8.2009 | | | 1 * 181 € | | | 181,00 | 181,00 | | |
| | Ferry ticket | 26.-27.8.2009 | Res. 33454289 | | Tallink deck / business lounge (Tal-Hel) | | | 95,00 | 300,00 | | |
| | Expert fee of STE Aleksí Lehtonen | 27.8.2009 | | | 1*250 €, arrival 26.8. 19:30, departure 27.8. 17:30 | | | 250,00 | 250,00 | | |
| | 'Project Management Costs' | 27.8.2009 | | | 1.5 * 250 € | | | 375,00 | 375,00 | | |
| | Per diem | 26.-27.8.2009 | | | 1 * 181 € | | | 181,00 | 181,00 | | |
| | Ferry ticket | 26.-27.8.2009 | Res. 33370130 | | Tallink Business lounge | | | 120,00 | 300,00 | | |
| | Expert fee of STE Kristina Saarinen | 27.8.2009 | | | 1*350 €, arrival 26.8. 14:10, departure 28.8. 20:55 | | | 350,00 | 350,00 | | |
| | 'Project Management Costs' | 27.8.2009 | | | 1.5 * 350 € | | | 525,00 | 525,00 | | |
| | Per diem | 26.-27.8.2009 | | | 1 * 181 € | | | 181,00 | 181,00 | | |
| | Air ticket | 26.-27.8.2009 | 2010207042261 | 7.8.2009 | Economy class. Kaleva Travel | | | 285,59 | 300,00 | | |

Twining Contract number: EE06-IB-TWP-ENV-06

| Section | Services / goods purchased or direct costs | Date(s) of services | Invoice no | Date of invoice | Breakdown and clarification | Amount in local currency | INFOR-EURO exchange rate | Amount paid in EUR | Amount foreseen in original budget | Amount introduced by side letters 1-2 | Amount charged to contingencies |
|---------|--------------------------------------------|---------------------|-----------------------------------------|-----------------|-----------------------------------------------------|--------------------------|--------------------------|--------------------|------------------------------------|---------------------------------------|---------------------------------|
| | Expert fee of STE Santtu Mattila | 27.8.2009 | | | 1*350 €, arrival 23.8. 23:20, departure 27.8. 19:00 | | | 350,00 | 350,00 | | |
| | 'Project Management Costs' | 27.8.2009 | | | 1.5 * 1400 € | | | 525,00 | 525,00 | | |
| | Per diem | 26.-27.8.2009 | | | 1 * 181 € | | | 181,00 | 181,00 | | |
| | Ferry ticket | 23.-27.8.2009 | Rec. 3502882, 3502883, 3502888, 3502890 | | Linda Line, tourist class | | | 42,70 | 300,00 | | |
| | Expert fee of 3 STE: TLa, Lra, KSk | | | | | | | 0,00 | 1 050,00 | 350,00 | |
| | 'Project Management Costs' | | | | | | | 0,00 | 1 575,00 | 525,00 | |
| | Per diem | | | | | | | 0,00 | 543,00 | 181,00 | |
| | Ferry ticket | | | | | | | 0,00 | 900,00 | 300,00 | |
| | 7.1 Total | | | | | | | 8 065,54 | 13 060,00 | 10 348,00 | 50,25 |
| | Activity 7 total | | | | | | | 8 065,54 | 13 060,00 | 10 348,00 | 50,25 |
| | Project total | | | | | | | 110 018,19 | 119 918,00 | 119 918,00 | |
| | | | | | | | | | | | |

EXPENDITURE VERIFICATION REPORT

Mrs Leena Storgårds
Director, Structural Business Statistics
Statistics Finland
Työpajankatu 13
FI-00022 Statistics Finland, Helsinki

17.9.2009

Subject: Report of Factual Findings for an Expenditure Verification of a Twining contract

Dear Mrs Storgårds

In accordance with our agreement dated 15.9.2009 with Statistics Finland “the Member State Partner (MSP)” and the terms of reference attached thereto (Annex 1 of this report), we provide our Report of Factual Findings (“the Report”), with respect to the accompanying Financial Report you provided for the period covering 1.1.-30.9.2009 (Annex 2 of the Report). You requested certain procedures to be carried out in connection with the Twining Light Contract concerning “Improving the Quality of Estonia’s National Greenhouse Gas Inventory” No EE06-IB-TWP-ENV-06, the ‘Twining contract’. The Report consists of this letter and the Report details set out in Chapters 1 and 2.

Objective

Our engagement was an engagement to perform agreed-upon procedures regarding the expenditure verification of the Twining Light Contract between you and the Central Financing and Contracting Department (CFCD), Ministry of Finance of Estonia, the ‘Contracting Authority’. It involved performing certain specified procedures, the results of which the Contracting Authority uses to draw conclusions from the procedures performed by us.

The objective of this expenditure verification is for the Auditor to verify that the expenditure claimed by the Member State Partner (MSP) in the Financial Report for the action financed by the Twining contract has occurred (‘reality’), is accurate (‘exact’) and eligible and to submit to the Member State Partner (MSP) the report with regard to the agreed-upon procedures performed. Eligibility means that the funds provided by the grant were spent in accordance with the terms and conditions of the Twining contract, the Common Twining Manual and the other relevant regulations and provisions.

Scope of Work

Our engagement was undertaken in accordance with:

- the terms of reference in Annex 1 to this Report and:
- International Standard on Related Services (‘ISRS’) 4400 *Engagements to perform Agreed-upon Procedures regarding Financial Information* as promulgated by the International Federation of Accountants (‘IFAC’);
- the *Code of Ethics for Professional Accountants* issued by the IFAC. Although ISRS 4400 provides that independence is not a requirement for agreed-upon procedures engagements, the Contracting Authority requires that the auditor also complies with the independence requirements of the *Code of Ethics for Professional Accountants*;

As requested, we have only performed the procedures set out in the terms of reference for this engagement and we have reported our factual findings on those procedures in Chapter 3 of this Report. The scope of these agreed upon procedures has been determined solely by the Contracting Authority and the procedures were performed solely to assist the Contracting Authority in evaluating whether the expenditure claimed by the Member State Partner (MSP) in the accompanying Financial Report has occurred ('reality'), is accurate ('exact') and eligible.

Because the procedures performed by us did not constitute either an audit or a review made in accordance with International Standards on Auditing or International Standards on Review Engagements, we do not express any assurance on the accompanying Financial Report.

Had we performed additional procedures or had we performed an audit or review of the financial statements of the Member State Partner (MSP) in accordance with International Standards on Auditing, other matters might have come to our attention that would have been reported to you.

Sources of Information

The Report sets out information provided to us by the management of the Member State Partner (MSP) in response to specific questions or as obtained and extracted from the Member State Partner (MSP)'s information and accounting systems. In addition we received verbal representations from the Member State Partner (MSP)'s management which we did not obtain in writing.

Factual Findings

The total expenditure which is the subject of this expenditure verification amounts to **110.018,19 €**.

The Expenditure Coverage Ratio is 66.35 %. This ratio represents the total amount of expenditure verified by us expressed as a percentage of the total expenditure which has been subject of this expenditure verification. The latter amount is equal to the total amount of expenditure reported by the Member State Partner (MSP) in the Financial Report (Annex 2) and claimed by the Member State Partner (MSP) for deduction from the total sum of prefinancing under the Twining contract as per the Member State Partner (MSP)'s Final Request for Payment.

Use of this Report

This Report is solely for the purpose set forth in the above objective.

This report is prepared solely for the confidential use of the Member State Partner (MSP) and the Contracting Authority and solely for the purpose of submission to the Contracting Authority in connection with the requirements as set out in Article 15 of the General Conditions of the Twining contract. This report may not be relied upon by the Member State Partner (MSP) or by the Contracting Authority for any other purpose, nor may it be distributed to any other parties. The Contracting Authority may only disclose this Report to others who have regulatory rights of access to it in particular the European Commission, the European Anti Fraud Office and the European Court of Auditors.

This Report relates only to the Financial Report specified above and does not extend to any financial statements of the Member State Partner (MSP).

We look forward to discussing our Report with you and would be pleased to provide any further information or assistance which may be required.

Yours sincerely

17.9.2009

**Dan Lindroos
CPFA-Auditor**

Oy Audiator Ab (ltd)

Report Details

Chapter 1 Information about the Twining contract and the Action

Statistics Finland was selected as a Twining Light partner to implement the project No EE06-IB-TWP-ENV-06 “Improving the Quality of Estonia’s National Greenhouse Gas Inventory”. The notification of the project was 8 December 2008 and the implementation was carried out from 24 March to 28 August 2009. The Action’s implementation period (legal duration) was extended for one month to 7 October 2009 by an Addendum.

The purpose of the project was to improve the quality of Estonia’s greenhouse gas inventory system so that expert review teams co-ordinated by the secretariat of the United Nations Framework Convention on Climate Change (UNFCCC) will be satisfied with Estonia’s national greenhouse gas inventory submissions. The steering group was set up for the monitoring of the project implementation. The group came together three times.

The project basically included both institutional and functional aspects of inventory preparation as well as recommendations on the improvement of methodologies used in preparing the emission and removal estimates for the different sectors of inventory. The functional aspects focused on institutional arrangements as well as analyzing the calculation and reporting systems used in inventory preparation and developing them towards a single integrated national IT system. Linking the greenhouse gas inventory preparation and the preparation of the air pollution inventories were part of the IT development work. The quality and uncertainty management of the inventory were also analyzed and developed in collaboration with the Estonian inventory team.

Summary of project expenses:

| Budget Section | Budget item | Original Budget | Budget after side letters | Costs incurred | Balance | % utilised |
|-----------------------|--------------------------------------|------------------------|----------------------------------|-----------------------|------------------|-------------------|
| 1 | Project Co-ordination and Management | 15,972.00 | 15,972.00 | 14,207.63 | 1,764.37 | 88.95 |
| 2 | Project Activities | | | | | |
| | Activity 1. | 13,060.00 | 11,404.00 | 10,124.23 | 1,279.77 | 88.78 |
| | Activity 2. | 29,968.00 | 32,980.00 | 31,245.05 | 1,734.95 | 94.74 |
| | Activity 3. | 31,368.00 | 32,424.00 | 31,178.26 | 1,245.74 | 96.16 |
| | Activity 4. | 4,524.00 | 5,880.00 | 5,499.50 | 380.50 | 93.53 |
| | Activity 5. | 9,048.00 | 9,048.00 | 8,641.98 | 406.02 | 95.51 |
| | Activity 6. | 2,918.00 | 1,862.00 | 1,056.00 | 806.00 | 56.71 |
| | Activity 7. | 13,060.00 | 10,348.00 | 8,015.29 | 2,332.71 | 77.46 |
| | Project Activities Total | 103,946.00 | 103,946.00 | 95,760.31 | 8,185.69 | 92.13 |
| | Translation, interpretation | 3,000.00 | 3,000.00 | 0.00 | 3,000.00 | 0.00 |
| | Sub total | 122,918.00 | 122,918.00 | 109,967.94 | 12,950.06 | 89.46 |
| | Provision for changes in prices | 3,072.95 | 3,072.95 | 50.25 | 3,022.70 | 1.64 |
| | Total | 125,990.95 | 125,990.95 | 110,018.19 | 15,972.76 | 87.32 |

The project has been executed in accordance with the budget. The original budget has been changed by two side letters. The effect of the reallocation amounts to **4.30 %** of the original budget.

| Information about the Subject of the Expenditure Verification | |
|--------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|
| Reference number and date of the Twining contract | EE06-IB-TWP-ENV-06 8.12.2008 |
| Twining contract title | Improving the Quality of Estonia's National Greenhouse Gas Inventory |
| Country | Estonia |
| Member State Partner (MSP) | Statistics Finland |
| Budget line Twining contract | 125 990,95 EUR |
| Source of funding programme | EU Transition Facility National Programme 2006 2006/18111.05.01.0007 |
| Steering Committee opinion – date | 28.8.2009 |
| Start date of the Action (Work Plan) | 24.3.2009 |
| End date of the Action (Work Plan) | 28.8.2009 |
| Total amount received to date by the Member State Partner (MSP) from Contracting Authority | 100 792,76 EUR |
| Total amount of the payment request | 110 018.19 EUR |
| Contracting Authority | Central Financing and Contracting Department, Ministry of Finance of Estonia |
| European Commission | |
| Auditor | Oy Audiator Ab (ltd) / Mr Dan Lindroos, CPFA (Chartered Public Finance Auditor) |

Chapter 2 Procedures Performed and Factual Findings

We have performed the procedures as agreed upon in the terms of reference for an expenditure verification of the Twining contract concerning **“Improving the Quality of Estonia's National Greenhouse Gas Inventory”**, project number: **EE06-IB-TWP-ENV-06**. The factual findings of these procedures are set out under the headings below:

1 Obtaining a sufficient Understanding of the Action and of the terms and conditions of the Twining contract

The contract and its annexes have been examined to achieve sufficient understanding of the action and of the terms and conditions of the contract.

2 Procedures to verify the Eligibility of Expenditure claimed by the Member State Partner (MSP) in the Financial Report for the Action

2.1 General Procedures

The Financial Report complies with the actual conditions of the Twining Contract and the accounting system allows for an efficient and effective expenditure verification.

The MSP has complied with the rules for accounting and record keeping of the Twining contract.

The information as put forward in the Financial Report has sufficiently been reconciled with information from the head ledger and other information and accounting systems of the MSP. No foreign currencies has been needed for this project. All costs have been incurred in euros.

2.2 Conformity of Expenditure with the Budget and Analytical Review

The Expenditure according to the Financial Report conforms with the original budget and changes to the budget has been made in accordance with the rules covering these changes. All in all one addendum and two (2) side letter have been issued.

Our analytical review of the expenditure shows that the budget has been met with satisfyingly. The main reason for the actual costs to have been occurred under the original budget is that the costs for travel have been lower than expected. All components have been carried through in accordance with the work plan and the budget.

We can also verify, that the conditions for profit in Article 17.3 of the General Conditions and in section 5.8 of the Common Twining Manual has been respected.

2.3 Selecting Expenditure for Verification

We hereby verify that the expenditure claimed by the Member State Partner (MSP) in the Financial Report is presented as recommended in the standard template for the Twining final report, annex C10 to the Common Twining Manual. Expenditure headings can be broken down into expenditure subheadings. Expenditure items have been selected based upon the need to get a good overview of different types of transactions. Thus all different categories of expenditure has been audited.

2.4 Verification of Expenditure

Eligibility of Direct Costs

We can verify that all the audited transactions have been necessary for carrying out the action of the contract. Direct costs have been provided for in the budget and comply with principles of sound financial management.

The verified transactions have all been incurred by the Member State Partner during the implementation period of the Action as defined in Article 14.1 of the General Conditions and are recorded in the accounts of the Member State Partner (MSP) . They are also identifiable, verifiable and substantiated by originals of supporting evidence.

The Expenditure of the action does not contain any reclaimable VAT.

Accuracy and recording

We have requested that a calculated comparison between the project's accounts and the head ledger accounts of the project to be made so as to make it possible to get a good overview over the fact that all transactions have been accurately and properly recorded in the Member State Partner (MSP) 's accounting system. By spot checks we have also verified that the transactions of the project's accounts according to the Financial Report (excel tables) complies with the accounts of the MSP head ledger and that these transactions are supported by appropriate evidence and supporting documents, including a proper valuation of the use of correct exchange rates.

Classification

To the audited extent we can verify, that the expenditure for a transaction or action has been classified under the correct heading and subheading of the Financial Report.

Reality

We have verified that all audited transactions concerning expenditure are based on evidence of work done, goods received or services rendered at acceptable and agreed quality and at reasonable prices or costs.

Compliance with procurement, nationality and origin rules

According to our audit the Member State Partner (MSP) has complied with actual regulation concerning, nationality and origin and that audited expenditure has been found eligible.

Twinning management costs

We hereby verify, that the Twinning management costs comply with the requirements as set forth in the Special Conditions of the Twinning contract and in section 5.8 of the Common Twinning Manual.

Contingencies

The actual contingencies of the total eligible costs (direct and indirect) costs of the Action are 0.04 % and thus does not exceed the ceiling of 2.5 % as defined in section 5.6.3. of the Common Twinning Manual.

2.5 Verification Coverage of Expenditure

Expenditure Coverage Ratio ('ECR').

The Expenditure Coverage Ratio ('ECR') represents the total amount of expenditure verified by the Auditor expressed as a percentage of the total amount of expenditure reported by the Member State Partner (MSP) in the Financial Report and claimed by the Member State Partner (MSP) for deduction from the total sum of pre-financing under the Twining contract. This amount is reported in Annex V of the Twining contract. The Auditor ensures that the overall ECR is at least **65%**.

The Auditor ensures that the **ECR for each expenditure heading and subheading** in the Financial Report is at least **10%**.

According to our Audit, the overall ECR is **66.35 %**, and the ECR for each heading and subheading in the Financial Report exceeds **10 %**.

Sufficient spread of the ECR over expenditure categories.

All actual categories of expenditure has been covered. Our Audit has thus been sufficient as regarding the spread of ECR over expenditure.

2.6 Verification of Revenues of the Action

We hereby verify, that the project has not received any other revenues than the grant of which the sum of 100.792.76 € has been received in advance and has been correctly disclosed for in the Financial Report. As this engagement is not an audit the Auditor is not requested to assess the completeness of revenues.

Annex 1 Terms of Reference

Annex 2 Financial Report as provided by the Member State Partner (MSP)

Terms of Reference for an Expenditure Verification

The following are the terms of reference ('ToR') on which Statistics Finland 'the Member State Partner (MSP)' agrees to engage Oy Audiator Ab (Ltd) 'the Auditor' to perform an expenditure verification and to report in connection with an Institution Building Twining light contract financed by Community funds reference of 2006/18111.05.01 (the 'Twining contract'). Where in these ToR the 'Contracting Authority' is mentioned this refers to the Central Financing and Contracting Department (CFCD) of the Ministry of Finance of Estonia which has signed the Twining contract with the Member State Partner (MSP) and is providing the funding. The Contracting Authority is not a party to this engagement.

1.1 Responsibilities of the Parties to the Engagement

'**The Member State Partner (MSP)**' refers to the Member State administration that is receiving the Twining funding and that has signed the Twining contract with the Contracting Authority.

- The Member State Partner (MSP) is responsible for providing a Financial Report for the Action financed by the Twining contract and for ensuring that this Financial Report can be properly reconciled to the Member State Partner (MSP)'s accounting and bookkeeping system and to the underlying accounts and records.
- The Member State Partner (MSP) accepts that the ability of the Auditor to perform the procedures required by this engagement effectively depends upon the Member State Partner (MSP), and as the case may be his partners, providing full and free access to the Member State Partner (MSP)'s staff and its accounting and other relevant records.

'**The Auditor**' refers to the Auditor who is responsible for performing the agreed-upon procedures as specified in these ToR, and for submitting a report of factual findings to the Member State Partner (MSP).

The Auditor is a member of Oy Audiator Ab (Ltd). Although this organisation is not member of the IFAC, the Auditor commits himself to undertake this engagement in accordance with applicable IFAC standards and ethics.

1.2 Subject of the Engagement

The subject of this engagement is the Financial Report in connection with the Twining contract for the period covering 1 March 2009 to 30 September 2009. The information, both financial and non-financial, which is subject to verification by the Auditor, is all information which makes it possible to verify that the expenditure claimed by the Member State Partner (MSP) in the Financial Report has occurred, and is accurate and eligible. Annex 1 to these ToR contains an overview of key information about the Twining contract and the action concerned.

1.3 Reason for the Engagement

The Member State Partner (MSP) is required to submit to the Contracting Authority an expenditure verification report produced by an external auditor in support of the payment requested by the Member State Partner (MSP) under Article 15 of the General Conditions of the Twining contract. The Authorising Officer of the Contracting Authority requires this report as he makes the payment of expenditure requested by the Member State Partner (MSP) conditional on the factual findings of this report.

1.4 Engagement Type and Objective

This constitutes an engagement to perform specific agreed-upon procedures regarding an expenditure verification of a European Community financed Twining contract. The objective of this expenditure verification is for the Auditor to verify that the expenditure claimed by the Member State Partner (MSP) in the Financial Report for the action financed under the Twining contract has occurred ('reality'), is accurate ('exact') and eligible and to submit to the Member State Partner (MSP) a report of factual findings with regard to the agreed-upon procedures performed. Eligibility means that the funds provided by the grant have been spent in accordance with the terms and conditions of the Twining contract, the Common Twining Manual, and other relevant regulations and provisions.

As this engagement is not an assurance engagement, the Auditor does not provide an audit opinion and expresses no assurance. The Contracting Authority derives its assurance by drawing its own conclusions from the factual findings reported by the Auditor on the Financial Report and the payment request of the Member State Partner (MSP) relating thereto.

1.5 Scope of Work

1.5.1 The Auditor shall undertake this engagement in accordance with these ToR and:

- in accordance with the International Standard on Related Services ('ISRS') 4400 *Engagements to perform Agreed-upon Procedures regarding Financial Information* as promulgated by the IFAC;
- in compliance with the *Code of Ethics for Professional Accountants* issued by the IFAC. Although ISRS 4400 provides that independence is not a requirement for agreed-upon procedures engagements, the Contracting Authority requires that the auditor also complies with the independence requirements of the *Code of Ethics for Professional Accountants*.

1.5.2 The Terms and Conditions of the Twining contract

The Auditor verifies that the funds provided by the grant were spent in accordance with the terms and conditions of the Twining contract as required under Article 1.2 of the Special Conditions of the Twining contract.

1.5.3 Planning, procedures, documentation and evidence

The Auditor should plan the work so that effective expenditure verification can be performed. For this purpose he performs the procedures specified in Annex 2 of these ToR ('Scope of Work – Procedures to be performed') and he uses the evidence obtained from these procedures as the basis for the report of factual findings. The Auditor should document matters which are important in providing evidence to support the report of factual findings, and evidence that the work was carried out in accordance with ISRS 4400 and these ToR.

1.6 Reporting

The report on this expenditure verification should describe the purpose and the agreed-upon procedures of the engagement in sufficient detail in order to enable the Member State Partner (MSP) and the Contracting Authority to understand the nature and extent of the procedures performed by the Auditor. Use of the reporting format attached as Annex A7 of the General Conditions is compulsory.

1.7 Other Terms

The Member State Partner (MSP) and the Auditor has agreed upon that the Auditor's fee for the carrying though of the necessary audit in compliance with the ToR and other regulations concerning the Audit as well as for producing the requested Audit reporting is 2 000,00 EUR.

Annex 1: Information about the Subject of the Expenditure Verification

| Information about the Subject of the Expenditure Verification | |
|--------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|
| Reference number and date of the Twining contract | EE06-IB-TWP-ENV-06 8.12.2008 |
| Twining contract title | Improving the Quality of Estonia's National Greenhouse Gas Inventory |
| Country | Estonia |
| Member State Partner (MSP) | Statistics Finland |
| Budget line Twining contract | 125 990,95 EUR |
| Source of funding programme | EU Transition Facility National Programme 2006 2006/18111.05.01.0007 |
| Steering Committee opinion – date | 28.8.2009 |
| Start date of the Action (Work Plan) | 24.3.2009 |
| End date of the Action (Work Plan) | 28.8.2009 |
| Total amount received to date by the Member State Partner (MSP) from Contracting Authority | 100 792,76 EUR |
| Total amount of the payment request | 110 018,19 EUR |
| Contracting Authority | Central Financing and Contracting Department, Ministry of Finance of Estonia |
| European Commission | |
| Auditor | Oy Audiator Ab (ltd) / Mr Dan Lindroos, CPFA (Chartered Public Finance Auditor) |

Annex 2: Scope of Work – Procedures to be performed

The Auditor designs and carries out his verification work programme in accordance with the objective and scope of this engagement and the procedures to be performed as specified below. When performing these procedures the Auditor may apply techniques such as inquiry and analysis, (re)computation, comparison, other clerical accuracy checks, observation, inspection of records and documents, inspection of assets and obtaining confirmations.

The Auditor obtains sufficient appropriate verification evidence from these procedures to be able to draw up a report of factual findings. For this purpose the Auditor can refer to the guidance provided by International Standard on Auditing 500 “Audit Evidence” and in particular by the paragraphs relating to ‘sufficient appropriate audit evidence’. The Auditor exercises professional judgment as to what is sufficient appropriate verification evidence where he believes that the guidance provided by ISA 500, the terms and conditions of the Twinning contract and the ToR for this engagement are not sufficient.

The General Conditions of the Twinning contract (‘General Conditions’) and notably Article 16.3 thereof provide an indicative list of the types and nature of evidence that the Auditor may often find in expenditure verifications. This may vary depending on the nature of the expenditure and the practices in the country concerned.

1 Obtaining a sufficient Understanding of the Action and of the Terms and Conditions of the Twinning contract

The Auditor obtains a sufficient understanding of the terms and conditions of the Twinning contract by reviewing the Twinning contract and its annexes and other relevant information, including the regularly updated Common Twinning Manual available on the Commission’s internet, and by inquiry of the Member State Partner (MSP). The Auditor ensures that he obtains a copy of the original Twinning contract (signed by the Member State Partner (MSP) and the Contracting Authority) with its annexes. The Auditor obtains and reviews copies of the interim/final Narrative Report (Annex A6 of the Twinning contract).

The Auditor pays particular attention to Annex A1 of the Twinning contract, which contains the Description of the Action, Annex A2 (General Conditions) and Annex A4, which provides the relevant rules for procurement (including nationality and origin rules) by grant beneficiaries in the context of Twinning. Failure to comply with these rules makes expenditure ineligible for Community financing. These procurement rules apply to all Twinning contracts but depending on the legal basis for the Twinning contract (for example TACIS, ALA and Food Aid) nationality and origin rules may vary. The Auditor should ensure with the Member State Partner (MSP) that the applicable nationality and origin rules are identified and understood. Applicable rules of nationality and origin are set out, for each legal basis, in Annex A2 to the Practical Guide¹¹ to contract procedures for external actions of the European Communities. If the Auditor finds that the terms and conditions to be verified are not sufficiently clear he should request clarification from the Member State Partner (MSP).

2 Procedures to verify the Eligibility of Expenditure Claimed by the Member State Partner (MSP) in the Financial Report for the Action

2.1 General Procedures

2.1.1 The Auditor verifies that the Financial Report complies with the conditions of the Twining contract notably with Article 2 of the General Conditions (including format and language).

2.1.2 The Auditor examines whether the Member State Partner (MSP) has complied with the rules for accounting and record keeping of the Twining contract notably with Article 16 of the General Conditions. The purpose of this is:

- To assess whether an efficient and effective expenditure verification of the Financial Report is feasible; and

- To report important exceptions and weaknesses with regard to accounting, record keeping and documentation requirements so that the Member State Partner (MSP) can undertake follow-up measures for correction and improvement for the remaining implementation period of the Action.

2.1.3 The Auditor reconciles the information in the Financial Report to the Member State Partner (MSP)'s accounting system and records (e.g. trial balance, general ledger accounts, sub ledgers etc.).

2.1.4 The Auditor verifies that the correct exchange rates have been applied for currency conversions where applicable and in accordance with the conditions of the Twining contract notably Article 15.9 of the General Conditions.

2.2 Conformity of Expenditure with the Budget and Analytical Review

The Auditor carries out an analytical review of the expenditure headings in the Financial Report and:

- verifies that the budget in the Financial Report corresponds with the Budget of the Twining contract (authenticity and authorisation of the initial Budget) and that the expenditure incurred was foreseen in the budget of the Twining contract.

- verifies that the total amount claimed for payment by the Member State Partner (MSP) does not exceed the maximum grant laid down in Article 3.2 of the Special Conditions of the Twining contract.

- verifies that any amendments to the Budget of the Twining contract comply with the conditions for such amendments (including where applicable the requirement for an addendum to the Twining contract) as set out in the Special and General Conditions and in the Common Twining Manual.

- verifies that the conditions for profit in Article 17.3 of the General Conditions and in section 5.8 of the Common Twining Manual were respected.

2.3 Selecting Expenditure for Verification

2.3.1 Expenditure Headings, Subheadings and Items

The expenditure claimed by the Member State Partner (MSP) in the Financial Report is presented as recommended in the standard template for the Twining final report, annex C10 to the Common Twining Manual. Expenditure headings can be broken down into expenditure subheadings.

Expenditure subheadings can in principle be broken down into individual expenditure items or classes of expenditure items with the same or similar characteristics. The form and nature of the supporting evidence (e.g. a payment, a contract, an invoice etc) and the way expenditure is recorded (i.e. journal entries) vary with the type and nature of the expenditure and the underlying actions or transactions. However, in all cases expenditure items reflect the accounting (or financial) value of underlying actions or transactions no matter the type and nature of the action or transaction concerned.

2.3.2 Selecting Expenditure Items

Value should be the primary factor used by the Auditor to select expenditure items or classes of expenditure items for verification. The Auditor selects high value expenditure items to ensure an appropriate coverage of expenditure.

Moreover, the Auditor uses his judgment to select specific expenditure items or classes of expenditure items. The Auditor may use factors such as his knowledge of the action and the characteristics of the expenditure categories, classes and items being verified such as for example expenditure items that are unusual or inherently risky or error prone.

2.4 Verification of Expenditure

The Auditor verifies the expenditure and reports all the exceptions resulting from this verification. Verification exceptions are all verification deviations found when performing the procedures set out in this Annex. In all cases the Auditor assesses the (estimated) financial impact of exceptions in terms of ineligible expenditure. For example: if the Auditor finds an exception with regard to procurement rules he assesses to which extent this exception has led to ineligible expenditure. The Auditor reports all exceptions found including the ones of which he cannot measure the financial impact. Having selected the expenditure items the Auditor verifies them by testing for the criteria set out below.

2.4.1 Eligibility of Direct Costs

The Auditor verifies the eligibility of direct costs with the terms and conditions of the Twining contract notably Article 14 of the General Conditions. He verifies that these costs:

- are necessary for carrying out the action. In other words the Auditor verifies that expenditure for a transaction or action has been incurred for the intended purpose of the action and that it has been necessary for the activities and objectives of the action. The Auditor further verifies that the direct costs are provided for in the Twining contract Budget and comply with the principles of sound financial management, in particular value for money and cost effectiveness;
- have actually been incurred by the Member State Partner (MSP) or his partners during the implementation period of the Action as defined in Article 14.1 of the General Conditions;
- are recorded in the accounts of the Member State Partner (MSP) and are identifiable, verifiable and substantiated by originals of supporting evidence.

The Auditor also considers non-eligible costs as described in Article 14.6 of the General Conditions. In this respect the Auditor verifies in particular whether expenditure includes certain taxes, including VAT. If this is the case the Auditor verifies whether the Member State Partner (MSP) (or, where applicable the partners) cannot reclaim these taxes and whether the applicable regulations, rules and practices in the country concerned allow the coverage of these taxes in the expenditure.

2.4.2 Accuracy and Recording

The Auditor verifies that expenditure for a transaction or action has been accurately and properly recorded in the Member State Partner (MSP)'s accounting system and the Financial Report and that it is supported by appropriate evidence and supporting documents. This includes proper valuation and the use of correct exchange rates.

2.4.3 Classification

The Auditor verifies that expenditure for a transaction or action has been classified under the correct heading and subheading of the Financial Report.

2.4.4 Reality (occurrence / existence)

The Auditor exercises professional judgment to obtain sufficient appropriate verification evidence as to whether the expenditure has occurred (reality and quality of the expenditure) and - where applicable - assets exist. The Auditor verifies the reality and quality of the expenditure for a transaction or action by examining proof of work done, goods received or services rendered on a timely basis, at acceptable and agreed quality and at reasonable prices or costs.

2.4.5 Compliance with Procurement, Nationality and Origin Rules

The Auditor examines which procurement, nationality and origin rules apply for a certain expenditure heading, subheading, a class of expenditure items or an expenditure item. The Auditor verifies whether the Member State Partner (MSP) has complied with such rules and whether the expenditure concerned is eligible. Where the Auditor finds issues of noncompliance with procurement rules, he reports the nature of such events as well as their financial impact in terms of ineligible expenditure.

2.4.6 Twinning management costs

The Auditor verifies that the Twinning management costs comply with the requirements as set forth in the Special Conditions of the Twinning contract and in section 5.8 of the Common Twinning Manual.

2.4.7 Contingencies

The Auditor verifies that contingencies do not exceed 2.5% of the total eligible costs (direct and indirect) of the Action (sections 5.6.3 of the Common Twinning Manual).

2.5 Verification Coverage of Expenditure

The Auditor applies the principles and criteria set out below when planning and performing the procedures for expenditure verification of Sections 2.3 and 2.4 above. This allows the Auditor to rationalise his verification work.

Verification by the Auditor and verification coverage of expenditure items does not necessarily mean a complete and exhaustive verification of all the expenditure items that are included in a specific expenditure heading or subheading. The Auditor should ensure a systematic and representative verification but depending on certain conditions (see further below) the Auditor may obtain satisfactory verification results for an expenditure heading or subheading by looking at a limited number of selected expenditure items.

The Auditor may apply statistical sampling techniques for the verification of one or more expenditure headings or subheadings of the Financial Report. For this purpose the Auditor examines whether the

‘populations’ (i.e. expenditure subheading or classes of expenditure items within an expenditure subheading) are suitable and sufficiently large (i.e. they should be made up of a large amount of items) for effective statistical sampling. This enables the Auditor to obtain and evaluate verification evidence to form a conclusion on the total of the population from which the sample is drawn. The Auditor may refer to IFAC International Standard on Auditing 530 ‘Audit sampling and other selective testing procedures’ for guidance.

2.5.1 Expenditure Coverage Ratio (‘ECR’)

The Expenditure Coverage Ratio (‘ECR’) represents the total amount of expenditure verified by the Auditor expressed as a percentage of the total amount of expenditure reported by the Member State Partner (MSP) in the Financial Report and claimed by the Member State Partner (MSP) for deduction from the total sum of pre-financing under the Twining contract. This amount is reported in Annex V of the Twining contract. The Auditor ensures that the overall ECR is at least **65%**. The Auditor selects expenditure items (see Section 2.3.2). If he finds an exception rate of less than 10% of the total amount of expenditure verified (i.e. 6,5 %) the Auditor finalises verification procedures and continues with reporting. If the exception rate found is higher than 10% the Auditor extends verification procedures until the ECR is at least **85%**. The Auditor then finalises verification procedures and continues with reporting regardless of the total exception rate found.

The Auditor ensures that the **ECR for each expenditure heading and subheading** in the Financial Report is at least **10%**.

2.6 Verification of Revenues of the Action

The Auditor verifies that revenues (including inter alia grants and funding received from other donors and revenue generated by the Member State Partner (MSP) in the context of the action) have been appropriately allocated to the action subject of the Twining contract and correctly disclosed in the Financial Report. As this engagement is not an audit the Auditor is not requested to assess the completeness of revenues.

Twining Light EE06-IB-TWP-ENV-06 - FINANCIAL REPORT

| Actions to be undertaken under the Twining project | Original Budget | | | Budget after side letters (1-2) and addendum | Amount paid in Euros | | Total amount paid | Balance |
|----------------------------------------------------------------------------------------------------|-----------------|-------------|------------------|----------------------------------------------|--------------------------------|------------------------------|-------------------|-----------------|
| | Unit cost | No of units | Total MS cost | | Start-up report 1.1.-27.3.2009 | Final Period 28.3.-30.9.2009 | Final Report | |
| 1 PROJECT COORDINATION AND MANAGEMENT | | | | | | | | |
| Co-ordination meeting, Kick-off meeting | | | | | | | | |
| Expert fee of PL Riitta Pipatti | 350,00 | 3 | 1 050,00 | 1 050,00 | 1 050,00 | | 1 050,00 | 0,00 |
| Project Management Costs' | 1 050,00 | 1,5 | 1 575,00 | 1 575,00 | 1 575,00 | | 1 575,00 | 0,00 |
| Expert fee of STE Jaakko Ojala | 250,00 | 3 | 750,00 | 750,00 | 750,00 | | 750,00 | 0,00 |
| Project Management Costs' | 750,00 | 1,5 | 1 125,00 | 1 125,00 | 1 125,00 | | 1 125,00 | 0,00 |
| Per diem | 181,00 | 6 | 1 086,00 | 1 086,00 | 1 086,00 | | 1 086,00 | 0,00 |
| Travel tickets | 300,00 | 2 | 600,00 | 600,00 | 287,42 | | 287,42 | 312,58 |
| Project monitoring and Steering Committee | | | | | | | | |
| Expert fee of PL Riitta Pipatti | 350,00 | 1 | 350,00 | 350,00 | | 350,00 | 350,00 | 0,00 |
| Project Management Costs' | 350,00 | 1,5 | 525,00 | 525,00 | | 525,00 | 525,00 | 0,00 |
| Expert fee of STE Jaakko Ojala | 250,00 | 1 | 250,00 | 250,00 | | 250,00 | 250,00 | 0,00 |
| Project Management Costs' | 250,00 | 1,5 | 375,00 | 375,00 | | 375,00 | 375,00 | 0,00 |
| Per diem | 181,00 | 2 | 362,00 | 362,00 | | 362,00 | 362,00 | 0,00 |
| Travel tickets | 300,00 | 2 | 600,00 | 600,00 | | 280,00 | 280,00 | 320,00 |
| Final seminar and Steering Committee | | | | | | | | |
| Expert fees of PL Riitta Pipatti | 350,00 | 2 | 700,00 | 700,00 | | 700,00 | 700,00 | 0,00 |
| Project Management Costs' | 700,00 | 1,5 | 1 050,00 | 1 050,00 | | 1 050,00 | 1 050,00 | 0,00 |
| Expert fee of STE Jaakko Ojala | 250,00 | 2 | 500,00 | 500,00 | | 500,00 | 500,00 | 0,00 |
| Project Management Costs' | 500,00 | 1,5 | 750,00 | 750,00 | | 750,00 | 750,00 | 0,00 |
| Per diem | 181,00 | 4 | 724,00 | 724,00 | | 724,00 | 724,00 | 0,00 |
| Travel tickets | 300,00 | 2 | 600,00 | 600,00 | | 468,21 | 468,21 | 131,79 |
| Visibility costs | | | 1 000,00 | 1 000,00 | 0,00 | 0,00 | 0,00 | 1 000,00 |
| Audit certificate costs | | | 2 000,00 | 2 000,00 | | 2 000,00 | 2 000,00 | 0,00 |
| Total Project Co-ordination Costs | | | 15 972,00 | 15 972,00 | 5 873,42 | 8 334,21 | 14 207,63 | 1 764,37 |
| 2 PROJECT ACTIVITIES | | | | | | | | |
| ACTIVITY 1: Assessment of current inventory system | | | | | | | | |
| 1.1. Kick-off meeting | | | | | | | | |
| Expert fee of 8 STE: PFo,KGr,TLa,SMa,TOi,LRa,KSa,KSk | 350,00 | 8 | 2 800,00 | 2 450,00 | 2 450,00 | | 2 450,00 | 0,00 |
| 'Project Management Costs' | 2 800,00 | 1,5 | 4 200,00 | 3 675,00 | 3 675,00 | | 3 675,00 | 0,00 |
| Expert fee of 2 STE: ALe, PPe | 250,00 | 2 | 500,00 | 500,00 | 500,00 | | 500,00 | 0,00 |
| 'Project Management Costs' | 500,00 | 1,5 | 750,00 | 750,00 | 750,00 | | 750,00 | 0,00 |
| Per diem | 181,00 | 10 | 1 810,00 | 1 629,00 | 1 629,00 | | 1 629,00 | 0,00 |
| Travel tickets | 300,00 | 10 | 3 000,00 | 2 400,00 | 1 120,23 | | 1 120,23 | 1 279,77 |
| 1.1 Total | | | 13 060,00 | 11 404,00 | 10 124,23 | 0,00 | 10 124,23 | 1 279,77 |
| Total Activity 1 | | | 13 060,00 | 11 404,00 | 10 124,23 | 0,00 | 10 124,23 | 1 279,77 |
| ACTIVITY 2: Analysis of current inventory process and methodologies, recommendations | | | | | | | | |
| 2.1. Preliminary analysis of the whole inventory system | | | | | | | | |
| Expert fee of PL RPi and STE LRa | 350,00 | 2 | 700,00 | 700,00 | | 700,00 | 700,00 | 0,00 |
| 'Project Management Costs' | 700,00 | 1,5 | 1 050,00 | 1 050,00 | | 1 050,00 | 1 050,00 | 0,00 |
| Per diem | 181,00 | 2 | 362,00 | 362,00 | | 362,00 | 362,00 | 0,00 |
| Travel tickets | 300,00 | 1 | 300,00 | 600,00 | | 242,00 | 242,00 | 358,00 |
| 2.1. Total | | | 2 412,00 | 2 712,00 | 0,00 | 2 354,00 | 2 354,00 | 358,00 |
| 2.2. Analysis of inventory methodologies for energy, industrial processes and waste sectors | | | | | | | | |
| Expert fee of 4 STE: KGr,KSa,PFo,KSk | 350,00 | 14 | 4 900,00 | 5 250,00 | | 5 250,00 | 5 250,00 | 0,00 |
| 'Project Management Costs' | 4 900,00 | 1,5 | 7 350,00 | 7 875,00 | | 7 875,00 | 7 875,00 | 0,00 |
| Per diem | 181,00 | 14 | 2 534,00 | 2 715,00 | | 2 715,00 | 2 715,00 | 0,00 |
| Travel tickets | 300,00 | 4 | 1 200,00 | 1 500,00 | | 836,35 | 836,35 | 663,65 |
| 2.2. Total | | | 15 984,00 | 17 340,00 | 0,00 | 16 676,35 | 16 676,35 | 663,65 |

| | | | | | | | | | |
|--------------------------------------------------------------------------------------------|----------|-----|-------------------|-------------------|------------------|------------------|-------------------|------------------|--|
| 2.3. Analysis of inventory methodologies for agriculture and LULUCF sectors | | | | | | | | | |
| Expert fee of 2 STE: PPe, ALe | 250,00 | 8 | 2 000,00 | 2 000,00 | | 2 000,00 | 2 000,00 | 0,00 | |
| 'Project Management Costs' | 2 000,00 | 1,5 | 3 000,00 | 3 000,00 | | 3 000,00 | 3 000,00 | 0,00 | |
| Expert fee of 1 STE: TLa | 350,00 | 4 | 1 400,00 | 1 750,00 | | 1 750,00 | 1 750,00 | 0,00 | |
| 'Project Management Costs' | 1 400,00 | 1,5 | 2 100,00 | 2 625,00 | | 2 625,00 | 2 625,00 | 0,00 | |
| Per diem | 181,00 | 12 | 2 172,00 | 2 353,00 | | 2 353,00 | 2 353,00 | 0,00 | |
| Travel tickets | 300,00 | 3 | 900,00 | 1 200,00 | | 486,70 | 486,70 | 713,30 | |
| 2.3. Total | | | 11 572,00 | 12 928,00 | 0,00 | 12 214,70 | 12 214,70 | 713,30 | |
| Total Activity 2 | | | 29 968,00 | 32 980,00 | 0,00 | 31 245,05 | 31 245,05 | 1 734,95 | |
| ACTIVITY 3: Analysis of current IT system and recommendations for its elaboration | | | | | | | | | |
| 3.1. IT system analysis and TOR | | | | | | | | | |
| Expert fee of 2 STE: SMa, KSk | 350,00 | 28 | 9 800,00 | 10 150,00 | 700,00 | 9 450,00 | 10 150,00 | 0,00 | |
| 'Project Management Costs' | 9 800,00 | 1,5 | 14 700,00 | 15 225,00 | 1 050,00 | 14 175,00 | 15 225,00 | 0,00 | |
| Per diem | 181,00 | 28 | 5 068,00 | 5 249,00 | 362,00 | 4 887,00 | 5 249,00 | 0,00 | |
| Travel tickets | 300,00 | 6 | 1 800,00 | 1 800,00 | 0,00 | 554,26 | 554,26 | 1 245,74 | |
| 3.1. Total | | | 31 368,00 | 32 424,00 | 2 112,00 | 29 066,26 | 31 178,26 | 1 245,74 | |
| Total Activity 3 | | | 31 368,00 | 32 424,00 | 2 112,00 | 29 066,26 | 31 178,26 | 1 245,74 | |
| ACTIVITY 4: Analysis and development of the QA/QC procedures for the GHG inventory | | | | | | | | | |
| 4.1. QA/QC procedures | | | | | | | | | |
| Expert fee of STE: LRa | 350,00 | 4 | 1 400,00 | 1 750,00 | | 1 750,00 | 1 750,00 | 0,00 | |
| 'Project Management Costs' | 1 400,00 | 1,5 | 2 100,00 | 2 625,00 | | 2 625,00 | 2 625,00 | 0,00 | |
| Per diem | 181,00 | 4 | 724,00 | 905,00 | | 905,00 | 905,00 | 0,00 | |
| Travel tickets | 300,00 | 1 | 300,00 | 600,00 | | 219,50 | 219,50 | 380,50 | |
| 4.1. Total | | | 4 524,00 | 5 880,00 | 0,00 | 5 499,50 | 5 499,50 | 380,50 | |
| Total Activity 4 | | | 4 524,00 | 5 880,00 | 0,00 | 5 499,50 | 5 499,50 | 380,50 | |
| ACTIVITY 5: Analysis and development of uncertainty management of the GHG inventory | | | | | | | | | |
| 5.1. Uncertainty management | | | | | | | | | |
| Expert fee of 2 STE: SMa, TOi | 350,00 | 8 | 2 800,00 | 2 800,00 | | 2 800,00 | 2 800,00 | 0,00 | |
| 'Project Management Costs' | 2 800,00 | 1,5 | 4 200,00 | 4 200,00 | | 4 200,00 | 4 200,00 | 0,00 | |
| Per diem | 181,00 | 8 | 1 448,00 | 1 448,00 | | 1 448,00 | 1 448,00 | 0,00 | |
| Travel tickets | 300,00 | 2 | 600,00 | 600,00 | | 193,98 | 193,98 | 406,02 | |
| 5.1. Total | | | 9 048,00 | 9 048,00 | 0,00 | 8 641,98 | 8 641,98 | 406,02 | |
| Total Activity 5 | | | 9 048,00 | 9 048,00 | 0,00 | 8 641,98 | 8 641,98 | 406,02 | |
| ACTIVITY 6: Preparation of a collaboration agreement for GHG inventory improvement | | | | | | | | | |
| 6.1. Collaboration agreement | | | | | | | | | |
| Expert fee of PL RPi, STE KSa | 350,00 | 2 | 700,00 | 350,00 | | 350,00 | 350,00 | 0,00 | |
| 'Project Management Costs' | 700,00 | 1,5 | 1 050,00 | 525,00 | | 525,00 | 525,00 | 0,00 | |
| Expert fee of STE JOj | 250,00 | 1 | 250,00 | 250,00 | | 0,00 | 0,00 | 250,00 | |
| 'Project Management Costs' | 250,00 | 1,5 | 375,00 | 375,00 | | 0,00 | 0,00 | 375,00 | |
| Per diem | 181,00 | 3 | 543,00 | 362,00 | | 181,00 | 181,00 | 181,00 | |
| 6.1. Total | | | 2 918,00 | 1 862,00 | 0,00 | 1 056,00 | 1 056,00 | 806,00 | |
| Total Activity 6 | | | 2 918,00 | 1 862,00 | 0,00 | 1 056,00 | 1 056,00 | 806,00 | |
| ACTIVITY 7: Final Seminar | | | | | | | | | |
| 7.1. Final seminar | | | | | | | | | |
| Expert fee of 8 STE: Pfo, KGr, TLa, SMa, TOi, LRa, KSa, KSk | 350,00 | 8 | 2 800,00 | 2 100,00 | | 1 750,00 | 1 750,00 | 350,00 | |
| 'Project Management Costs' | 2 800,00 | 1,5 | 4 200,00 | 3 150,00 | | 2 625,00 | 2 625,00 | 525,00 | |
| Expert fee of 2 STE: ALe, PPe | 250,00 | 2 | 500,00 | 500,00 | | 500,00 | 500,00 | 0,00 | |
| 'Project Management Costs' | 500,00 | 1,5 | 750,00 | 750,00 | | 750,00 | 750,00 | 0,00 | |
| Per diem | 181,00 | 10 | 1 810,00 | 1 448,00 | | 1 267,00 | 1 267,00 | 181,00 | |
| Travel tickets | 300,00 | 10 | 3 000,00 | 2 400,00 | | 1 123,29 | 1 123,29 | 1 276,71 | |
| 7.1. Total | | | 13 060,00 | 10 348,00 | 0,00 | 8 015,29 | 8 015,29 | 2 332,71 | |
| Total Activity 7 | | | 13 060,00 | 10 348,00 | 0,00 | 8 015,29 | 8 015,29 | 2 332,71 | |
| Total Project Activities | | | 103 946,00 | 103 946,00 | 12 236,23 | 83 524,08 | 95 760,31 | 8 185,69 | |
| Translation, interpretation, materials | | | | | | | | | |
| | | | 3 000,00 | 3 000,00 | 0,00 | 0,00 | 0,00 | 3 000,00 | |
| PROJECT SUB-TOTAL | | | | | | | | | |
| | | | 122 918,00 | 122 918,00 | 18 109,65 | 91 858,29 | 109 967,94 | 12 950,06 | |
| Provision for changes in prices (max 2.5%) | | | | | | | | | |
| | | | 3 072,95 | 3 072,95 | 0,00 | 50,25 | 50,25 | 3 022,70 | |
| PROJECT TOTAL | | | | | | | | | |
| | | | 125 990,95 | 125 990,95 | 18 109,65 | 91 908,54 | 110 018,19 | 15 972,76 | |

For the administration of the Member State

Riitta Pipatti, MS Project Leader

Date:

For the administration of the BC

Viktor Grigoriev, BC Project Leader

Date:

Read and approved:

Allan Gromov, Programme Officer

Date: