

MEMORANDUM OF UNDERSTANDING

Between the Municipality of Mulgi, the Municipality of Valga, the Municipality of Rūjiena, the Municipality of Mazsalaca, the Municipality of Naukšēni and the Municipality of Valka

for the determination, prioritization and coordination of the list of road sections for reconstruction in the border area

Preamble

CONSIDERING that all Parties wish to state their intent to form a cooperative relationship, as outlined in this Memorandum of Understanding;

CONSIDERING that the poor state of border area roads in Estonia and Latvia significantly impedes the socio-economic development of the border area, which also complicates cross-border mobility and carriage of passengers and cargo;

CONSIDERING that the border area roads being neither part nor in the close proximity of the Trans-European Transport Network (*TEN-T*) corridors have not received the requested and also urgently needed attention with sufficient financial resources or local government revenue base to improve the border area roads that support cross-border mobility by the Governments of the Republic of Estonian and the Republic of Latvia;

CONSIDERING that all Parties have identified crucial infrastructure developments needs in their respective Estonian and Latvian border sectors which reconstructions would have positive community, local and cross-border level effects and benefits, thus effecting also the programme territories of the future Interreg programmes involving Southern Estonia and Northern Latvia to come;

CONSIDERING that the infrastructure connectivity has been highlighted by the G20 Development Working Group as a defining feature of the modern economy and one of the significant trends of the 21st century, thus being crucial not only for the inhabitants of the respective border area but also to local entrepreneurs, local and foreign investors and visitors;

NOW, therefore, the **Municipality of Mulgi** of the Republic of Estonia, the **Municipality of Valga** of the Republic of Estonia, the **Municipality of Rūjiena** of the Republic of Latvia, the **Municipality of Naukšēni** of the Republic of Latvia , the **Municipality of Mazsalaca** of the

Republic of Latvia and the **Municipality of Valka** of the Republic of Latvia have reached the following understanding:

Article I

Purpose and scope

1.1. The purpose of the Memorandum of Understanding (hereinafter '*MoU*') is to facilitate collaboration between the Parties hereto in matters of common interest to them, and to establish the arrangements necessary for the implementation of the MoU.

1.2. This MoU is not intended to create legal and binding obligations for participants, but is a cross-border statement of the Parties' intent to form a cooperative relationship with a joint action plan.

1.3 Where possible and appropriate, the Parties to this MoU hereby agree to join efforts and to maintain a close and continuous working relationship for the achievement of their common objectives and for the implementation of the MoU. To this end, they shall, in accordance with and subject to the provisions hereinafter set forth, cooperate on matters of common concern to them and draw-up activities jointly within the areas of cooperation defined in Article II of this MOU. All activities carried out in the framework of this MoU will be undertaken in accordance with the respective resolutions/decisions of the Governing Bodies of the Parties.

1.4 Any collaborative activity under this MoU shall be subject to the availability of sufficient financial and human resources for that purpose, as well as full compliance with each Party's priority activities, internal rules, regulations, policies, administrative procedures and practices. Each collaborative activity shall thus be agreed on a case-by-case basis.

Article II

Areas of Collaboration

2.1. In particular, the Parties anticipate that their collaboration will focus on activities in the areas of:

- 2.1.1. Encouraging the Government of the Republic of Estonia and the Government of the Republic of Latvia to pay more attention to the poor condition of border area infrastructure in municipalities that are not located near regional centers of attraction at local level. This impedes the socio-economic development of border areas and prevents municipalities from reaping the full benefits of cross-border mobility and employment, making it even harder for the Parties to stop rural depopulation and peripheralization.
- 2.1.2. Supporting the development of local and cross-border mobility for border area residents within the Parties territories' by providing accurate information about the infrastructure development needs to the relevant responsible authorities of Republic of Estonia and the Republic of Latvia.
- 2.1.3. Facilitating cross-border dialogue between the responsible authorities of Republic of Estonia and the Republic of Latvia on the topic of condition of cross-border mobility supporting roads and bridges in the border area and the possibilities of their reconstruction.
- 2.1.4. Encouraging the responsible authorities of both countries to determine and prioritize the list of road sections and bridges in the border area, which reconstruction would have the

highest added value to the development of the border area within the territories of the Parties of both countries.

2.1.5. Assisting the responsible authorities of both countries in finding appropriate solutions and financial resources for these activities.

2.2. The Parties intend to jointly negotiate and communicate with the relevant authorities and Governments of the Republic of Estonia and the Republic of Latvia in order to achieve joint objectives set in Article II and further common interests set Article III in this MoU.

Article III

Modalities of the Collaboration

3.1. Further to the achievement of the joint objectives, the Parties intend to consider ways to:

- 3.1.1 share knowledge, ideas and lessons learned;
- 3.1.2 promote joint cross-border consultations between the staff of local municipalities and responsible authorities of both countries on topics of mutual interest;
- 3.1.3 develop initiatives and pilot projects jointly on the basis of mutually agreed objectives and modalities;
- 3.1.4 collaborate on the promotion, preparation and organization of joint round tables, seminars, conferences, briefings and information sessions;
- 3.1.5 promote ways to collaborate with other entities, which could bring further support to the activities pursued under this MoU;
- 3.1.6 harmonize and coordinate the existing and the preparation of new development plans of the Parties on a cross-border basis so they would support the development of the region as a whole taking into account the specificities and needs of each Party;
- 3.1.7 collaborate on the dissemination of lessons learned and, where possible, disseminate appropriate results of actions/projects/research through publications, the Internet and other easily accessible means; and,
- 3.1.8 plan joint capacity-building initiatives in areas of common interest.

3.2. The Parties anticipate that each Party will contribute to the activities undertaken pursuant to this Memorandum in one or more of the following ways:

- 3.2.1 mobilization of its own staff for the pursuit of the objectives of this MoU;
- 3.2.2 provision of facilities for roundtables, workshops, conferences or seminars; and,
- 3.2.3 such other means as the Parties may agree upon.

3.3 This MoU will be brought to the attention of the relevant staff of all Parties. The Parties will collaborate to provide guidance and information to the staff members concerned, so as to enhance cooperation in the agreed fields (it being understood and agreed that any sharing of information shall be subject to the disclosing Party having the legal right to do so).

3.4. The Parties recognize the value and need for sharing statistical information in order to avoid duplication in the collection, analysis, publication and distribution of such information.

Article IV

Implementation, Evaluation and Costs

4.1. A Working Group made up of representatives of the Parties, shall guide the collaboration under this MoU. The Working Group will confer periodically to review cooperation, to evaluate progress and to make recommendations to the Estonian and Latvian Intergovernmental Commission for Cross-Border Cooperation. Parties, as appropriate, including with regard to future activities in the priority areas of cooperation mentioned in Article II and matters which might affect the successful completion of collaborative activities agreed pursuant to this MoU. The meetings of a Working Group will take place at least once every 6 months to:

- 4.1.1. discuss technical and operational issues related to furthering the objectives of this MoU; and,
- 4.1.2. review the progress of collaborative work undertaken by Parties and relevant the responsible authorities of Republic of Estonia and the Republic of Latvia and to plan future activities in the priority areas of collaboration mentioned in Article II.

4.2. Within the context defined above, further meetings will be encouraged and set up on an ad hoc basis as deemed necessary by the Parties to address priority matters of common interest for the implementation of activities in specific areas.

4.3. The Parties will share with each other all relevant information and documents, including research data and reports and any other information related to the activities, outputs and finally impact of this collaboration (it being understood and agreed that any sharing of information shall be subject to the disclosing Party having the legal right to do so).

4.4. The costs for each Party resulting from the implementation of this MoU will be borne by each one of them.

Article V

Fundraising, Disclosure and Publicity

5.1. To the extent permitted by the Parties' respective regulations, rules and policies, and subject to sub-article 2, the Parties may engage in fundraising from the public and private sectors to support the programmes, projects, and activities to be developed or carried out pursuant to this MoU.

5.2. No Party will engage in fundraising with third parties in the name of or on behalf of the other Party without the prior express written approval of the other Party in each case.

5.3. The Parties shall make this Memorandum publicly available.

Article VI

Liability, Relationship and Duration

6.1. Each Party shall be solely responsible for the manner in which it carries out its part of the collaborative activities under this Memorandum and/or any subsequent arrangements.

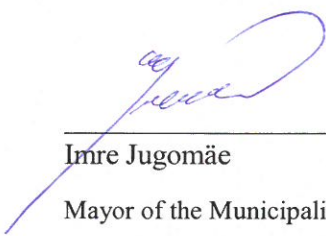
6.2. No Party shall have authority to make any statements, representations, or commitments of any kind, or to take any action which shall be binding on the other Party, except as may be explicitly provided for in this MoU or authorized in writing by the other Party.

6.3. The Parties intend to carry out their cooperative activities for a period of three (3) years following the signature of this MoU by all Parties (the “initial period”). After the initial period, the MoU can be extended for a further five (5) years.

6.4. Each Party may provide advance written notice of its intention to cease cooperative activities under this MoU.

In witness thereof, the Parties have caused this Memorandum to be executed as of the date written below. Signed in six duplicates in Abja-Paluoja, Estonia, on 3rd of October 2019, in the English language, each being equally valid.

On behalf of the Municipality of Mulgi



Imre Jugomäe

Mayor of the Municipality of Mulgi

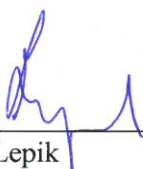
On behalf of the Municipality of Rūjienas



Guntis Gladkins

Mayor of the Municipality of Rūjiena

On behalf of the Municipality of Valga



Margus Lepik

Mayor of the Municipality of Valga

On behalf of the Municipality of Mazsalaca



Harijs Rokpelnis

Mayor of the Municipality of Mazsalaca

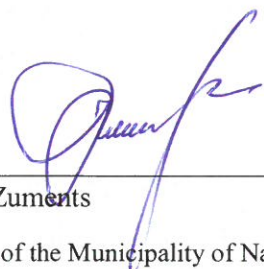
On behalf of the Municipality of Valka



Vents Armands Krauklis

Mayor of the Municipality of Valka

On behalf of the Municipality of Naukšēni



Jānis Zuments

Mayor of the Municipality of Naukšēni