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**DRAFT SPECIAL CONDITIONS OF THE PROJECT CONTRACT “......................................................”**

**OF THE EUROPEAN ECONOMIC AREA FINANCIAL MECHANISM 2014-2021**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_ No. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

*(Date) (Draft project contract no.)*

**Public Institution Central Project Management Agency** (hereinafter referred to as – Programme Operator), and

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** (hereinafter referred to as – Project Promoter),

*(Name of the Project Promoter)*

hereinafter are collectively referred to as – Parties,

acting in accordance with the item 229 of the Rules of Administration and Financing of EEA and Norwegian Financial Mechanisms 2014-2021 approved by Order No. 1K-389 of the Minister of Finance of the Republic of Lithuania of 12 November 2018 on the Implementation of EEA and Norwegian Financial Mechanisms 2014-2021 within the Republic of Lithuania (hereinafter referred to as – MAFR),

and in observance of the Letter no. of the Programme Operator of \_\_ \_\_\_\_\_\_ 20\_\_ , on the allocation of funds of the European Economic Area (hereinafter referred to as – EEA) and funds of the state budget of the Republic of Lithuania (hereinafter referred to as – Co-financing Funds) towards the implementation of the Project stated within the present project contract (hereinafter referred to as – Contract),

and in observance to the following:

Regulation implementing EEA Financial Mechanism 2014–2021 (hereinafter referred to as – the Regulation) approved by EEA Financial Mechanism Committee on 8 September 2016;

Order No. 1K-389 of the Minister of Finance of the Republic of Lithuania of 12 November 2018 on the approval of the Description of Functions of the Authorities Responsible for the Management and Control of EEA and Norwegian Financial Mechanisms 2014-2021 within the Republic of Lithuania for the Implementation of EEA and Norwegian Financial mechanisms 2014-2021 within the Republic of Lithuania;

MAFR;

Guidelines for the applicants of the open call “Implementation of the model for home visits and provision of early intervention services” under the programme “Health” of the European Economic Area Financial Mechanism 2014-2021 approved by the Order No. \_\_\_\_ of Deputy Director of the Pubic Institution Central Project Management Agency of \_ \_\_\_\_\_\_ 2021 (hereinafter referred to as – Guidelines).

Having read and understood that the Present Contract is composed of the Special Conditions, annexes and General Conditions approved by the Decree No. 2019/20-3-1 of the Deputy Director of the Public Institution Central Project Management Agency of 1 July 2021 on the Approval of the General Provisions of the Agreement for the Implementation of the EEA Financial Mechanisms 2014-2021 or Norwegian Financial Mechanisms 2014-2021,

declaring and guaranteeing to each other that the representatives of the Parties, having signed this Contract, are duly authorized by the Party to sign it,

have entered in to the present Contract of the Project “ “, Project code \_\_\_\_\_\_\_\_,

*(Project name) (Project code)*

(hereinafter referred to as – Project).

1. **OBJECT OF THE CONTRACT**
   1. The present Contract establishes the procedures and conditions for allocating of funds using the Financial mechanisms and Co-financing Funds for the implementation of the Project. Project description and budget shall be laid down within the *Annex 1* to the present Contract.
2. **FUND ALLOCATION USING THE FINANCIAL MECHANISMS AND CO-FINANCING FUNDS**
   1. The maximum amount of eligible costs of the Project shall be EUR \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.
   2. The Project Promoter shall be allocated EUR \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ for the compensation of eligible costs established within the item 2.1 of the Special conditions of the present Contract for the implementation of the Project, of which:
      1. up to EUR \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ from Mechanism funds and
      2. up to EUR \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ from National Co-financing funds.
   3. The total amount of Mechanism funds and National Co-financing funds shall comprise \_\_\_\_\_ percent of the total eligible costs for financing of the Project.
   4. Project Promoter and/or Partner(s) shall oblige to settle all of the remaining Project expenses deemed ineligible for compensation.
3. **START AND COMPLETION OF THE PROJECT IMPLEMENTATION PERIOD**
   1. The start of the Project implementation shall be \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (*Date for the Contract entry into force or the factual date for the start of the Project implementation. The later date may not be earlier than the decision of the Programme Operator to accept the allocated funding).*
   2. Project completion date shall be \_\_ \_\_\_\_\_\_\_\_\_\_ 20\_\_ (*where the Project implementation completion date should fall on a weekend or a holiday, the next following workday shall be considered as the Project completion date).*
4. **PAYMENT INFORMATION**

* 1. The eligible Project costs shall be compensated by \_\_\_\_\_\_\_\_\_\_\_\_\_ (Specify the requested payment method(s) for compensating of eligible costs: compensation of eligible costs with an advance payment or without and/or payment of issued invoices).
  2. *(Please specify where advance payment shall be agreed upon. Where no advance payment shall be agreed upon, the present item shall be excluded from the present Contract).* The Project Promoter shall be eligible for receiving of an advance payment not exceeding \_\_\_ percent (up to EUR \_\_\_\_\_\_\_\_\_\_\_\_\_) of the total amount of the Financial mechanism and National Co-financing funds allocated for the implementation of Project, as established within item 2.2 of the Special conditions of the present Contract.
  3. *Where the Project Promoter is obliged to submit advance payment insurance document in accordance with the item 289.2 of the MARF, the relevant provisions of the submission of advance payment insurance document shall be included.*
  4. The Project Promoter shall submit the request for the advance payment (*the request for the advance payment shall only be applicable in cases where an advance payment for the Project has been foreseen within the Project)* and interim payments towards the Programme Operator in accordance with the procedures and terms established within the Special conditions and General conditions of the present Contract (*where the specific nature of the Project requires for the cash flow of the Project Promoter, the Project Promoter shall not be subject to terms for the request for interim payments established within the General conditions of the present Contract, please specify different procedures and terms for submission of requests for interim payments (if any) within item 4.3).* The final request for payment towards the Programme Operator shall be submitted up to \_\_ \_\_\_\_\_ 20\_\_ (*the date shall be selected having regards to the fact that the final payment request shall be submitted no later than within 20 working days from the deadline established in item 3.2 of the Special conditions of the present Contract (Special conditions of MAFR may establish a different term).*

1. **COMPENSATION OF COSTS USING THE SIMPLIFIED COSTING METHODOLOGIES**

*(Please specify if the direct costs of the Project are subject to compensation on simplified bases).*

* 1. The following direct costs are eligible for compensation on simplified bases:

*(Please specify the eligible simplified costing methodology for the compensation of the costs of the specific Project(s))*

* + 1. Expenses for business trips and travel to foreign countries (duration of which exceeds 1 day) (except for expenses for travelling to a foreign country and back using all types of transport) shall be declared and compensated on a simplifies bases in accordance with the factual per diem rates established by the European Commission that cover accommodations, meals, local travel within the place of business trip, insurance and sundry expenses (fixed rates) that can be viewed online at the following link: <https://www.cpva.lt/data/public/uploads/2020/01/europos-komisijos-skelbiamos-dienpinigiu-normos-perdiems-2017-03-17_en.pdf>
    2. The expenses incurred during business trips and travel within the territory of the Republic of Lithuania (fuel or public transport expenses) shall be compensated on a simplified bases in accordance with the factual fuel and public transport rates established in the Report No. FĮ-005 of the Ministry of the Finance of the Republic of Lithuania on the Analysis of Setting Flat Rates on Fuel and Public Transport (Published on 24 April 2015). The report can be viewed online at the following link: [www.esinvesticijos.lt](http://www.esinvesticijos.lt) (document “Analysis on Simplified Compensation of Expenses” under the section “Documents”, sub-section “Analyses”). Fixed rates for 1 km are as follows: 0.07 EUR/km, excluding VAT or 0.08 EUR/km, VAT inclusive;
    3. Compensation of costs on a simplified bases in accordance with the flat rates may not applicable towards Project Partners from Donor States as well as costs incurred by the Project Promoter and/or Project Partner where the aforementioned costs or part of the costs, included within the fixed rates, have already been included towards the price of acquisition of other services.
  1. Expenses for annual leave and additional days-off of employees implementing and administering the Project of the Project Promoter or Project Partner(s) of the Republic of Lithuania shall be declared and paid on a simplified bases by applying the coefficients of payments for annual leave and additional days-off set in the Report No. FN-005 on the Analysis on Setting Flat Rates of Payment of Annual Leave and Additional Days Off (edition of 20 July 2017) of the Ministry of Finance of the Republic of Lithuania, published online at the following link: [www.esinvesticijos.lt](http://www.esinvesticijos.lt) (document “Analysis of Simplified Compensation of Expenses” under the section “Documents”, sub-section “Analyses”).

*(Where no compensation of costs on a simplified bases shall be applicable, please specify the following:)*

* 1. Not applicable.

1. **INDIRECT COSTS**

*(Where indirect costs are applicable, please specify the following:)*

1. The maximum amount of possible indirect Project costs shall be established in Annex 1 to the present Contract.
2. Provisions on the method of calculation of indirect costs of the Project Promoter shall be: \_\_\_\_\_\_\_\_\_\_\_ *(possible methods are set out in clause 276 of the MAFR)*. Fixed rate norm applicable for compensating of the indirect costs of the Project Promoter shall be: \_\_\_ percent of \_\_\_\_\_ (*please specify the eligible direct costs that the percentage of the eligible indirect costs shall be calculated of).*  The maximum amount of possible indirect Project costs of the Project Promoter shall be established in Annex 1 to the present Contract.
3. Provisions on the method of calculation of indirect costs of the Project Partner shall be: \_\_\_\_\_\_\_\_\_\_\_ *(possible methods are set out in clause 276 of the MAFR)*. Fixed rate norm applicable for compensating of the indirect costs of the Project Partner shall be: \_\_\_ percent of \_\_\_\_\_ (*please specify the eligible direct costs that the percentage of the eligible indirect costs shall be calculated of).* The maximum amount of possible indirect Project costs of the Project Partner shall be established in Annex 1 to the present Contract.

*(Where indirect costs are not applicable, please specify the following:)*

6.1. Not applicable.

1. **OTHER PROVISIONS**
   1. *(Where the Project application evaluation has been completed with a reservation for requirement of additional documents and/or that the information shall be submitted within the term provided for in the present Contract, the Project Promoter should be subject to additional requirements for submission of the additional required documents and/or information within the applicable term).*
   2. *Where the Project has been granted points for “Increasing the accessibility of service” during the Project benefit and quality evaluation, please specify the following:*

Following the completion of the selection process for the beneficiaries of the home visit services by the Project Promoter and (if applicable) Project Partner(s), the Project Promoter shall be obliged to present the information on the selection process and results, including the method for prioritising the provision of service within rural areas (towns, villages and wards) during the selection process towards the Programme Operator along with the upcoming submission for the payment request. The Project Promoter shall be obliged to provide information on the areas that the beneficiaries are residing in along with the submission of the payment request and the information on the achievement of the monitoring indicator for number of beneficiaries of services provided or improved.

* 1. *Where the Project requires for an acquisition of a passenger car, please specify the following:*

The costs for the acquisition of the passenger car may not exceed the EUR 17000.00 limit.

* 1. The costs for acquisition of assets for rendering of necessary home visit services at the home of the family to be visited under the heading “fixed assets” may not exceed 5 percent of the eligible costs established in item 2.1 of the Special conditions of the present Contract (the 5 percent restriction shall not be applicable for costs of the acquisition of the passenger car).
  2. The costs under the heading “Goods (short term assets) and services” may not exceed 15 percent of the total eligible costs established in item 2.1 of the Special conditions of the present Contract.
  3. The Project implementation and administration costs may not exceed 5 percent of the eligible costs established in item 2.1 of the Special conditions of the present Contract.
  4. The Project Promoter shall be obliged to inform the Programme Operator on planned training courses, seminars, conferences and other events by submitting a completed timetable of the events using an approved form towards the Programme Operator via the site for the exchange of Project data of EEA and Norwegian financial mechanisms 2014-2021 (hereinafter referred to as – DMS) no later than 5 working days prior to start of the aforementioned event.
  5. The applicable post-completion period: \_\_ years following the approval of the final payment request (*minimum term: 5 years. In cases where the Applicant obliges to ensure post-completion of the Project for a longer term than the 5 year threshold following the completion of the Project implementation and the Project is therefore awarded extra points during the benefit and quality evaluation of the Project, please specify the term foreseen in the application).*
  6. The Project Promoter shall be obliged to submit reports on the Project completion during the entire period established in item 7.8 of the special conditions of the present Contract towards the Programme Operator. Procedures and terms for submission of the reports following the completion of the Project implementation shall be established within the General conditions of the present Contract.
  7. *(Where the equipment acquired during the Project implementation period has been identified as an integral and necessary component for achieving the outcomes of the project during the evaluation of the application by the Programme Operator and the entire acquisition price of the Equipment (or the acquisition costs for the Project using the pro rata principle) has been recognized as eligible costs and is compliant with the procedures laid down in item 272.3, please specify the following:)*

The Project Promoter shall be obliged to ensure the following:

*Where the costs for acquisition of equipment during the Project implementation period are to be financed 100 percent using the Project funds, the item 7.10.1 should be completed as follows:*

* + 1. To keep the equipment and devices (hereinafter referred to as – Equipment) acquired during the Project implementation period and during the entire period established in item 7.8 of the Special conditions of the present Contract, acquisition of which was established within costs under the heading “Fixed assets” and is identified as an integral and necessary component for achieving the outcomes of the Project; therefore, the entire purchase price of such Equipment may be recognized as eligible costs and is compliant with the procedures laid down in item 272.3 of MAFR;

*Where the acquired equipment and devices are to be financed 100 percent using the Project funds, the aforementioned equipment and devices that are financed using the pro rata principles, shall be formulated within the item 7.10.1 as follows:*

7.10.1. To keep the equipment and devices (hereinafter referred to as – Equipment) acquired during the Project implementation period and during the entire period established in item 7.8 of the Special conditions of the present Contact in the ownership of the Project Promoter, acquisition of which was established within costs under the heading “Fixed assets” and was identified as an integral and necessary component for achieving the outcomes of the Project; therefore, the entire acquisition price of the Equipment or the acquisition costs for the Project using the *pro rata* principle may be recognized as eligible costs and is compliant with the procedures laid down in item 272.3 of MAFR, or where the equipment is used solely for achieving the objectives of the Project or if the acquisition price using the *pro rata* principle is recognized as eligible costs for use of the Equipment no less than the amount specified within the item 7.11 of the Special conditions of the present Contract.

* + 1. The Equipment must be properly insured against losses such as fire, theft or other normally insurable incidents during both the Project implementation period and the period following the completion of the Project established within item 7.8 of the Special conditions of the present Contract. The Project Promoter obliges to insure the acquired Equipment no later than 1 (one) month following the date of the acquisition of the aforementioned Equipment;
    2. The Project Promoter obliges to properly maintain the Equipment during both the Project implementation period and the period following the completion of the Project established within the item 7.8 of the Special conditions of the present Contract, as well as allocate the required funds for the maintenance of the aforementioned Equipment.
  1. *(Where the value of the Equipment is EUR 1000 and more and the acquisition of the Equipment from Project funds is recognised using the pro rata principle, please specify the following:)*

The Equipment acquired during the Project implementation period and compliant with the conditions established within the item 272.3 of MAFR, e.g., [*please specify the actual name of the Equipment*] must be used for the achievement of the objectives of the Project no less than \_\_ (*specify amount in percentage*) of the time during the Project implementation period and the period following the completion of the Project established within the item 7.8 of the special conditions of the present Contract. *(Auxiliary provisions may be stated herewith, e.g., link to the approved Equipment of the Project Promoter (Partner) on the methodology for the allocation of the Equipment towards the Project).*

* 1. *(Where the value of the Equipment is less than EUR 1000 and the acquisition of the Equipment from Project funds is recognised using the pro rata principle, please specify the following:)*

The Equipment acquired during the Project implementation period and that is not compliant with the conditions established within the item 272.3 of MAFR, e.g., [*please specify the actual name of the Equipment*] must be used for the achievement of the objectives of the Project no less than \_\_ (*specify amount in percentage*) of the time during the Project implementation period and the period following the completion of the Project established within the item 7.8 of the special conditions of the present Contract. *(Auxiliary provisions may be stated herewith, e.g., link to the approved Equipment of the Project Promoter (Partner) on the methodology for the allocation of the Equipment towards the Project).*

* 1. The Programme Operator may exempt the Project Promoter from the performance of their obligations undertaken under items *7.10, 7.11 and/or 7.12 (retain the applicable provisions)* of the Special conditions of the present Project following the recognition that the use of the Equipment for the achievement of Project aims is not cost effective.
  2. Where the Equipment established in items *7.10, 7.11 and/or 7.12 (retain the applicable provisions)* is acquired by the Project Partner(s), the Project Promoter shall be obliged to ensure that the Project Partner(s) shall oblige with the procedures and terms established within items *7.10, 7.11 and/or 7.12 (retain the applicable provisions).*
  3. *Where it shall become evident from the start (from the information provided within the application form) that the assets formed, acquired or renewed during the Project implementation period shall be transferred or transferred using sub delegation means or using other means to other beneficiaries than the Project Partners, please include the following provision regarding the approval of the Programme Operator:*

The Programme Operator shall agree that the assets *[please specify the actual name or provide a referral towards the Annex to the present Contract listing the aforementioned assets]* formed or acquired should be *transferred or transferred using sub delegation means or using other means to [please specify the actual name of the beneficiary or provide a referral towards the annex to the present Contract]* under the procedures and terms established within the legislation without requirement for a separate approval of the Programme Operator specified within the item 3.1.21 of General provisions of the present Contract. The Project Promoter shall be obliged to submit all of the documents related to *the* *transfer or assignment of assets* towards the Programme Operator no later than within 10 working days following the date of *the transfer or assignment of the aforementioned assets.*

* 1. Following the amendment of the Partnership contract(s), the Project Promoter shall be obliged to inform the Programme Operator via DMS on the completed amendments and submit documents substantiating the amendment of the aforementioned Partnership contract(s) and other Partnership contract(s) no later than within 5 working days following the entry into force of the amended contract(s).
  2. *Where participants within the Project shall be foreseen, please specify the following:*

The Project Promoter shall oblige to acquire approvals (if applicable) of the natural persons allowing for the submission of their data (including personal data) towards the Programme Operator and other authorities established within item 8.1 of the General provisions of the present Contract.

* 1. *Where participants within the Project shall be foreseen and where it shall be relevant to include participants from target groups, please specify the following:*

Project Promoter shall be obliged to ensure that only members of the relevant target groups established within item 6.6 of the Annex 1 to the present Contract would participate during the Project implementation period and obliges to acquire documents substantiating their affiliation with the aforementioned target group.

* 1. The Project Promoter shall oblige to submit information within 5 working days following the conclusion of the present Contract towards the Lithuanian University of Health and Sciences on the list of candidates selected for the position of home visit specialists, whom the Lithuanian University of Health and Sciences shall interview on their compliance for the provision of services, as well as obliges to ensure their participation within the aforementioned interviews.
  2. Where following the completion of the interview, the Lithuanian University of Health and Sciences determines that the candidate and the additional candidate(s) delegated within the application and are not suitable for rendering of home visit services, the Project Promoter shall be obliged to, no later than within 10 working days following the receipt of the information form the Lithuanian University of Health and Sciences, provide a new candidate compliant with the requirements established within item 21.4 of the Guidelines and inform the Programme Operator.
  3. The Project Promoter shall be entitled the right to submit a request for advance payment only following the approval of Lithuanian University of Health and Sciences on the candidates for the eligibility for the position of the home visit specialist.
  4. Where the home visit specialist shall not be able continue to provide home visit services on objective grounds (e.g., following the termination of work relations, changing of the place of residence, etc.), the Project Promoter shall be obliged to, no later than within 10 working days following the date on which the objective grounds have become apparent, elect and present a new candidate for the Lithuanian University of Health and Sciences compliant with the requirements established within item 21.4 of the Guidelines and inform the Programme Operator.
  5. Where the home visit specialist should be exchanged with another specialist on objective grounds during the Project implementation period, the Project Promoter and/or Project Partner(s) shall be obliged to enrol the newly elected home visit specialist in the training programme on their own costs.
  6. *Where the Project requires for an acquisition of a passenger car, please specify the following:*

Where the Programme Operator, acting as the central purchasing body, has completed the acquisition procedure or entered in to a preliminary contract(s) on the acquisition of passenger cars under the programme “Health”, the Project Promoter and/or Project Partner shall be obliged to acquire the passenger car from the Programme Operator, acting as the central purchasing body, or via the aforementioned body.

* 1. The Project Promoter shall be obliged to ensure that home visit services shall be provided towards families on a continuous and uninterrupted bases, i.e., the authority providing home visit services shall be obliged to continue to provide services and services towards the same family until their child reaches the age of 2 years old, except for following cases, where the aforementioned rendering of services shall not be possible having regards to objective grounds out of the control of the authority (e.g., the family refuses to continue the receipt of home visit services, the family changes their place of residence, etc.);
  2. *(Where applicable, the auxiliary provisions shall be included, provided that the Programme Operator identifies a risk during the evaluation period requiring auxiliary special terms to the present Contract, e.g., provisions related with the terms for the achievement of the interim Project output).*
  3. The Project Promoter must participate in the evaluation of the effectiveness of the measures of the EEA Financial Mechanism Programme “Health”: cooperate and submit all documents and information related to the project implementation to the institutions performing this evaluation (the Ministry of Health of the Republic of Lithuania will inform in advance about specific institutions); to inspect the project implementation and activities on the site during the project implementation and for 5 years after the date of approval of the final project implementation report (*shall enter a specific continuity period if the application has chosen a longer continuation period*).

1. **CONTRACT ENTRY INTO FORCE AND CONTACT DETAILS OF PARTIES** 
   1. The present Contract shall come into force following the signing of the aforementioned Contract by the Parties and shall be valid until the full performance of the obligations undertaken by the Parties under the present Contract.
   2. The present Contract is concluded in two copies, each having equal legal power, one copy is given to each Party.
   3. Contact details of the Programme Operator:

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|  | **Programme Operator** |
| Legal entity code: | 126125624 |
| Address of the headquarters: | S. Konarskio st. 13, Vilnius |
| Postal Code: | 03109 |
| Phone: | +370 5 2514400 |
| Email: | info@cpva.lt |

* 1. The contact details of the Project Promoter shall be specified within item 1 of Annex 1 to the present Contract.

1. **ANNEXES TO THE AGREEMENT**
   1. Annex 1 Project description and Budget;
   2. *(Specify additional annexes, if applicable).*

**Signatures of the parties**

|  |  |
| --- | --- |
| Deputy Director of Public Institution Central Project Management Agency | Project Promoter or a representative of the Project Promoter |
| (signature) | (signature) |
| (name, last name) | (name, last name) |
| (date) | (date) |