

GUIDANCE DOCUMENT FOR PROJECTS FINANCED UNDER THE CALL

This document provides guidance for applicants, project promoters and projects partners on setting target values and methods of calculation for outcome indicators, compulsory under The call for proposals under Green industry innovation, including bio economy, focus area of the Norwegian Financial Mechanism 2014-2021 programme “Business Development, Innovation and SMEs“ (hereafter referred to as the “Call”).

This guidance document is drafted in respect of the Norway Grants Regulation, Core indicators guidance¹ and Results Guideline² adopted by the Financial Mechanism Office.

For each indicator, the following information is provided in this Guidance:

- Definitions.
- Unit of measurement.
- Source of verification, i.e. primary source of data on the indicator values.
- Frequency of reporting.
- Method of calculating the indicator values (baseline, achievement, and target). Description of how the baseline, achievement and target values should be established, for each indicator.

All projects shall contribute to the outcome of the Programme: Increased competitiveness of Lithuanian companies within the focus area Green Industry Innovation, including bio economy, and shall deliver the expected outcome indicators provided in the list below.

All projects involving Donor State Partners shall contribute to the bilateral outcome of the Programme: Enhanced collaboration between beneficiary and donor state entities involved in the programme and shall take part in the Bilateral Survey administered by the Financial Mechanism Office to report on the project’s bilateral outcomes.

¹ <https://eeagrants.org/sites/default/files/resources/Core%20Indicators%20Guidance%20FM14-21%20%281%29.pdf>

² <https://eeagrants.org/sites/default/files/resources/2014-2021%20Results%20guideline.pdf>

I. List of outcome indicators

1. Estimated annual CO2 emissions reductions (in tons)
2. Estimated annual decrease of energy consumption (MWh)
3. Estimated annual growth in turnover
4. Estimated annual growth in net operational profit
5. Number of jobs created (disaggregated by gender, age)
6. Number of new products/technologies/ developed
7. Number of new green products/technologies applied (new-to-the-enterprise)
8. Number of new green products/technologies commercialised (new-to-the-market)
9. Number of registered applications for Intellectual Property Protection

II. Outcome Indicators

1. Estimated annual CO2 emissions reductions
<p>Definition:</p> <p>Total estimated reduction in greenhouse gas emissions (CO2 and CO2 equivalents of other greenhouse gases) due to support under the Call.</p>
<p>Unit of measurement:</p> <p>Annual number (Ton of CO2 equivalent per year)</p>
<p>Source of verification:</p> <p>Energy audit reports; Energy certificates Environmental audit reports</p>
<p>Frequency of reporting:</p> <p>Quarterly with payment claims / interim reports. At the end of a project with the Final project implementation report. One year after completion of the Project with the project post implementation report.</p>
<p>Method of calculating the indicator values (baseline, targets and achievements):</p> <p>Baseline value – the current greenhouse gas emissions (i.e. upon the submission of an application/ reference period- accumulated amount of last 12 months), tonnes of CO2 and CO2 equivalents of other greenhouse gases.</p> <p>Target value – a comparison of the greenhouse gas emissions before the implementation of the project (baseline value) with the expected emissions after its implementation. The target value shall be presented in an application.</p> <p>The baseline value and the justification shall be provided in the of the target section.</p> <p>During the assessment of an application, an applicant might be asked to provide supporting documents for the baseline values.</p> <p>For the purpose to set the baseline and the target value, an applicant shall gather data on activities / operational or production processes which release greenhouse gas emissions today, and that are intended to be targeted with a project e.g.:</p> <ul style="list-style-type: none"> • electricity and gas use – kWh (data sources: electricity bills, meters,etc.), • fuel used in owned equipment/vehicles and industrial processes – litre or tons of fuel (data sources: invoices, receipts, bills, etc.); • waste disposal and recycling - tonnes of waste-to-landfill and recycled (data sources: waste collection provider, own data, contracts etc.) • water supply – cubic meters (data sources: water bills, meters, etc.) • water treatment – cubic meters (data sources: water bills, meters, etc.) <p>Formula to calculate the associated greenhouse gas emissions using emission factors:</p>

Greenhouse gas emissions = Data x Emission Factor (quantity of emissions in tonnes of carbon dioxide equivalent - CO₂eq)

Emission Types and Conversion Factors

Burning:

- 1 ton coal = 2,86 ton CO₂
- 1 m³ natural gas = 1,9 kg CO₂
- 1 ton waste incinerated = 0,445 ton CO₂

Electricity production:

- 1 MWh from coal fired plant = 850 kg CO₂
- 1 MWh from oil fired power plant = 590 kg CO₂
- 1 MWh from gas fired power plant = 185 kg CO₂
- 1 MWh EU28 mix (2016) = 295,8 kg CO₂

District heating, hot water:

- 1 MWh = 3.600 MJ from coal = 0,414 tons CO₂
- 1 MWh = 3.600 MJ from natural gas = 0,227 tons CO₂
- 1 MWh = 3.600 MJ from pellets (10% moisture) = 0,091 tons CO₂

Transport:

- 1 litre diesel = 2,640 kg CO₂
- 1 litre gasoline = 2,392 kg CO₂
- 1 personal car = 2,25 tons CO₂/year (150 g CO₂/km, 15.000 km/year)

Others

- 1 ton plastic recycled = 2300 kg CO₂ saved
- 1 ton metal recycled = 1750 kg CO₂ saved
- 1 ton paper recycled = 795 kg CO₂ saved
- 1 ton glass recycled = 529 kg CO₂ saved
- 1 m³ water (supply) = 0,344 kg CO₂ saved
- 1 m³ water (treatment) = 0,708 kg CO₂ saved

Achievements data is reported as a comparison of actual greenhouse gas emissions (Converting Yearly Greenhouse Gas Emissions into CO₂ Emissions Equivalents) after the implementation of the project with the greenhouse gas emission value before the implementation of the project (baseline value).

The reference period chosen for the data collection should be 12 months (yearly basis).

2. Estimated annual decrease of energy consumption (MWh)
<p>Definition: Total estimated reduction in energy consumption due to support under the Call.</p>
<p>Unit of measurement: Annual number (MWh)</p>
<p>Source of verification: Energy audit reports; Energy certificates</p>
<p>Frequency of reporting: Quarterly with payment claims / interim reports. At the end of a project with the Final project implementation report. One year after completion of the Project with the project post implementation report.</p>
<p>Method of calculating the indicator values (baseline, targets and achievements):</p> <p>Baseline value – energy consumption before the implementation of the (reference period-accumulated amount of 12 last months before submission of an application (MWh). The baseline value and the justification shall be provided in the target section.</p> <p>During the assessment of an application, an applicant might be asked to provide supporting documents for the baseline values.</p> <p>Target value – a comparison of the energy consumption before the implementation of a project with the factual consumption upon completion of the project s. The target value and the justification shall be presented in an application.</p> <p>Achievements data is reported as a comparison of an actual energy consumption upon completion of the project with the energy consumption value before the implementation of the project (baseline value).</p> <p>The reference period chosen for the data collection should be 12 months (yearly basis). Achievement values should be amended and submitted to MITA annually based on data collected in the last 12 months.</p>

3. Estimated annual growth in turnover
<p>Definition:</p> <p>Turnover represents the total income of the business during a set period of time. Under the Call, turnover is to be understood as the annual sales volume net of all discounts and sales taxes.</p>
<p>Unit of measurement:</p> <p>Percentage</p>
<p>Source of verification:</p> <p>Financial reports; Other financial documents</p>
<p>Frequency of reporting:</p> <p>Quarterly with payment claims / interim reports. Final project implementation report. Annually after completion of the Project with the project post implementation report for the duration of 3 years.</p>
<p>Method of calculating the indicator values (baseline, targets and achievements):</p> <p>Baseline value – the turnover before the implementation of a project, stated in the last approved annual financial statement. If an entity is established less than a year ago, the baseline shall be established based on a semi-annual financial statement. The baseline value and the justification shall be provided in the target section.</p> <p>During the assessment of an application, an applicant will be asked to provide supporting documents for the baseline values.</p> <p>Target value – forecasted growth in annual turnover (expressed in percentage) 3 years after completion of the project, achieved as a direct result of the support under the Call. The target value and the justification shall be presented in an application.</p> <p>Achievements data (F) is reported as ratio (expressed as a percentage) calculated according to the following formula: $F = (B-A)/A * 100\%$, when A - turnover before the implementation of a project; B - the reporting year annual turnover according to the last approved financial statement.</p> <p>The A and B values and the justification shall be provided in the achievements section. During the assessment of a project post implementation report, an applicant will be asked to provide supporting documents for the A and B values.</p> <p>Achievement values should be amended and submitted to MITA annually after a financial statement for the previous financial year is approved.</p>

4. Estimated annual growth in net operational profit

Definition:

Net operating profit (NOP) is the profit a company is left with after subtracting for cost of goods sold, operating expenses, interest and taxes. It is calculated on the profit and loss statement.

Unit of measurement:

Percentage

Source of verification:

Financial reports;

Other financial documents

Frequency of reporting:

Quarterly with payment claims / interim reports.

Final project implementation report.

Annually after completion of the Project with the project post implementation report for the duration of 3 years.

Method of calculating the indicator values (baseline, targets and achievements):

Baseline value – NOP before the implementation of a project, stated in the last approved annual financial statement. If an entity is established less than a year ago, the baseline shall be established based on a semi-annual financial statement. The baseline value and the justification shall be provided in the justification of the target section. During the assessment of an application, an applicant will be asked to provide prove documents for the baseline values.

Target value – forecasted growth of annual NOP (expressed in percentage) 3 years after the completion of a project, due to the support under the Call. The target value and the justification shall be presented in an application.

Achievements data (F) is reported as ratio (expressed as a percentage) calculated according to the following formula:

$F = (B-A)/A * 100\%$, when

A - NOP before the implementation of a project;

B - the reporting year annual NOP according to the last approved financial statement

The A and B values and the justification shall be provided in the justification of the achievements section. During the assessment of a post project implementation report, an applicant will be asked to provide prove documents for the A and B values.

Achievement values should be amended and submitted to MITA annually after a financial statement for the previous financial year is approved.

5. Number of jobs created (disaggregated by gender, age)

Definition:

Additional jobs (positions) created in project promoter. A job should be permanent, full-time equivalent and paid. To be treated as permanent, a job should have a life expectancy of at least one year. The job position should be filled.

Unit of measurement:

Number

Source of verification:

Payroll records

Frequency of reporting:

Quarterly with payment claims / interim reports.
Final project implementation report.

Method of calculating the indicator values (baseline, targets and achievements):

Baseline value is 'N/A'.

Target value is to be established based on historical data, expert judgements, aims of a project or similar projects.

Achievements data is reported as the sum of the additional jobs created, i.e. the total number since the start of a project implementation until the end of the reporting period, that can plausibly be attributed to a project.

Part-time jobs are converted to full-time equivalent jobs on a pro rata basis with employment 40 hours/week treated as full time. If the information is not available, two part-time jobs should be considered as equivalent to one full-time job. Achievements shall always be reported cumulatively – as the total number since the start of a project implementation until the end of the reporting period

In addition to the achievement value, a project promoter should report the following breakdowns, and stored in such a way that more detailed breakdowns can be requested if needed:

Gender		Total (number)
Male (number)	Female (number)	

Age group		Total (number)
Youths (15-29), number	Adults (30 and above), number	

6. Number of new products/technologies/ developed
<p>Definition:</p> <p>A single product (good or service) or single technology developed or significantly improved as a result of support under the Call.</p> <p>New products are goods and services that differ significantly in their characteristics or intended uses from products previously produced by the firm:</p> <ul style="list-style-type: none"> • Developed by your firm by adapting or modifying products/business processes available from/to other firms or organisations, including reverse engineering. • Developed by drawing substantially on ideas, concepts and knowledge sourced or acquired from other firms or organisations, directly or via intermediaries. • Developed as part of a collaborative agreement with other firms or organisations, with all parties contributing ideas or expertise. • Mainly developed by your firm on its own, from the idea to implementation.
<p>Unit of measurement:</p> <p>Number</p>
<p>Source of verification:</p> <p>Project Promoters' records</p>
<p>Frequency of reporting:</p> <p>Quarterly with payment claims / interim reports.</p> <p>Final project implementation report.</p>
<p>Method of calculating the indicator values (baseline, targets and achievements):</p> <p>Baseline value is 'N/A'.</p> <p>Target value is to be established based on the aim of a project, a project or a business plan.</p> <p>Achievements data is reported in numbers of the new or significantly improved products and technologies developed.</p>

7. Number of new green products/technologies applied (new-to-the-enterprise)
<p>Definition:</p> <p>A new product or technology applied by a project promoter as a result of implementation of the activity - Application of new products/ technologies.</p> <p>Application of new products/ technologies - replicating products/business process already available from/to other firms or organisations, with no or very few additional changes by your firm.</p> <p>A newly applied product or technology should help, for example, to modernize production lines, to reduce CO2 emissions/ energy consumption, encourage zero-waste manufacturing or re-use of waste.</p>
<p>Unit of measurement:</p> <p>Number</p>
<p>Source of verification:</p> <p>Project Promoters' records</p>
<p>Frequency of reporting:</p> <p>Quarterly with payment claims / interim reports.</p> <p>Final project implementation report.</p>
<p>Method of calculating the indicator values (baseline, targets and achievements):</p> <p>Baseline value is 'N/A'.</p> <p>Target value is to be established based on the aim of a project, a project or a business plan.</p> <p>Achievements data is reported in numbers of a new product or technology applied.</p>

8. Number of new green products/technologies commercialised (new-to-the-market)
<p>Definition:</p> <p>A single product (good or service) or single technology commercialised as a result of support under the Call.</p> <p>Commercialisation means such activities as actual application of the technology in its final form and under real-life conditions, such as those encountered in operational test and evaluations, market replication and the like aiming to bring an innovative idea (product, process, service etc.) to industrial readiness and maturity for market introduction. Activities correspond Technology Readiness Level (TRL) 9, approved by the Government of the Republic of Lithuania Order “On Approval of Description of Recommended Classification of Technology Readiness Levels” (hereinafter referred to as the “Description of Classification”) Order No 650 of 6 June 2012.</p>
<p>Unit of measurement:</p> <p>Number</p>
<p>Source of verification:</p> <p>Project Promoters’ records</p>
<p>Frequency of reporting:</p> <p>Quarterly with payment claims / interim reports.</p> <p>Final project implementation report.</p>
<p>Method of calculating the indicator values (baseline, targets and achievements):</p> <p>Baseline value is ‘N/A’.</p> <p>Target value is to be established based on the aim of a project, a project or a business plan.</p> <p>Achievements data is reported in numbers of a new product or technology applied.</p>

9. Number of registered applications for Intellectual Property Protection
<p>Definition:</p> <p>A single application for registration of copyright, industrial design, trademark, patent or community design. The application should be made by a Project Promoter, or project partners, to a National Patent Office (in Lithuania or Norway), or European Patent Office, or third countries' Patent Offices.</p>
<p>Unit of measurement:</p> <p>Number</p>
<p>Source of verification:</p> <p>Copies of filed application(s); Registration acknowledgement from relevant Patent Office</p>
<p>Frequency of reporting:</p> <p>Interim achievement data shall be submitted quarterly with payment claims / interim reports Final project implementation report.</p> <p>Final achievement value shall be submitted no later than one year after completion of the Project with the project post implementation report.</p>
<p>Method of calculating the indicator values (baseline, targets and achievements):</p> <p>Baseline value is 'N/A'.</p> <p>Target value is to be established based on the aim of a project, a project or a business plan.</p> <p>Achievements data is reported in numbers based on the unique filed applications for registration of copyright, industrial design, trademark, patent or community design.</p>