

APPROVED

By the Order of the Director of the Agency
for Science, Innovation and Technology
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**NORWEGIAN FINANCIAL MECHANISM 2014-2021
PROGRAMME “BUSINESS DEVELOPMENT, INNOVATION AND
SMES”
CALL FOR PROPOSALS UNDER ICT FOCUS AREA**

**CHAPTER 1
GENERAL PROVISIONS**

1. The call for proposals under an Information and Communication Technologies (ICT) focus area of the Norwegian Financial Mechanism 2014-2021 programme “Business Development, Innovation and SMEs” (hereafter referred to as the “Call”) lays down the terms and conditions for projects, applicants, project partners and institutions which will carry out the evaluation and selection of projects.

2. Programme „Business Development, Innovation and SMEs” (hereafter referred to as the “Programme”) shall contribute to a general aim of the 2014-2021 Norwegian Financial Mechanism (hereafter referred to as the “Norway Grants”) to reduce economic and social disparities in the European Economic Area (EEA) and to strengthen bilateral relations between Norway and Lithuania.

3. The objective of the Programme is value creation and sustainable growth.

4. The Call is drafted in respect of and should be read in conjunction with the following documents:

4.1. Regulation on the implementation of the Norwegian Financial Mechanism 2014-2021 (hereafter referred to as “Norway Grants Regulation”), adopted by the Norwegian Ministry of Foreign Affairs (hereafter referred to as NFMA) pursuant to Article 10.5 of the Agreement between the Kingdom of Norway and the European Union on a Norwegian Financial Mechanism for the period 2014-2021 on 23 September 2016;

4.2. Memorandum of Understanding on the implementation of the Norwegian Financial Mechanism 2014-2021 between the Republic of Lithuania and the Kingdom of Norway;

4.3. Programme Agreement signed between the NFMA and The Investment Department of the Ministry of Finance for the financing of the Programme “Business Development, Innovation and SMEs” on 27 September 2019;

4.4. Guidelines adopted by the NFMA in accordance with the Regulation (hereafter referred to as the “Norway Grants Guidelines”¹);

4.5. Rules on administration and financing of 2014-2021 European Economic Area and Norwegian Financial Mechanisms, approved by the Order on implementation of 2014-2021 European Economic Area and Norwegian Financial Mechanisms in Lithuania of Minister of Finance of the Republic of Lithuania by 12 November 2018 Order No. 1K-389 (hereafter referred to as “the National Rules”);

4.6. Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the

¹<https://eeagrants.org/resources/eea-and-norway-grants-2014-2021-core-indicator-guidance>
<https://eeagrants.org/resources/2014-2021-communication-and-design-manual>
<https://eeagrants.org/resources/2014-2021-bilateral-guideline>
<https://eeagrants.org/resources/2014-2021-bilateral-guideline-annex-6-partnership-agreement-template>
<https://eeagrants.org/resources/2014-2021-financial-guidance>

Treaty, with the last amendment- Commission Regulation (EU) 2020/972 of 2 July 2020 (hereafter referred to as “State Aid Regulation”);

4.7. Commission Regulation (EU) No 1407/2013 of 18 December 2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid”, with the last amendment- Commission Regulation (EU) 2020/972 of 2 July 2020 (hereafter referred to as “*De minimis* Regulation”).

5. Definitions used in the Call:

5.1. **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.

5.2. **Donor Partnership Project** is defined as cooperation between an Applicant (Project Promoter) and at least one Donor State Partner implementing a project where all entities are independent of each other and perform substantial and relevant tasks in the completion of the project.

5.3. **Donor State Partner** is a public or private entity established as a legal person in Norway, who is actively involved in and effectively contributing to implementation of a project, and shares with the Project Promoter a common economic or social goal which is to be realized through implementation of a project.

5.4. **Effective collaboration** – as defined in the Article 2 point (90) of State Aid Regulation.

5.5. **Experimental development** – as defined in the Article 2 point (86) of State Aid Regulation.

5.6. **Indicator** – a quantitative or qualitative variable that specifies what is to be measured along a scale or dimension. It should always be expressed in neutral terms: it should neither indicate the direction or change nor embed a target.

5.7. **Industrial research** as defined in the Article 2 point (85) of State Aid Regulation.

5.8. **Information and communication technology (ICT)** covers all technical means used to handle information and aid communication. This includes both computer and network hardware, as well as their software.

5.9. **Information and communication technology product** – product that is either intended to fulfil the function of information processing and communication by electronic means, including transmission and display, or product which use electronic processing to detect, measure and/or record physical phenomena, or to control a physical process.

5.10. **Innovation** – new or significantly improved products or processes, including production, construction, building and other processes, new marketing methods, new methods of business, workplace arrangement or external relations, which are introduced to the market, public administration, social and cultural area as defined in the Law of the Republic of Lithuania on Technology and Innovation².

5.11. **Large enterprise** means a private legal entity that does not meet the definition of a micro-, small or medium-sized enterprise as it is stipulated in the Law of the Republic of Lithuania on Small and Medium-Sized Business Development.

5.12. **New products** are goods and services that differ significantly in their characteristics or intended uses from products previously produced by the firm.

5.13. **Outcomes** – the (short and medium-term) effects of an intervention’s outputs on the intermediaries or end beneficiaries. All projects selected under this Call shall contribute to the

² <https://e-seimas.lrs.lt/portal/legalAct/lt/TAD/3a00ca517f7d11e89188e16a6495e98c?jfwid=sujolipj4>

Programme-level outcome, namely Increased competitiveness of Lithuanian companies within the focus areas Green Industry Innovation, including bio economy, and ICT.

5.14. **Outputs** – the products, capital goods and services delivered by a project. Outputs are easy to attribute directly to the resources used and the activities performed.

5.15. **Partnership Project** is defined as cooperation between an Applicant (Project promoter) and at least one other legal entity established in Lithuania, implementing a project where all entities are independent of each other and perform substantial and relevant tasks in completion of the project.

5.16. **Product** – the result of work effort, including problem solutions, which can be introduced to the market to meet human desires and needs as defined in the Law of the Republic of Lithuania on Technology and Innovation.

5.17. **Project partner** – a legal person established in Lithuania who is actively involved and effectively contributes to project implementation. A Project promoter and partner shall share a common economic and social goal, which is to be realised through implementation of the project.

5.18. **Single undertaking** includes all enterprises having at least one of the relationships with each other as defined in the Paragraph 2 of Article 2 of State Aid Regulation.

5.19. **Small and medium-sized enterprise** (hereinafter referred to as the SME) means a private legal entity corresponding to the status of micro, small or medium-sized enterprise as defined in the Law of the Republic of Lithuania on Small and Medium-Sized Business Development³.

5.20. **Technology** means the method of practical application of tools, mechanisms, technical aids, capacities, systems or organisational methods, aiming at solution of problems or performing a specific function, including problematic and specific functions in social, cultural, humanitarian and other area as defined in the Law of the Republic of Lithuania on Technology and Innovation.

5.21. **Undertaking in difficulty** means an undertaking in respect of which at least one of the circumstances referred to in Paragraph 18 of Article 2 of State Aid Regulation.

6. Other definitions used in the Call shall be understood in accordance with the definitions provided in the documents listed in Paragraph 4 of the Call.

7. Agency for Science, Innovation and Technology (hereinafter referred to as MITA) is designated as a Programme Operator and shall be responsible for preparing and implementing the Call. Programme Partner is the Ministry of Economy and Innovation of the Republic of Lithuania and Innovation Norway is Donor Programme Partner.

8. The funding under the Call is available in the form of a non-repayable grant.

9. Projects selection will be based on competition.

10. The total available amount for financing of projects under the Call is € 5 500 000 (€ 4 675 000 – Norway Grants contribution, € 825 000 – co-financing from Lithuanian budget):

10.1. € 4 000 000 will be allocated under the main scheme⁴;

10.2. € 1 500 000 will be allocated under the Small Grant Scheme (hereinafter referred to as the SGS1)⁵.

11. The aim of the Call is to increase competitiveness of Lithuanian enterprises in the ICT field.

12. The Call will support development, commercialisation and application of ICT products and technologies used to handle information and aid communication in all industry sectors.

13. Eligible activities under the Call:

13.1. Development of new ICT products/ technologies. Funding under the Call will be provided for projects aiming at development of new ICT products and technologies, which have a potential to enhance performance across different business sectors, economies and societies. For example, information and communication devices, high-speed computing, large-capacity

³ <https://e-seimas.lrs.lt/portal/legalAct/lt/TAD/TAIS.68516/asr>

⁴ The value of projects from 200 000 to 1 000 000 Eur.

⁵ The value of projects from 10 000 to 200 000 Eur.

information analysis, imaging and sound technology, solutions related to such areas as cyber-security, Internet of Things, GDPR, artificial intelligence or a Human-centric Digital Age.

13.2. Commercialisation of new ICT products/ technologies (new-to-the-market). This activity shall be implemented together with the activity indicated in subparagraph 13.1.

13.3. Application of new ICT products/ technologies. Funding will be provided for introduction⁶ (application) of new technological solutions, including digital tools, in Lithuanian entities. This activity shall be implemented as a part of a more complex project, i.e. together with the activity indicated in subparagraph 13.1. Justification to apply a certain ICT product/technology shall be provided in the business plan.

14. The Call launch date and an application deadline are specified in the Call announcement.

CHAPTER 2

REQUIREMENTS FOR APPLICANTS, PROJECTS PROMOTERS AND PARTNERS

15. Eligible applicants under the Call are SMEs and large enterprises, which are private legal entities established in one of the EU Member states or EEA EFTA⁷ states. If an applicant is a large entity, public ownership can constitute no more than 25%.

16. Under the Small Grant Scheme (SGS1) and for the activity *Application of new products/ technologies* (see subparagraph 13.3) eligible applicants are SMEs as defined in the Paragraph 5.19. of the Call.

17. After a project is approved for funding under the Call and a project contract is concluded, an applicant becomes a Project promoter as it is defined in the Paragraph 1 Article 7.2 of the Norway Grants Regulation. Therefore, to receive funding under the Call a project promoter shall be established as a private legal entity in Lithuania no later than the date of project contract signing.

18. Eligible partner – any public or private legal entity, commercial or non-commercial, and non-governmental organisation, established in Lithuania or Norway. Partnership is not compulsory, which means that projects can be implemented without any partners. Nevertheless, Donor partnership projects are highly encouraged, and projects implemented together with a Donor State Partner will score additional points during assessment of an application.

19. In case of a Partnership Project or a Donor Partnership Project, a draft project partnership agreement shall be submitted with an application. For projects, which have been approved to be funded by grants and State funds, a signed partnership agreement shall be submitted to MITA no later than the date on which a projects contract is signed. A Partnership Agreement has to clearly define responsibilities of the parties involved and the rights related to a project (specifying financial and physical contribution to a project, which activities will be performed by each party, rights to jointly developed or obtained assets defined in line with accounting principles, project results, etc.) and responsibilities of each party involved, also obligation to comply with basic principles of good partnership practice.

20. Funding can be granted to applicants (project promoters) and partners operating in all sectors, with the exceptions indicated in the Article 1 (1) of *De minimis* Regulation and Article 1 (2)-(5) and Article 4 of State Aid Regulation.

21. Funding under the Call shall not be allocated to an Applicant and (or) partner:

21.1. if he falls under the category of an undertaking in difficulty. An exception shall be made if an applicant was not an undertaking in difficulty as of 31 December 2019, while he became an undertaking in difficulty in the period 1 January 2020 – 30 June 2021.

⁶ Introduction shall be understood as initial investment as it is defined in Paragraph 49 of Article 2 of State Aid Regulation, i.e. an investment in tangible and intangible assets related to extension of the capacity of an existing establishment, diversification of the output of an establishment into products not previously produced in the establishment or a fundamental change in the overall production process of an existing establishment.

⁷ Iceland, Liechtenstein and Norway

21.2. if he has not reimbursed the received State Aid which was recognized by the decision of the European Commission as unlawful and incompatible with the internal market.

CHAPTER 3 GENERAL REQUIREMENTS FOR PROJECTS

22. A project shall meet formal assessment, general eligibility and specific compliance criteria provided in the Annex 1 to the Call.

23. Project selection is made on the basis of selection criteria, provided in the Annex 2 to the Call. Points are awarded for compliance with these criteria. The maximum amount of points per each criterion is indicated in the Annex 2 to the Call.

24. A project shall meet administrative criteria provided in the Annex 3 to the Call.

25. Project activities shall be implemented within the territory of the Republic of Lithuania. The place of project activities is defined as the place where project activities are being carried out by the staff assigned to implement project activities.

25.1. If this is not possible due to the specifics of a project and the nature of activities and activity(-ies) is (are) carried out beyond the boundaries of the Republic of Lithuania (in the EU or EEA EFTA), then the results, products and benefit (or a portion thereof pro rata to the financial contribution of the Republic of Lithuania) shall benefit the Republic of Lithuania.

25.2. Project activity - *Application of new products/ technologies* (see subparagraph 13.3) shall be implemented physically within the territory of the Republic of Lithuania.

26. A duration of a project shall not be longer than 36 months from the date a project contract is signed. A duration of a project under SGS1 shall not be longer than 18 months. All project activities must be completed and the final payment claim must be submitted by the date stated in subparagraph 42.1 of the Call.

27. Implementation of project activities shall start no later than within 3 months from the day a project contract is signed.

28. Implementation of a project shall not start earlier than the date on which MITA decides to award a grant to a project. If project activities are commenced to be implemented before a day on which MITA makes a decision to grant funding to a project, the whole project becomes ineligible for funding and no funding shall be allocated for it.

29. All projects shall contribute to the outcome of the Programme: *Increased competitiveness of Lithuanian companies within the focus areas Green Industry Innovation, including bio economy, and ICT* and shall deliver the expected outcome indicators referred to in paragraphs 31 to 35 of the Call.

30. 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.

31. All projects shall include and measure the following outcome indicators:

31.1. Project promoter's estimated annual growth in turnover;

31.2. Project promoter's estimated annual growth in net operational profit.

32. Projects which implement activities for *Development of new ICT products/ technologies* (see subparagraph 13.1) must include and measure the following outcome indicator:

32.1. Number of new ICT products/technologies developed.

33. Projects which implement activities for *Commercialisation of new ICT products/ technologies* (see subparagraph 13.2) must include and measure the following outcome indicator:

33.1. Number of new ICT products/ technologies commercialised.

34. If *application of new products/ technologies* (see subparagraph 13.3) is an integral part of a project, a project must include and measure the following outcome indicator:

34.1. Number of new ICT products/ technologies applied (new-to-enterprise).

35. Indicators specified in subparagraphs 35.1 and 35.2 are voluntary and can be selected in regard to project activities:

35.1. Jobs created.

35.2. Number of registered applications for Intellectual Property Protection.

36. To prove project readiness a business plan will have to be submitted. If the requirement is not fulfilled and a business plan is not submitted together with an application, such application will be rejected without request to revise an application and provide supplementary documents. A recommended template of a business plan is provided with the Call documents. A business plan can be drafted in the Lithuanian or English language. If a business plan is not drafted according to the recommended template, it shall contain all the information indicated in the recommended template.

37. All projects shall be drafted in accordance with the principles of good governance (the possibilities of socially or otherwise isolated or differentiated groups of the society to enjoy the same rights), sustainable development (alignment of the objectives of economic and social development and environmental protection, having regard to the multiple interdependence and foreseen consequences of the implementation) and gender equality (assurance of equal opportunities for women and men and elimination of any discrimination on the basis of ethnic or racial dependence, age, disability, sexual orientation, religion or belief). The impact of the project on these principles may not be negative.

38. A project and project activities shall not be previously or presently funded and, upon the allocation of the funding, submitted for funding under any other programmes financed from the State or municipality budget, the European Union or any other international assistance if this results in the eligible expenditure of the project or any part thereof being funded several times, including *de minimis aid*.

CHAPTER 4 ELIGIBLE EXPENDITURE AND REQUIREMENTS FOR FUNDING

Article 1 GENERAL PROVISIONS

39. Eligible project expenditure shall meet the requirements laid down in the Norway Grants Regulation (Chapter 8) and the Norway Grants Guidelines and the provisions of the Chapter XIX of National Rules.

40. The maximum amount of grant assistance applied for shall be € 1,000,000. The maximum amount of grant assistance under SGS1 applied for shall be € 200,000.

41. The minimum amount of grant assistance applied for shall be € 200,000. The minimum amount of grant assistance under SGS1 applied for shall be € 10,000.

42. Eligible expenditure of projects is the expenditure actually incurred during project implementation, which meet the following criteria:

42.1. expenditure shall be incurred between the first and final date set for eligible expenditure of a project in a project contract. Costs within projects may be eligible from the date on which the grant is awarded or at a later date set in a project contract. The final date of eligible expenditure shall not be later than 30 April 2024;

42.2. expenditure shall be connected with the subject of the project contract and be indicated in the detailed budget of the project;

42.3. expenditure shall be proportionate and necessary for the implementation of the project;

42.4. expenditure shall be used for the sole purpose of achieving the objective(s) of the project and its expected outcome(s), in a manner consistent with the principles of economy, efficiency and effectiveness;

42.5. expenditure shall be incurred and reimbursed without prejudice to the Regulation, international agreements between the EU and the Republic of Lithuania, the Republic of Lithuania

and other countries in which project expenditure is incurred, legislation on expenditure and reimbursement of expenditure, generally recognized accounting principles;

42.6. indirect costs and depreciation of the equipment are considered to have been incurred when they are recorded in the accounting records of a Project Promoter or partner;

42.7. project expenditure and proof of payments have to be recorded in the accounting records of a Project promoter and (or) partner, have to be identifiable and verifiable by accounting documents, which are in line with the requirements set in the legislation on accounting or equivalent supporting documents and traceability has to be ensured.

43. Under the Call, funding is granted as State aid and shall comply with all the conditions stipulated in Chapter 1 of State Aid Regulation, relevant conditions presented in Articles 13, 14, 25 and 28 of State Aid Regulation, *De minimis* Regulation and requirements set for eligible expenses in this Call.

44. State aid exempted under State Aid Regulation, as specified in Paragraph 5 of Article 8 of State Aid Regulation, shall not be cumulated with any *de minimis* aid in respect of the same eligible costs if such cumulation would result in aid intensity exceeding the highest aid intensity set in the Decree 'Aid Map of the Republic of Lithuania for 2014–2020' No. 571 of 25 June 2014, issued by the Government of the Republic of Lithuania (if the aid is granted in line with Article 14 of State Aid Regulation), Article 25 of State Aid Regulation (if the aid is granted on the basis of the Article 25 of State Aid Regulation) or Article 28 (if the aid is granted on the basis of Article 28 of State Aid Regulation).

45. *De minimis* aid is not cumulated with State aid granted for the same eligible costs if such cumulation would result in exceeding the highest intensity of the aid in question, as it is determined in State Aid Regulation or the decision adopted by the European Commission, or the amount determined on a case-by-case basis.

46. In line with the Article 3 of the *De minimis* Regulation, the total amount of *de minimis* aid granted to a single undertaking shall not exceed EUR 200 000 over any period of three fiscal years. The total amount of *de minimis* aid granted to a single undertaking performing road freight transport for hire or reward shall not exceed EUR 100 000. The ceilings shall apply irrespective of the form of *de minimis* aid or the objective pursued and regardless of whether the aid granted by the Member State is financed entirely or partly by resources of Union origin. A single undertaking includes all the enterprises indicated in the Article 2. A Project Promoter or Partner (-s), which is an entity established in Lithuanian, can check whether they are related to other entities by filling in a questionnaire 'Is a Beneficiary Related to Other Entities', prepared by the Competition Council of the Republic of Lithuania and published on their official webpage (https://kt.gov.lt/uploads/documents/files/veiklos-sritys/valstybes-pagalba/klausimynai/kaip_KLAUSIMYNAS_vienas_ukio_subjektas.pdf). MITA checks all the related undertakings which are listed in a Declaration of Single Undertaking, the recommend template of which is provided together with the Call, as well as checks in the Register if the aid to be granted does not exceed allowable *de minimis* aid, as stipulated in Article 3 of the *De minimis* Regulation.

47. During assessment of an application MITA checks if an applicant and a project partner have the right to obtain State aid under State Aid Regulation and *de minimis* aid granted per a single undertaking (Annex 5 and 6 to the Call). The decision regarding financing a project having been made, within 20 working days, MITA will register the amount of the granted State aid and within 5 working days the amount of the granted *de minimis* aid in the Granted State Aid and de Minimis Aid Register, provisions of which were approved by the Government of the Republic of Lithuania by 19 January 2005 order No. 35 'On Approval of Provisions for the Granted State Aid and de Minimis Aid Register' (hereafter referred to as 'the Register'). In case aid awarded exceeds the threshold indicated in the Article 9 (1(C)) of State Aid Regulation, within six months from the date on which the aid is awarded, MITA will provide information about the aid awarded on the state aid Transparency public search page of the European Commission:

<https://webgate.ec.europa.eu/competition/transparency/>.

Article 2 REQUIREMENTS FOR FUNDING OF PROJECTS

48. State aid for the activities presented in subparagraphs 13.1 and 13.2 of the Call is granted under the Article 25 of State Aid Regulation. The maximum aid intensity for a project, which is presented in the Table 1, is calculated for eligible expenses of research and development activities.

Table 1. Aid intensity

No.	Research and development activity ⁸	Baseline intensity	Intensity increase, but no more than 80% for eligible expenses			The maximum aid intensity by entity size		
			for medium-sized enterprises	for small enterprises	for effective collaboration as stated in the paragraph 6 (b) (i) of Article 25 of State Aid Regulation	Large enterprise	Medium-sized enterprise	Small enterprise
1.	Industrial research	50 %	+10	+20	+15	65 %	75 %	80 %
2.	Experimental development	25 %	+10	+20	+15	40 %	50 %	60 %

49. If a Project promoter intends to obtain a patent for a product or technology which is being developed while performing activities indicated in the subparagraphs 13.1 and 13.2 of the Call, the maximum 50 percent of costs for obtaining, validating and defending patents and other intangible assets might be covered by a grant:

49.1. for SMEs the aid is granted under the Article 28 of State Aid Regulation - Innovation aid for SMEs;

49.2. for large enterprises the aid is granted as *de minimis* aid.

50. State aid for the activity presented in subparagraph 13.3 of the Call is granted in line with articles 13 and 14 of State Aid Regulation.

50.1. For Regional Investment Aid the aid intensity shall not exceed:

50.1.1. 45 % of the eligible costs for micro and small enterprises.

50.1.2. 35 % of the eligible costs for medium-sized enterprises.

51. The grant rate should be determined for the Project promoter and partner (-s) separately.

52. The Applicant and (or) a partner (-s) shall secure financing for the part of eligible expenses that is not covered by the grant.

53. An applicant and (or) partner, on their own initiative, can contribute from own funds or other sources and allocate a bigger amount for implementation of a project than it is required.

54. The funding intended for implementation of the project is directly obtained exclusively by a Project Promoter, who settles accounts with his partners. Expenditures which are eligible under a project and are incurred by a partner are eligible for funding. They are reimbursed by a Project Promoter. The partners do not receive any financing directly. Funding for partners is monitored and checked upon the receipt of the payment claim.

⁸ [To determine if project activities classify as research and development activities, Frascati Manual 2015: Guidelines for Collecting and Reporting Data on Research and Experimental Development shall be used.](#)

55. A Project Promoter shall transfer the intended for a partner part of grant amount within 5 working days from the day of its receipt. The Project promoter cannot use the funding allocated to a partner.

Article 3

PROJECT EXPENDITURES

56. A list of eligible types of expenditure under the Call is presented in the Table 2.

Table 2. Types of eligible expenditure

No.	Type of expenditure	Requirements and explanations
1.	Purchase of real estate and land	Not applicable
2.	Construction and renovation	Not applicable
3.	Equipment (tangible and intangible assets)	<p>3.1. When the aid is granted under the Article 25 of State Aid Regulation, eligible expenditure is as follows:</p> <p>3.1.1. Depreciation cost of new or second-hand equipment (equipment, devices, tools, machinery) provided that equipment is depreciated in line with generally approved accounting principles applicable to a Project Promoter or partner as well as for similar equipment.</p> <p>3.1.2. Costs of knowledge and patents bought or licensed from outside sources at arm's length conditions. Expenditure related to purchase of software is considered ineligible under the Article 25.</p> <p>3.2. When the aid is granted under the Article 14 of State Aid Regulation, eligible expenditure is as follows:</p> <p>3.2.1. The entire purchase price of a new equipment, including software, may be considered eligible in case the equipment is an integral and necessary component for achieving the outcomes of the project. In this case a Project Promoter shall:</p> <p>3.2.1.1. provide justification on the use of equipment and obtain MITA approval;</p> <p>3.2.1.2. keep the equipment in his ownership for a period of at least 5 years following the completion of the project and continue to use it for the benefit of the overall objectives of the project for the same period. If the equipment is obtained by a Project partner, a Project Promoter shall ensure that a partner fulfils the aforementioned obligations;</p> <p>3.2.1.3. ensure that the equipment is properly insured and maintained during implementation of a project and at least 5 years after completion of a project.</p> <p>3.3. Equipment is defined as movable tangible and intangible assets, directly used to carry out an activity.</p> <p>3.3.1. Tangible assets shall be understood as movable and stationary property, tools necessary for performing work, mechanisms, apparatus and sets of devices, when the following criteria are met: when used as intended, the useful life of assets is longer than one year, used assets retain their original form and appearance; in case assets are damaged, their parts are lost or</p>

		<p>worn out, it is more appropriate to fix rather than replace the existing assets with new ones; assets do not lose their functional identity (capacity to perform functions) even if integrated into a more intricate unit.</p> <p>3.3.2. Intangible assets shall fulfil all of the following conditions:</p> <p>3.3.2.1. they shall be used exclusively in the establishment receiving the aid;</p> <p>3.3.2.2. they shall be regarded as amortizable assets;</p> <p>3.3.2.3. they shall be purchased under market conditions from third parties unrelated to the buyer;</p> <p>3.3.2.4. they must be included in the assets of the undertaking receiving the aid and must remain associated with the project for which the aid is granted for at least five years.</p> <p>3.4. Expenditure mentioned in the paragraphs 3.1.2 of this table shall not exceed 30 per cent of total eligible costs for research and development activities.</p>
4.	Goods (current assets) and services	<p>4.1. When the aid is granted under the Article 25 of State Aid Regulation, eligible expenditure is as follows:</p> <p>4.1.1. Costs of consumables and supplies provided that they are identifiable and assigned to the project.</p> <p>4.1.2. Costs resulting from other contracts, which a Project promoter or a Project partner concluded for the purposes of carrying out a project, provided that such contracts are concluded in line with:</p> <p>4.1.2.1. Law of the Republic of Lithuania on Public Procurement and provisions of the Regulation. A partner from Norway shall comply with the law on the public procurement of the Kingdom of Norway and provisions of the Regulation.</p> <p>4.1.2.1.1. If a Project Promoter or a partner from Lithuania is not a contracting authority, „Procedures for Monitoring of Procurements for Projects Under 2014-2021 EEA and Norway Grants and Bilateral Fund and Conducting Procurements by Non-Contracting and Contracting Authorities Under Regulations” approved by the order of the Director of Central Project Management Agency No. 2019/8-172 of 8 July 2019 shall be applicable.</p> <p>4.1.3. Other expenditure, including:</p> <p>4.1.3.1. acquisition of R&D services from external sources under normal market conditions (i.e. when they are purchased from the external sources for the market price);</p> <p>4.1.3.2. consultancy or equivalent services for conducting R&D of a project, when they are purchased from the external sources for the market price;</p> <p>4.1.3.3. expenses for services which are not R&D but are necessary for conducting R&D and are crucial to achieve goals of a project. Services are purchased from the external sources for the market price.</p> <p>4.2. When the aid is granted under the Article 28 of State Aid Regulation, eligible expenditure is as follows:</p> <p>4.2.1. Costs for obtaining, validating and defending patents and other intangible assets.</p>

		<p>4.3. Costs arising directly from requirements imposed by a project contract, i.e. communication and information activities and auditing costs incurred by a Norwegian partner. These costs are covered as <i>de minimis aid</i>.</p>
5.	Travel and subsistence allowances	<p>5.1. When the aid is granted under the Article 25 of State Aid Regulation, travel and subsistence allowances related to travel for staff taking part in a project, including daily allowances.</p> <p>5.2. For all Project Promoters and (or) partners from Lithuania, regardless of their legal status, the Provisions on Payments of Daily Allowance and Other Trip Expenditure Incurred by Public Servants, approved by the decision of the Government of the Republic of Lithuania No 526 of 29 April 2004, shall be applied</p> <p>5.3. For partners from Norway, travel and subsistence allowance, including daily allowances, are determined on the basis of partner's usual practice on travel costs.</p> <p>5.4. Transport costs incurred by a Project promoter or Lithuanian partner as a result of a business trip or travel on the territory of Lithuania (fuel or public transport) will be covered in the form of standard scales of unit costs, in line with Research Report on Determining Standard Scales of Unit Costs for Fuel and Public Transport No FI-005 569⁹, issued by the Ministry of Finance of the Republic of Lithuania on 22 June 2015, published on the webpage www.esinvesticijos.lt (section 'Documents', sub-section 'Research', 'Research on Standard Scales of Unit Costs'), a fixed sum of 0,07 Eur/km excluding VAT or 0,08 Eur/km including VAT.</p>
6.	The cost of staff assigned to the project	<p>6.1. When the aid is granted under the Article 25 of State Aid Regulation, eligible costs include actual salaries of the staff assigned to implement a project and other expenses resulting from fulfilment of employer's liabilities related to employment relations, calculated on the basis of legal acts on wages and employment relationship.</p> <p>6.2. Wage costs shall not exceed existing on the market salary rates of corresponding specialisation and qualification workers. Planning of wages can be based on one of the following: official statistics of the country concerned, data from similar projects, provided by an Applicant and (or) partner historical data on wages of a relevant individual, data on a usual wage paid in the entity concerned (institution or organisation) for corresponding job functions or responsibilities (for example, a certificate regarding an average 6 months' salary of a relevant individual, certificates regarding average gross income of employees having a corresponding job description (or similar</p>

⁹ During implementation of a project, standard scales of unit costs shall not be changed, except in case if the rate of VAT applicable to fuel and (or) public transport changes and (or) the National Focal Point, the audit institution or any other institutions that have carried out the audit (in case the methods of standard scales of units costs applicable in the projects implemented under the European Structural Funds are used, the managing authority or audit institutions of the European Structural Funds) determine that the amounts of standard scales of unit costs or conditions for their application were not correctly set, the revised amount or amended conditions for their application become applicable since the date the revised amount or amended conditions enter into force.

		<p>responsibilities), publicly declared by a Project Promoter information on an average salary in the entity concerned (institution or organisation, etc.)</p> <p>6.2.1. An application shall contain information regarding the amount of planned working hours (days, months) for each position during implementation of a project and an average standard scales of unit costs per an hour, specifying on which basis (or) using which method calculations have been carried out and adding, if necessary, supporting documents.</p> <p>6.3. Wage costs of holidays and additional rest days of staff of a Project promoter or Lithuanian partner involved in implementation of a project will be calculated on the basis of standard scales of unit costs, in line with the Research Report on Determining Standard Scales of Unit Costs for Annual Holidays and Additional Rest Days No FN-005 1727¹⁰, issued by the Ministry of Finance of the Republic of Lithuania on 19 January 2016, published on the webpage www.esinvesticijos.lt (section “Documents”, sub-section “Research”, “Research on Standard Scales of Units Costs”).</p>
7.	Indirect costs	<p>7.1. When the aid is granted under the Article 25 of State Aid Regulation, indirect costs are all eligible costs that cannot be identified by the Project Promoter and/or the project partner as being directly attributed to the project but which can be identified and justified by its accounting system as being incurred in direct relationship with the eligible direct costs attributed to the project.</p> <p>7.2. Indirect costs may include such costs as, for example, utilities for premises used under the project (water, electricity, etc.), services (security, cleaning services), communication and mailing services, insurance costs; as well as wages of administrative personnel (finance, law and procurement, administration, personnel departments and senior management) involved in project implementation, other costs.</p> <p>7.3. Indirect costs can be identified:</p> <p>7.3.1. based on actual indirect costs for those Project Promoters and project partners that have an analytical accounting system to identify their indirect costs as indicated above;</p> <p>7.3.2. Applying a flat rate:</p> <p>7.3.2.1. a flat rate of 7 % of all direct eligible costs, excluding direct eligible costs for subcontracting and the costs of resources made available by third parties which are not used on the premises of the Project Promoter or project partner. Guidelines on Establishing Flat Rates for Indirect Costs of a Project approved by MITA are posted with the Call announcement.</p>

¹⁰ During implementation of a project, standard scales of unit costs shall not be changed, except in case if the National Focal Point, the audit institution or any other institutions that have carried out the audit (in case the methods of standard scales of units costs applicable in the projects implemented under the European Structural Funds are used, the managing authority or audit institutions of the European Structural Funds) determine that the amounts of standard scales of unit costs or conditions for their application were not correctly set, the revised amount or amended conditions for their application become applicable since the date the revised amount or amended conditions enter into force. .

		<p>7.3.2.2. a flat rate of up to 15% of direct eligible staff costs without there being a requirement for the Programme Operator to perform a calculation to determine direct the applicable rate;</p> <p>7.3.2.3. a flat rate applied to direct eligible costs based on existing methods and corresponding rates applicable in the European Union policies for similar types of projects and Project Promoter.</p>
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57. The following costs shall not be considered eligible under the Call:

- 57.1. purchase of land and real estate;
- 57.2. interest on debt, debt service charges and late payment charges;
- 57.3. charges for financial transactions and other purely financial costs, except costs related to accounts and financial services imposed by the Project Contract;
- 57.4. provisions for losses or potential future liabilities;
- 57.5. exchange losses;
- 57.6. recoverable value added taxes (hereafter referred to as VAT);
- 57.7. costs that are covered by other sources;
- 57.8. fines, penalties and costs of litigation, except where litigation is an integral and necessary component for achieving the outcomes of the project;
- 57.9. excessive or reckless expenditure, for example, disproportionate to the goal a project aims to achieve.

CHAPTER 5 SELECTION OF PROJECTS

58. Project Selection is carried out by MITA following the provisions of Chapter XVII of the National Rules.

59. The Call announcement is be posted on a EEA and Norway Grants webpage www.norwaygrants.lt and MITA webpage www.lrv.mita.lt.

60. An application shall be filled in online and together with other supplementary documents submitted before the deadline specified in the Call announcement:

60.1. If an applicant is a private entity registered in Lithuania - via an electronic data exchange portal for 2014-2021 European Economic Area and Norwegian Financial Mechanisms (hereafter referred as “DMS”). An application submitted not by DMS, will not be accepted and will be returned to an Applicant.

60.2. If an applicant is a private legal entity registered in one of the states listed in paragraph 15 of the Call – via the electronic system administered by MITA (a link is posted with the Call announcement).

61. If DMS or the electronic system administered by MITA do not function and an Applicant cannot submit an application or its annexes by the deadline, MITA will extend the deadline for submission of applications by 7 days and (or) provide a possibility to submit the documents by post or other means.

62. Together with an application the following documents shall be submitted:

- 62.1. a business plan;
- 62.2. a detailed activity budget of an Applicant and a partner, if a project is implemented together with a partner (-s);
- 62.3. documents supporting validity of a project budget (for example, commercial offers, links to market prices, etc.);
- 62.4. documents supporting capacity of an Applicant and (or) a partner to cover their financial contribution to a project and ineligible expenses, e.g. statement from a bank (or other

credit institutions, legal entities) on their intention to provide a loan for a project, loan agreement, forecasted cash flows, etc.

62.5. a Draft Partnership Agreement, if a project is implemented together with a partner (-s);

62.6. an Applicant certifies conformity with the requirement stated in State Aid Regulation paragraph 16 of Article 14 (if the activity specified in subparagraph 13.3 of the Call is to be implemented), prepared in a free format declaration;

62.7. Information required to assess the compliance of the project with the requirements of the Call and project criteria (Annex 4);

62.8. communication plan.

62.9. a questionnaire on eligibility of VAT (applicable to Lithuanian entities), if an Applicant and (or) a partner asks for VAT to be recognized as eligible expenditure, i. e. includes this expenditure into a project budget. For Applicants registered in one of the states listed in the paragraph 15 of the Call, recoverability of VAT shall be established on a case by case basis.

62.10. Declaration of a Legal Status of a SME, filled in by an Applicant and (or) a partner (if a project is implemented together with a partner):

62.10.1. For Lithuanian Applicants and (or) partners – the form, which was approved by the Order of the Minister of Economy „On Approval of Procedures for Declaration of a Legal Status of a Small and Medium-Sized Entity and Approval of a Form for Declaration of a Legal Status of a Small and Medium-Sized Entity”, Order No. 4-119 of 26 March 2008;

62.10.2. For Applicants and (or) partners registered in one of the EU states (excluding Lithuania) or EFTA states and Norwegian partners – the European Commission SME declaration form.

62.11. Declaration of a Single Undertaking (applicable to Lithuanian entities).

62.12. a copy (-ies) of a report(-s) on expenses incurred in relation to R&D activities, submitted to the statistical or any other relevant authority for the period of last three years preceding a date on which an application is registered or since the date of registration of an entity (if an entity has been active for less than three years) and a copy (-ies) of a document supporting submission of a report on expenses incurred in relation to R&D activities for the statistical authority (i.e. an email or any other source of information verifying the fact of submission) ;

62.13. relevant registration certificates (applicable for Applicants and (or) partners registered in one of the EU states (excluding Lithuania) or EFTA state);

62.14. a copy of the last approved annual financial statement (for Lithuanian applicants and (or) partners applicable only if financial reports were not submitted to the State Enterprise Centre of Registers);

62.15. an annual report for year 2019 in English (applicable for Applicants and (or) partners registered in one of the EU states (excluding Lithuania) or EFTA state).

63. If a project is implemented by Applicants registered in one of the EU states (excluding Lithuania) or EFTA states or with Norwegian partners, project documents or a part of them listed in the paragraph 62 of the Call could be drafted and submitted in English.

64. Only one application per Applicant shall be submitted under the Call. If an applicant has submitted more than one application, only the first application (determined on the basis of date and time of submission) will be assessed.

65. Applicants are informed and consulted in line with the Chapter III of the Regulation. Contacts to the Norway Grants group at MITA, who is contact point and can be consulted by Applicants. Contact details are provided in the Call announcement and published on the webpage www.norwaygrants.lt and MITA webpage www.lrv.mita.lt.

66. MITA carries out eligibility, evaluation and administrative criteria assessment. Eligibility and evaluation criteria assessments are conducted simultaneously.

67. During eligibility criteria assessment, project compliance with formal assessment criteria and specific compliance criteria, indicated in the Annex 1 of the Call, will be checked.

68. Administrative criteria assessment will be done after the assessment report by the Selection Committee has been approved. Administrative criteria are provided in the Annex 3 to the Call.

69. During assessment of evaluation criteria, projects will be rated by giving points for the criteria specified in Annex 2 to the Call:

69.1. Assessment of selection criteria is organized following the provisions stipulated in the Guidelines on Organisation of Expert Evaluation in the Agency for Science, Innovation and Technology, approved by the Order of the Director of the Agency for Science, Innovation and Technology on 8 April 2011 No. 2V-27. Evaluation will be carried out by at least two independent experts. Experts evaluate an application in line with the selection criteria provided in the Annex 2 of the Call.

69.2. An application can be awarded with the maximum of 100 points. The minimum amount of points under the Call is 25. Points awarded to a project are calculated as an average of points awarded by the experts. If the difference between the points given by two experts is more than 30% of the higher score, a third expert shall be commissioned by MITA to score the project independently. In such case, an average score of two scores that were closest to each other shall be used as evaluation of the project.

70. Information about each evaluation stage shall be published on www.norwaygrants.lt, indicating the name of the Applicant and project, application unique number, the amount of grant from the Norway Grants and State funds.

71. Applications are evaluated no later than in 90 calendar days after the last day of submission of applications, which is indicated in the Call announcement.

72. During assessment of an application MITA can ask an Applicant to submit missing information and (or) documents. The scope of missing information and (or) documents shall not exceed the scope specified by MITA, the content of application and (or) submitted documents cannot be changed. An Applicant has to submit missing information or documents via DMS for Lithuanian applicants or via the electronic system administered by MITA if an applicant is a private legal person established in one of the EU Member states or EEA EFTA states, by the deadline set by MITA.

73. An Application shall be rejected and not further evaluated if:

73.1. an applicant has not submitted the missing information and (or) documents, as it is stipulated in the paragraph 72 of the Call.

73.2. application does not comply with at least one general eligibility and specific compliance criteria indicated in Annex 1 of the Call;

73.3. an Applicant does not comply with at least one administrative criterion indicated in Annex 3 of the Call;

73.4. an Applicant has provided misleading information in an application or an Applicant is seeking to illicitly influence evaluation results or evaluators;

73.5. if a project scores less than 25 points during assessment of the selection criteria.

74. MITA, based on the decision of the Selection Committee, will make a decision on which projects shall be awarded with a grant. Aid payable in several instalments shall be discounted to its value at the moment it is granted, as it is determined in the Article 7 (3) of State Aid Regulation and Article 3 (6) of *De minimis* Regulation.

75. MITA publishes information on the EEA and Norway Grants webpages regarding the decision to finance a project not later than within 10 working days from the date the decision is made, indicating the name of the Applicant and project, application unique number, the amount of grant from the Norway Grants and State funds.

76. MITA will conclude a project contract with an Applicant whose project has been approved to be funded from the Norway Grants and State funds. MITA prepares a draft project contract and harmonises it with an Applicant. An Applicant shall provide comments regarding a draft project contract not later than within 3 working days upon the date of receipt.

77. Project contract consists of general and special conditions, as well as annexes. The agreement includes information on the amount of funds from the Norway Grants and State funds, ratio of funding from the Norway Grants and State funds, procedure on payment of funds from the Norway Grants and State funds, all conditions for payment of funds from the Norway Grants and State funds, planned quantitative results, a list of eligible expenditure, dates for eligible expenditure, timetable for project implementation, publicity requirements, requirements for submission of documents on implementation of a project for institutions monitoring the EEA and Norway Grants and State funds and requirements for their storage, conditions and procedure on amending an agreement, suspension of funding and return of funding in case a Project Promoter violates conditions on payment of a grant, procedure on submitting information for monitoring institutions, requirements on continuity of a project and other provisions.

78. If an Applicant rejects to sign a projects contract or fails to sign it within 10 working days from the date on which he is informed about signing of an agreement or by the set deadline does not fulfill conditions which are to be fulfilled prior to signing an agreement, it will be deemed as a refusal to sign an agreement.

79. Projects contract is concluded, amended and terminated following provisions stated in Chapter XVII of the National Rules.

CHAPTER 6

REQUIREMENTS FOR PROJECT IMPLEMENTATION

80. A project is implemented in line with the requirements set in a projects contract, the Call and the National Rules.

81. If a project is implemented with partners, a Project Promoter shall represent all partners in the execution of the project contract and the implementation of the project, and shall ensure that partners are properly informed of their responsibilities related to execution of the project contract and implementation of the project, as well as comply with all the obligations specified in the project contract, the National Rules and the Call. Prior to signing a project contract, a Project Promoter and shall sign an agreement with partners, in which the rights and obligation of each party during implementation of a project are defined.

82. If during implementation of a project tangible assets are created or purchased, continuity of the investment shall be ensured in line with the Chapter XXIII of the National Rules for a period of at least five years following the completion of the project.

83. A Project Promoter shall properly insure tangible assets, which were created or purchased from a grant allocated to a project. The insurance shall cover the maximum recovery value of assets and all the possible risks shall be taken into account. Assets shall be insured from the moment of their creation or purchase and at least for five years upon completion of a project. In case of an insured event, a Project Promoter has to restore lost assets, as well as to ensure that a partner (-s) complies with this obligation.

84. A Partnership agreement can be amended after a signature of a projects contract. Only these amendments of a Partnership Agreement which did not have a substantial impact on the decision regarding awarding a project with a grant are possible. Amendments of a Partnership Agreement have to be harmonized with MITA in a written form (via DMS) immediately when there is ground for amendment of an agreement. Amendments to a Partnership Agreement have to be documented in a written form by amending or supplementing an agreement.

85. If project activities are not commenced within 3 months from the day on which a projects contract is signed, MITA has the right to unilaterally terminate a projects contract, in line with the procedure stated in paragraph 256 of the National Rules. If MITA does not terminate an agreement, a Project Promoter is given 5 working days to provide information on postponement of the beginning of implementation of project activities. Having evaluated the reasons for the postponement, MITA makes a final decision regarding extension (non-extension) of an agreement.

86. A Project Promoter and a partner (-s) have to include costs related to R&D in their annual tax declaration, submitted to the State Tax Inspectorate Under the Ministry of Finance of the Republic of Lithuania.

87. When submitting information for statistical institutions, a Project Promoter and partner shall provide information on costs related to R&D, in line with the legislation regulating area of statistics.

88. Intellectual property developed during implementation of a project cannot be transferred at no cost to other legal or natural person within 5 years upon completion of a project. Intellectual property created during project implementation and sold for the price not corresponding market price (i.e. the smaller price) is deemed as the one transferred at no cost.

89. A prototype (-s) or a product test batch created during project implementation can only be used for further R&D activities and demonstration during 5 years after completion of the project.

90. Payments to a project will take form of an advance payment, interim payments and the final payment. A Project Promoter will need to have a separate account for project funds in a credit institution.

90.1. An advance payment:

90.1.1. the maximum amount of an advance payment (which shall not be higher than 30% of the total grant amount) will be determined individually in each project contract;

90.1.2. insurance document for an advance payment (a bank guarantee, surety letter or other relevant documents) will have to be submitted for the whole amount of an advance payment;

90.1.3. set-off of an advance payment will have to be started when a total amount of an advance payment and grant amount already paid to a project has achieved no more than 90 % of a project grant.

90.2. Interim payments:

90.2.1. Interim payments will be based on verified and approved by the MITA payment claims submitted by a project promoter;

90.2.2. interim payment claims will have to be submitted every three months. In some cases, if the amount of an interim payment claim is bigger than €3 000, a project promoter might be allowed to submit a payment claim more frequently;

90.2.3. interim payments will be based on reimbursement of expenditure. In some cases, a project promoter might be permitted to include received but not yet paid invoices into a payment claim. Such payment method will be specified in the project contract.

90.3. The final payment claim shall be presented not later than within 20 working days after the completion of the project.

91. On-site monitoring visits are carried out in line with Chapter XX of the National Rules.

92. While implementing a project, a Project Promoter and partners have to carry out information and publicity activities, set in Chapter XVIII of the National Rules.

CHAPTER VII FINAL PROVISIONS

93. Applicants and Project Promoters have a right to challenge MITA decisions and acts (or omissions) before the Administrative Disputes Commission of the Republic of Lithuania or Vilnius Regional Administrative Court.

94. All the documents related to project implementation shall be kept in line with the procedure and periods presented in Chapter XXVI of the National Rules and in line with the period indicated in the Article 12 of State Aid Regulation and the Article 6 (4) of *De minimis* Regulation.

95. By submitting an application, an Applicant gives his consent for information provided in the application to be made public, except for the information which cannot be made public in accordance with legislation.

96. Only the data which has been submitted by an Applicant will be processed. Personal data will be handled in accordance with the Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 On the Protection of Natural Persons with Regard to the Processing of Personal Data and on the Free Movement of such Data, and Repealing Directive 94/46/EC (General Data Protection Regulation). Personal data will be processed for granting of funding, accounting and auditing purposes and for validating information provided by an Applicant. Personal data related to the implementation of the Call will be processed and stored by MITA for the period of ten years since the date of receipt of the last document. While processing personal data, the rights of data subjects will be enforced in accordance with the Guidelines on Processing of Personal Data and Enforcement of the Rights of Data Subjects, approved by the order of the Director of MITA.

97. The Call can be amended in line with the procedure described in Section 2 of Chapter XVII of the National Rules.

Annex 1
to the Norwegian Financial Mechanism 2014-2021
Programme “Business Development, Innovation and
SMEs” Call for Proposals under ICT Focus Area

TABLE FOR EVALUATION OF ELIGIBILITY CRITERIA OF A PROJECT

Application unique number	
Name of an Applicant	
Name of a project	
A project is to be implemented: <i>A relevant box is checked during evaluation of eligibility criteria.</i> <input type="checkbox"/> with a partner (-s) <input type="checkbox"/> without a partner (-s)	
<input type="checkbox"/> ORIGINAL <input type="checkbox"/> REVISED <i>(The box „Revised“ is checked in case the table is revised after the application has been submitted for re-evaluation.</i>	

CRITERION	QUESTIONS FOR EVALUATION	YES/NO/ NOT APPLICABLE/ CONDITIONAL YES	COMMENTS
<i>I. Formal assessment criteria</i>			
1. The declaration of a project promoter and partner (- s) is submitted	1.1. An applicant on his behalf and behalf of his partner (-s) has submitted a declaration equivalent to an application form; 1.2. The submitted declaration certifies observance of administrative compliance requirements.		
2. All the annexes specified in the Call are submitted	2.1. All the annexes, indicated as compulsory in the Call, are submitted together with an application.		
<i>II. General eligibility criteria</i>			
1. An applicant and project partner (-s) are eligible under the Call	1.1. An applicant meets eligibility requirements set for an applicant under the Call.		
	1.2. A partner (-s) meets eligibility requirements set for a partner under the Call.		

CRITERION	QUESTIONS FOR EVALUATION	YES/NO/ NOT APPLICABLE/ CONDITIONAL YES	COMMENTS
2. Consistency of intervention logic of a project is maintained	2.1. Intervention logic of a project is maintained, i. e. project results derive from project activities, project activities are directly linked to project tasks, project tasks are linked to achievement of set goals. Project tasks are specific (they reveal the essence and characteristic of the project), measurable (expressed in quantifiable amounts, calculable) and achievable.		
3. Project contributes to output and outcome indicators of the Programme	3.1. Is the project aiming at achieving the outcome indicators specified in the Call?		
4. Project duration and its implementation plan are justified	4.1 Is a project implementation plan compatible with the volume of project activities, realistic and rationally planned? Is the expected duration of the project in line with the requirements specified in the Call?		
5. Justification of partnership	5.1. Is partnership envisaged in the project?		
	5.2. Is the partnership (in case it is envisaged) in the course of implementation of the project justified and beneficial?		
	5.3. Does a document certifying partnership (draft of partnership agreement) comply with the requirements specified in the Call?		
6. Project compliance with a good governance principle	6.1. Does the project exclude the activities that might have a negative impact on implementation of a good governance principle?		
7. Project compliance with a sustainability principle	7.1. Does the project exclude the activities that might have a negative impact on implementation of a sustainability principle?		
8. Project compliance with gender equality and non-discrimination principles	8.1. Aren't there any restrictions in the project which would have a negative impact on implementation of gender equality and non-discrimination principles?		

CRITERION	QUESTIONS FOR EVALUATION	YES/NO/ NOT APPLICABLE/ CONDITIONAL YES	COMMENTS
9. Project compliance with the EU competition policy	9.1. The grant does not exceed <i>de minimis</i> aid limits and is in line with the requirements applicable for <i>de minimis</i> aid.		
	9.2. The project is funded under an approved state aid scheme, the European Commission decision or is in line with the requirements set by the European Commission in General Block Exemption Regulation.		
	9.3. Funding provided for the project cannot be perceived as an illegal state or <i>de minimis</i> aid.		
10. Applicant's and/or partner's (partners') own financial contribution is ensured	10.1. Is an applicant's and/or partner's (partners') own contribution in line with the requirements set in the Call and is this own financial contribution ensured?		
11. Covering of ineligible expenses is ensured	11.1. Does an applicant and (or) a partner (-s) ensure to cover ineligible expenses which are crucial for implementation of the project? (Applicable if ineligible expenses are envisaged)		
12. Project continuity is ensured	12.1. Is funding of the project and continuity of its results ensured?		
13. Planned expenditures are eligible, necessary and justified	13.1. Do project activities and expenses, which are planned during project implementation, fall under eligible for funding activities and expenses? Is their volume in line with the requirements? Are predicted expenses necessary for implementation of the project?		
	13.2. Are expenses planned effectively and reasonably?		
14. Grant and co-financing amounts	14.1. Aren't the sum of a grant and co-financing smaller or bigger than the minimum and maximum amounts specified in the Call?		

CRITERION	QUESTIONS FOR EVALUATION	YES/NO/ NOT APPLICABLE/ CONDITIONAL YES	COMMENTS
15. Project Communication plan is in line with the requirements stated in the Call	15.1. Are publicity measures in conformity with the requirements stated in the Call?		
	15.2. Is all the necessary information about publicity measures, as it is required in the Call, provided?		
16. Applicant's and/ or partner's (partners') administrative capabilities to implement a project are ensured	16.1. Does an applicant and (or) partner (-s) have sufficient administrative capabilities to implement a project?		
III. Specific Compliance Selection Criteria			
A product or technology shall not be at lower level 4 of research and development activities as it is described in the Guidelines on a proposed classification of level of research and development activities approved by the decision of the Government of the Republic of Lithuania by 6 June 2012 No. 650 (hereafter referred as Classification guidelines)			

CONCLUSIONS ON EVALUATION OF ELIGIBILITY CRITERIA OF A PROJECT

1) **An application has been evaluated positively in accordance with all the formal assessment criteria, general eligibility criteria and specific selection criteria:**

☐ Yes

☐ No

☐ Conditional Yes

Comments: _____

2) An Applicant has not tried to obtain information recognised by MITA as confidential and has not attempted to exert impact on the institution carrying out evaluation of applications:

☐ Yes, has not tried

☐ No, has tried

Comments: _____

(To be filled only if the answer is „No, has tried“, i. e. providing facts.)

3) Eligible expenditure of a project, as determined during eligibility criteria assessment:

The total value of a project (includes eligible and ineligible expenses), Eur	The maximum amount of eligible expenditure for a project:				
	Out of them them:				
	Total, Eur	Requested amount of funding- up to Eur	Part out of eligible expenses, %	Applicant's and partner's (-s') own funds, Eur	Part out of eligible expenses, %
1	2	3	$4=(3/2)*100$	5	$6=(5/2)*100$

Comments:

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(job position of a person from the institution responsible for evaluation of an application)

(data)

(Name and surname, signature, if a paper version is being filled) in)

Annex 2
to the Norwegian Financial Mechanism 2014-2021
Programme “Business Development, Innovation and
SMEs” Call for Proposals under ICT Focus Area

EVALUATION OF SELECTION CRITERIA

Application unique number	
Name of an Applicant	
Name of a project	
A project is to be implemented: <i>A relevant box is checked during evaluation of eligibility criteria.</i> <input type="checkbox"/> with a partner (-s) <input type="checkbox"/> without a partner (-s)	
<input type="checkbox"/> ORIGINAL <input type="checkbox"/> REVISED <i>(The box „Revised“ is checked in case the table is revised after the application has been submitted for re-evaluation.</i>	

No.	Criterion	Evaluation criterion description and evaluation grid	Maximum amount of points per criterion	Evaluation result	Comments
1	2	3	4	5	6
Special criteria					
1.	A level of innovation of a new product/ technology	Points will be given based on significance of an innovation. Significance is to be understood as significance of innovations in terms of their novelty as it is described in Oslo Manual 2018 ¹¹ , i.e. whether an	15		Business plan

¹¹ <https://ec.europa.eu/eurostat/documents/3859598/9718996/KS-01-18-852-EN-N.pdf/7817c566-ef37-498a-8786-a25c200318ae>

No.	Criterion	Evaluation criterion description and evaluation grid	Maximum amount of points per criterion	Evaluation result	Comments
		<p>innovation is new to the firm only, new to the firm's market, or new to the world.</p> <p>15 points will be given for a product/technology innovation which is new-to-world.</p> <p>10 points will be given for a product/technology innovation which is new-to-market.</p> <p>5 point will be given for a product/technology innovation which is new-to-firm.</p>			
2.	Innovation capacity of an applicant	<p>Points will be given based on Applicants' experience in product/technology innovation:</p> <p>15 points will be given if in a period of the last three years an Applicant has developed and commercialised more than one innovation.</p> <p>10 points will be given if in a period of the last three years an Applicant has developed and commercialised at least one innovation.</p> <p>5 points will be given if in a period of the last three years an Applicant has been innovation-active¹² (took part in the development of innovation, however, an innovation has not been commercialised yet).</p>	25		Business plan

¹² Innovation activity means an activity of developing a new or significantly improved products and processes by introducing it into the market, public administration, social or cultural area as defined in the Law of the Republic of Lithuania on Technology and Innovation.

No.	Criterion	Evaluation criterion description and evaluation grid	Maximum amount of points per criterion	Evaluation result	Comments
		<p>Additionally, up to 10 points will be given based on innovation sales share out of all sales.</p> <p>10 points will be given if in a period of the last three years an Applicants' innovation sales share is 10 percent or more out of all sales.</p> <p>5 point will be given if in a period of the last three years an Applicants' innovation sales share is 5 percent or more out of all sales.</p> <p>If innovation sales share is less than 5 percent, additional points won't be given.</p>			
3.	Market entry readiness (commercialization potential)	<p>Scores will be given based on the three sub-criteria:</p> <p>3.1. market entry readiness;</p> <p>3.2. commercialization potential;</p> <p>3.3. patentability;</p> <p>A project can be awarded with a maximum 10 point per each sub criteria. Maximum scoring for this criterion – 30 points.</p>	30		Business plan

No.	Criterion	Evaluation criterion description and evaluation grid	Maximum amount of points per criterion	Evaluation result	Comments
		<u>3.1. Market entry readiness:</u> 10 points will be given for a product/technology innovation in its close to the final stage of development (i.e. starting at level 7 of research and development activities according to the Classification guideline). 6 points will be given for a product/technology innovation in its prototype development stage (i.e. starting at level 6 of research and development activities according to the Classification guidelines). 3 point will be given for a product/technology innovation in its early development stage (i.e. starting at level 5 of research and development activities according to the Classification guidelines).	10		
		<u>3.2. Commercialisation potential</u> Under this sub-criterion quality of market analysis, under the balance of demand and offer of products and technologies; ability to sell products/services that meet demand requirements (price, quality, quantity) and, at the same time, ensure profits over time will be evaluated. 3 point will be given per each positively evaluated aspect set (3.2.1-3.2.3), i.e. when	10		

No.	Criterion	Evaluation criterion description and evaluation grid	Maximum amount of points per criterion	Evaluation result	Comments
		<p>the submitted commercialization plan have all described elements:</p> <p>3.2.1. Market size, growth prospects and expected market share are quantified, these descriptions are realistic, a market for the product is profitable and potential market share well considered and justified.</p> <p>3.2.2. Have the barriers to the market being identified, and/or important customers included, or other ways reduced the time and costs to market are identified.</p> <p>3.2.3. Competitive advantage of a product/technology. A product/ technology is unique with very few competing products, have a significant price or quality advantage over competing products and benefit to the customer or know-how developed within the project be such that they would have a very strong and clear time to market advantage over competition.</p> <p>If the plan includes all parts presented in 3.2.1-3.2.3, 10 points will be awarded.</p>			
		<p>3.3. Patentability.</p> <p>Additional 10 points will be given if newly developed product/ technology satisfies the criteria of global novelty, non-obviousness, and industrial application.</p>	10		

No.	Criterion	Evaluation criterion description and evaluation grid	Maximum amount of points per criterion	Evaluation result	Comments
Special criterion applied for bilateral projects					
4.	Bilateral partnership	<p>Points will be given to projects where the partnership between a Lithuanian project promoter and a Norwegian partner (-s) is foreseen, based on the quality of the intended partnership.</p> <p>20 points will be given for the high value partnership, i.e. (partnership resulting in a long- term mutual benefit for both parties (a signed contract)). A project partner should be actively involved in and effectively contributing to the implementation of a project. Together with the Project promoter, the partner shares an economic goal, which is to be realised through the implementation of that project.</p> <p>15 point will be given to the projects where involvement of a Norwegian partner is knowledge based (expertise, consultancy, etc.) and all the rights related to project results will be reserved to project promoter.</p> <p>If a partnership with a Norwegian partner is not foreseen, point will not be given.</p> <p>Additional 10 points will be given for innovation capacity of a Norwegian partner. I.e. if in a period of the last three years a</p>	30		<p>Business plan</p> <p>Application</p> <p>Partnership agreement</p>

No.	Criterion	Evaluation criterion description and evaluation grid	Maximum amount of points per criterion	Evaluation result	Comments
		Norwegian partner has developed and commercialised at least one innovation.			
		Total:	100		
		The minimum amount of points:	25		

(job position of a person from the institution
responsible for evaluation of an application)

(data)

(Name and surname, signature, if a paper version is being filled) in)

ADMINISTRATIVE CRITERIA EVALUATION

Administrative criteria				
CRITERION	YES	NO	NOT APPLICABLE	COMMENTS
1. An applicant and partner (-s), who are the legal persons, are not the subject of proceedings for declaration of bankruptcy or restructuring, a pre-trial investigation of economic activities has not been initiated, they are not being wound up, creditors have not come to a decision to initiate bankruptcy proceedings out of court; an applicant and partner (-s) who is a natural person, is not a subject to proceeding for declaration of bankruptcy and a pre-trial investigation of economic activities has not been initiated.				
2. Upon submission of an application, an applicant and (or) a partner (-s) are not declared by a final judgement of the Court or a final administrative decision as the ones failing to complying with their obligations related to taxes and social security, in line with the law of the Republic of Lithuania or if an applicant (partner) is a legal person established abroad, in line with the law of the respective country. (This provision is not applicable to institutions, whose activities are				

Administrative criteria				
CRITERION	YES	NO	NOT APPLICABLE	COMMENTS
financed from the budget of the Republic of Lithuania and (or) budgets of municipalities, and (or) state monetary funds, as well as for legal persons, for whom, in accordance with the legislation of the Republic of Lithuania, payment deadlines for taxes and social security have been deterred.				
3. The director of an applicant and partner (-s), the main shareholder (having more than 50% shares) or an owner, a full member (-s) of a partnership or a representative of a small partnership, who has the right to sign an agreement on the behalf of a legal person, or an accountant or any other person, legally entitled to sign applicant's accounting documents, does not have unspent or non-expunged conviction or an applicant (partner), in last 5 years has not had a criminal conviction for participation in a structured group/ association, its formation and leadership, bribery, trading in influence, corruption, abuse, neglect of duties, fraud, unlawful appropriation, asset stripping, incurring financial harm fraudulently, damage or destruction of property, unjust enrichment, smuggling, customs fraud, illegal possession of the excise goods, illegal non-transportation of goods from the Republic of Lithuania, engagement into illegal economic/ commercial/ financial or				

Administrative criteria				
CRITERION	YES	NO	NOT APPLICABLE	COMMENTS
professional activities, illegal activities of a legal person, illegal use of trademarks, false statement regarding activities of a legal person, evasion of taxes, use of a credit /loan/grant for improper purpose or not in line with the order, credit fraud, debtor's unfairness, fraudulent bankruptcy, production of fictitious e-payment tools, counterfeiting of existing e-payment tools, illegal possession of e-payment tools or data obtained from them, illegal use of e-payment tools or data obtained from them, submission of incorrect information about income/profit/assets, failure to submit a declaration/report/any other document, fraudulent or negligent accounting, criminal acquisition of assets, legalization of criminal money or assets, production/possession or realization of counterfeit money or bonds, falsification or possession of a document/ stamp/ seal/ form, or participation in any other illegal activities which are harmful to financial interest of the Republic of Lithuania and (or) the European Union. (This provision is not applicable if applicant's activities are funded from the budget of the Republic of Lithuania or a budget of a foreign country and (or) budgets of municipalities and (or) state monetary funds.)				

Administrative criteria				
CRITERION	YES	NO	NOT APPLICABLE	COMMENTS
4. During evaluation of an application an Applicant or a partner are not a subject to restrictions to receive funding due their failure to return the funds or because only a part of funds was returned by the deadline indicated in the decision to return funds. (This provision is not applicable for institutions whose activities are funded from the budget of the Republic of Lithuania, other country and (or) budgets of municipalities, and (or) state monetary funds.)				
5. An Applicant and (or) a partner (-s) has not provided false information in an application or its annexes.				

CONCLUSIONS ON ADMINISTRATIVE CRITERIA EVALUATION OF A PROJECT:

An application has been evaluated positively in accordance with administrative criteria:

☐ Yes

☐ No

☐ Conditional Yes

Comments: _____

Comments:

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(job position of a person from the institution responsible for evaluation of an application)

(data)

(Name and surname, signature, if a paper version is being filled in)