APPROVED by Decree No. DR-20-2-2020-23 of the Deputy Director of the Public Institution Central Project Management Agency of 29 April 2020

(As last amended on 20 August 2020 by the Decree No. DR-20-2-2020-35)

**GUIDELINES FOR APPLICANTS**

**Of the open call “SUPPORTING local cultural entrepreneurship”**

**under the** **EEA financial mechanism programme “Culture” 2014-2021**

1. **General provisions**
2. The Guidelines for Applicants of the open call “Supporting local cultural entrepreneurship” under the EEA financial mechanism programme “Culture” 2014-2021 lays down the requirements for applicants, which they shall follow in preparing and submitting their applications.
3. The Guidelines for Applicants have been prepared in observance of the following:
   1. Memorandum of Understanding regarding the implementation of EEA financial mechanism 2014–2021 of 24 April 2018 among the Republic of Lithuania and Iceland, the Principality of Liechtenstein and the Kingdom of Norway (hereinafter – the Memorandum);
   2. Regulation implementing EEA financial mechanism 2014–2021 (hereinafter – the Regulation) approved by EEA Financial Mechanism Committee on 8 September 2016;
   3. Rules of Administration and Financing of EEA and Norwegian Financial Mechanisms 2014-2021 (Order No. 1K-389 of the Minister of Finance of the Republic of Lithuania of 12 November 2018 "On the Implementation of the European Economic Area and the Norwegian Financial Mechanisms in Lithuania 2014-2021”);
   4. Contract regarding the financing of the EEA financial mechanism programme “Culture” 2014-2021 of the Ministry of Finance of the Republic of Lithuania and the EEA Financial Mechanism Committee of 19 June 2019;
4. The terms used in the Guidelines shall be understood as defined in the legal acts referred to herein and the Description of Functions of the Authorities Responsible for the Management and Control of EEA and Norwegian Financial Mechanisms 2014-2021, approved by Order No. 1K-389 of the Minister of Finance of the Republic of Lithuania of 12 November 2018 "On the Implementation of the European Economic Area and the Norwegian Financial Mechanisms in Lithuania 2014-2021”).
5. Other terms and abbreviations used in the Guidelines::
   1. **Co-financing Funds** – funds of the state budget of the Republic of Lithuania for financing programmes and projects implemented from EEA and (or) Norwegian financial mechanism funds.
   2. **Community** – a community organization, a legal entity as defined by the Law on Associations of the Republic of Lithuania, whose founders and members are residents of a local residential community (its part or several residential areas) (their representatives) and the purpose of which is to implement public interests related to living in the neighbourhood.
   3. **CPMA** – PI Central Project Management Agency.
   4. **Donor Project Partner** – a legal entity, public or private, commercial or non-commercial and-governmental organisation, established as a legal person in one of the Donor States (the Republic of Iceland, the Principality of Liechtenstein and the Kingdom of Norway), which is actively involved in the preparation of a project application, and contributes to the implementation of the project on the basis of a partnership agreement signed with the project promoter.
   5. DMS – site for the exchange of project data of EEA and Norwegian financial mechanisms 2014-2021.
   6. **EEA** – European Economic Area.
   7. **Cultural resources** - all non-renewable intangible (spiritual, intellectual) and material (natural or man-made) resources which are of value to society, taking into account historical, archaeological, architectural, spiritual or cultural development, such as historic buildings, sites, crafts or traditions.
   8. **Creative Placemaking** – an integral method for reviving places where partners from different sectors strategically shape the physical and social identity of a neighbourhood, city or region through artistic or cultural activities. Reviving through cultural activities, the use of local resources, cross-sectoral partnerships and active community engagement are the key elements of this method.
   9. **MAFR** - Rules of Administration and Financing of EEA and Norwegian Financial Mechanisms 2014-2021, approved by the Order No. 1K-389 of the Minister of Finance of the Republic of Lithuania of 12 November 2018;
   10. **Immovable Cultural Heritage** – a part of cultural heritage, included in the Register of Cultural Property[[1]](#footnote-2), which comprises material cultural values built, furnished, created by past generations or made prominent by historic events, which are directly related to the area, which they occupy.
   11. **Restoration of Immovable Cultural Heritage** – research-based maintenance operations of heritage protection, construction and landscaping.
   12. **Mechanism Funds** – funds of EEA Financial mechanism 2014-2021.
   13. **Applicant** – a legal person registered in Lithuania having submitted a project application. After signing a project contract, the Applicant becomes the Project Promoter.
   14. **Adaptation** – the transformation of an object or its components to be used for cultural purposes, matching the needs of the owner and the public.
   15. **Process Working Group** – a working group for the establishment of processes of administration of EEA and Norwegian financial mechanisms, set up by Order No. 1K-109 of the Minister of Finance of the Republic of Lithuania of 8 March 2018 “Regarding the Formation of a Working Group”.
   16. **Outputs -** products, capital goods and services delivered by a programme to the intermediaries. Outputs are easy to attribute directly to the resources used and the activities performed.
   17. **Project Partner** – a legal person in line of the provisions of clause 7.2.2 of the Regulation, which is actively involved in the preparation of a project application and contributes to the implementation of the project on the basis of a partnership agreement signed with the project promoter.
   18. **Project Promoter** – a legal person registered in Lithuania to which mechanism and co-financing funds are allocated and which, on a basis of a contract signed with the CPMA, is responsible for the implementation of the project selected under the call “Supporting local cultural entrepreneurship”.
   19. **Programme** – EEA financial mechanism programme “Culture” 2014-2021 (hereinafter also referred to as the Culture Programme).
   20. **Region** – a county or a territory of Lithuania consisting of several counties or municipalities that have common boundaries outside the three major cities (Vilnius, Kaunas and Klaipėda).
   21. **Outcomes** - short and medium-term effects of an intervention’s outputs on the intermediaries or end beneficiaries.
   22. **Market Research** – collection of qualitative and quantitative information on the supply of goods, services, suppliers, goods supplied, services provided by them, and service prices, their analysis and preparation of general conclusions for making decisions on the funds needed for the procurement of the project.
   23. **Cultural services** - services aimed at satisfying cultural interests or needs, such as audio-visual distribution activities, promotion of performing arts and cultural events, as well as cultural information services.
   24. **Design documentation** – a set of documents of a composition defined by normative technical construction documents, which contain solutions of the construction works conceived by a builder (the explanatory part, parts of the design documentation, calculations, drawings) and are intended for legalisation and carrying-out the construction works.
   25. **Maintenance Operations of Construction** – works of construction or demolition as defined by the Law on Construction, conducted at the cultural heritage object, its territory or protection zone, or at a cultural heritage site.
   26. **Maintenance** – works carried out to preserve an object: applied research, repairs, elimination of the threat of an accident, conservation, restoration, planning and design of these works.
   27. **Donor States** – The Republic of Iceland, the Principality of Liechtenstein and the Kingdom of Norway.
   28. **Local Stakeholders** – local entities at the municipal level (authorities, organizations, companies or communities).
6. **Objectives of the programme “culture” and areas of support**
7. The aim of the Programme is enhancing socio-economic development through cultural cooperation, cultural entrepreneurship and cultural heritage management.
8. During the open call “Supporting local cultural entrepreneurship”, mechanism and co-financing funds will be allocated for place-led cultural entrepreneurship initiatives, the implementation of which shall use local cultural resources, engage local partners and create long-term cultural products and services, which will serve the community after the end of the Programme.
9. The following are the objectives of the open call “Supporting local cultural entrepreneurship”:
   1. To encourage a dialogue between local cultural institutions, municipalities, local communities and business representatives;
   2. To strengthen entrepreneurial skills at a local level;
   3. To raise awareness of the use of cultural resources;
   4. To improve financial and project planning skills;
   5. To improve conditions of infrastructure necessary for the implementation of cultural activities given the needs of local communities;
   6. To revive cultural sites and heritage objects in order to foster local cultural life;
   7. To ensure social belonging and non-discrimination in regions accommodating ethnic minorities.
10. Under this call financing shall be provided under two funding strands:
    1. For projects restoring and adapting for cultural purposes immovable cultural heritage included in the Register of Cultural Property (funding strand 1);
    2. For projects adapting for cultural purposes sites not included in the Register of Cultural Property (funding strand 2).
11. Financing shall be allocated to place-based community initiatives promoting social inclusion and strengthening cultural identity using the method of creative placemaking. Activities carried out shall serve the local community beyond the end of the project. Activities financed through the project may include:
    1. Development of sustainable cultural services,;
    2. Developing skills of cultural entrepreneurship;
    3. Reviving significant cultural sites that have not been included in the Register of Cultural Property and/or cultural objects from the Register of Cultural Property through cultural activities.
12. Under this call, projects will be selected through a two-stage selection procedure (Part VI of the Guidelines).
13. EUR 4 300 000.00 shall be allocated for the implementation of the projects under the call “Supporting local cultural entrepreneurship” (of which EUR 3 655 000.00 from the Mechanism Funds and EUR 645 000.00 from the national co-financing). EUR 2 150 000.00 is planned for each of the funding strands referred to in points 8.1 and 8.2. Redistribution of funds between funding strands shall be possible given the number of applications received and their quality. The “Culture” Program has a total budget of EUR 8 235 294.00 (of which EUR 7 000 000.00 from the Mechanisms and EUR 1 235 294.00 from national co-financing).
14. All information on the Programme and the submission of Programme project applications is published online at [www.eeagrants.lt](http://www.eeagrants.lt) and [www.cpva.lt](http://www.cpva.lt).
15. **Eligible applicants, project partners and requirements for the partnership agreement**
16. Potential Applicants are Public or private entities, commercial or non-commercial and non-governmental organizations established as legal persons in the Republic of Lithuania;
17. Project Partners:
    1. Public or private entities, commercial or non-commercial and non-governmental organizations established as legal persons in the Republic of Lithuania.
    2. Public or private entities, commercial or non-commercial and non-governmental organizations established as legal entities in one of the Donor States or in non-EEA countries, which share a border with Lithuania, also international organizations, entities or agencies thereof as defined in clause 7.2.2 of the Regulation.
    3. Local authorities and local communities of Lithuania shall be mandatory partners or applicants.
18. A project application shall be given additional points for including a Partner (-s) from the Donor States in the application during the project benefit and quality evaluation stage.
19. The number of project partners shall be unlimited.
20. In this call, the same institution can submit one application only as an Applicant. Should an Applicant submit more than one application, the first submitted application only shall be evaluated (based on the date and time of its submission), and all other applications shall be rejected. One application may provide for adaptation of one or more objects included in the Register of Cultural Property (funding strand 1) for cultural needs, or one or more objects not included in the Register of Cultural Property (funding strand 2).
21. The same legal entity may participate in several projects as a Partner, but only in one project as an Applicant.
22. Participation of a Partner (-s) in the project, the rendered benefits and contribution to the implementation of the project objectives shall be substantiated in the project application. The Applicant shall choose as partners solely those legal persons, who will make an actual contribution to the activities of the project and / or will actively use the results created in the course of the project. The Applicant shall assess the necessity of the Partner (-s) for the project and the related management difficulties.
23. State aid, within the meaning of Article 107 of the Treaty on the Functioning of the European Union (OJ 2010 C 83, p. 47) and the *de minimis aid* corresponding to the 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* (OJ 2013 L 352, p. 1*),* shall not be provided under this call for proposals.
24. A draft partnership agreement (or where a partnership agreement has been signed before the submission of an application - a copy of the signed agreement) or a letter of intent to conclude such an agreement shall be submitted along with the application. One partnership agreement may be concluded with all Project Partners or a separate partnership agreement (-s) may be concluded with each individual Project Partner (-s). A draft partnership agreement or a letter of intent shall be submitted in English, if a partner from a Donor State and/or from a state other than Lithuania or Donor States is at least one party to the partnership agreement or the letter of intent.
25. The template of the partnership agreement in English is available online: [https://eeagrants.org/resources/2014-2021-bilateral-guideline-annex-6-partnership-agreement-template.](https://eeagrants.org/resources/2014-2021-bilateral-guideline-annex-6-partnership-agreement-template)
26. Where a copy of a draft partnership agreement or a signed partnership agreement is submitted along with the application, it shall include the following conditions:
    1. Purpose of the agreement, distribution of tasks between the Applicant and the Partner (-s) in the implementation of the project;
    2. Detailed budget of the project, distribution of costs between the Applicant and the Partner (-s), procedure of covering costs of the Partner (-s), including provisions on the applicable exchange rate if the costs are incurred in a currency other than the euro (in any case, exchange losses are ineligible costs for the project);;
    3. Provisions on the method of calculation of indirect costs (possible methods are set out in clause 276 of the MAFR) and the maximum possible sum of indirect costs;
    4. Provisions governing the procedure of covering costs incurred by a Project Partner (-s) from a Donor State. Pursuant to clauses 290 and 292 of the MAFR, to account for its costs, a Project Partner from a Donor State may present the following to the Project Promoter:
       1. Copies of documents substantiating costs and proof of their payment, or
       2. If a Project Partner from a Donor State is a public authority or institution having a competent official who is entitled to audit the respective entity and whose independence in the preparation of financial statements is ensured, such a Project Partner may submit with each payment request declaring the costs incurred thereby a report signed by the said competent official regarding the eligibility of the costs for financing (according to the form prepared by the Process Working Group) confirming that the costs indicated in the conclusion on the eligibility of the costs for financing have been incurred in accordance with the Regulation, national legislation and accounting practices in the partner country, or
       3. If a Project Partner from a Donor State is not a public authority or institution and / or does not have a competent official, who is entitled to audit the respective entity and / or whose independence in the preparation of financial statements is not ensured, such a Project Partner may submit with each payment request declaring the costs incurred thereby a declaration of costs of the partner (in the form prepared by the Process Working Group) confirming that the costs specified in the declaration of costs have been incurred in accordance with the Regulation, national legislation and accounting practices in the project partner’s country. Such a declaration of project partner’s costs shall additionally be signed by a Project Promoter’s representative, certifying that the Project Partner has completed the activities, provided the services, and the Project Promoter is satisfied with the result, while the expenses incurred are in line with the project budget. If the total costs incurred by the Project Partner from a Donor State throughout the entire period of implementation of the project exceed EUR 10 000 (except for costs, which have been paid in a simplified procedure, at a fixed tariff and / or a flat rate), a conclusion regarding the eligibility of costs (in the form prepared by the Process Working Group) signed by an independent auditor shall be submitted along with the final payment request for all costs incurred by the Project Partner. In such a case, the draft partnership agreement (or the signed partnership agreement) shall also indicate which party of the partnership agreement (Project Promoter or Donor Project Partner) shall be the buyer of and the payer for the services of audit of costs of a Donor Project Partner, ensuring that a service provider conducting an audit is competent to audit such costs and to confirm that the costs incurred by the Project Partner comply with the requirements of the Regulation and legal acts applicable in the Donor State of the Project Partner as well as with accounting principles.
    5. Provisions governing the procedure of accounting for the costs incurred by the Project Partner from a state other than Lithuania or the Donor States as per clause 7.2.2 of the Regulation. Pursuant to clause 296 of the MAFR, when accounting for its costs, a Project Partner from a state other than Lithuania or the Donor States shall present the Project Promoter with a conclusion regarding the eligibility of costs (in accordance with a form prepared by the Process Working Group) signed by an independent auditor. The partnership agreement between the Project Promoter and the Project Partner shall establish which party to the agreement shall be the buyer of and the payer for services of audit of Project Partner’s costs, ensuring that the service provider conducting an audit is competent to audit such costs and to confirm that the costs incurred by the Project Partner meet requirements of legal acts and accounting principles applicable in the Project Partner’s state.
    6. The provision that the amount of costs incurred shall be denominated in the euro in the declaration of costs and / or the conclusion on the eligibility of costs. Where costs have been incurred in a foreign currency, they shall be converted into the euro according to the reference exchange rate published by the European Central Bank at the date of the declaration of costs and / or the date of the auditor’s conclusion;
    7. The obligation of the Applicant and the Partner (s-) to ensure the continuity of the project results for five years after the completion of the project;
    8. The provision that the Project Partner shall store documents of substantiation of costs and evidence of their payment in observance of provisions of applicable legislation, but not less than specified in the project contract;
    9. The provision that the Project Partner shall create conditions for inspecting and auditing project and project-related documents for institutions entitled to do that in the implementation of the programme;
    10. The provision regarding dispute resolution.
    11. The provision stating that the project budget, breakdown of costs between the Applicant and the Partner (s), the method of calculation of indirect costs and their maximum amount, set in the partnership agreement or its draft, prepared before submitting a project application, may vary according to the amount of eligible costs determined during the evaluation of the application. In case the project budget changes, the partnership agreement will have to be modified.
27. Where a letter of intent to sign partnership agreement is submitted along with the application, it shall include at least the following conditions:
    1. The purpose of the letter of intent, distribution of tasks between the Applicant and the Partner (-s) in the implementation of the project;
    2. Detailed project budget, distribution of costs between the Applicant and the Partner (-s).
28. Where a draft partnership agreement or a letter of intent is submitted along with the application, a copy of a signed partnership agreement shall be submitted to the programme operator before signing a project contract.
29. The Partner (-s) shall participate in the implementation of the project and shall use its results or products, however the Applicant shall be responsible for proper implementation, coordination of the project and the use of funds. Where mechanism funds and co-financing funds are allocated for the project, a project contract shall be concluded with the Applicant, who shall become a Project Promoter as from the date of signing the project contract. Mechanism funds and co-financing funds allocated for the implementation of the entire project shall be paid directly to the Project Promoter, who shall then settle with the Partner (-s).
30. **Eligible projects**
31. Financing **under the first funding strand** shall be allocated for projects that use the method of creative placemaking and meet the following special eligibility criteria:
    1. During the implementation of the project immovable cultural heritage included in the Register of Cultural Property will be restored and adapted for cultural needs;
    2. Projects are implemented in partnership with at least one local authority (municipality) of Lithuania and at least one local community;
    3. When submitting the application, a maintenance works project or a design documentation, a component of which a maintenance works project is, has been prepared, and a permit has been obtained to conduct works of maintenance of an object of cultural heritage or a cultural heritage building, also (if applicable) a construction permit has been obtained, which allows conducting maintenance construction works as per clause 71 of these Guidelines;
    4. Cultural entrepreneurship trainings are to be organised during the Project.
32. Financing **under the second funding strand,** designated for adapting for cultural needs sites not included in the Register of Cultural Property shall be allocated for projects that use the method of creative placemaking and meet the following special eligibility criteria:
    1. During the implementation of the project sites not included in the Register of Cultural Property will be restored and adapted for cultural needs;
    2. Projects are implemented in partnership with at least one local governance authority (municipality) of Lithuania and at least one local community;
    3. Cultural entrepreneurship trainings are to be organised during the Project.
33. All Applicants shall aim to contribute to at least three output indicators listed in the points 29.1-29.5 and all shall contribute to the mandatory indicator listed in the point 29.6:

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| **Output Indicator** |
| * 1. Number of activities or campaigns on the use of cultural resources |
| * 1. Number of marketing strategies developed |
| * 1. Number of new services created |
| * 1. Number of local stakeholders involved in entrepreneurial activities |
| * 1. Number of projects using creative placemaking approach |
| * 1. Number of people trained in cultural entrepreneurship (mandatory) |
| * 1. Share of projects implemented by local communities |

1. All the financed projects shall contribute to the pursuit of the following Programme outcome indicators:

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| **Outcome Indicator** |
| * 1. Annual revenues generated by activities of the projects |
| * 1. Share of trained people reporting enhanced capacity in cultural entrepreneurship |

1. If the project involves a *bilateral* component (i.e. a partnership with a Donor State organisation), the Applicants shall seek to contribute to, and monitor for, the indicators listed below:

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| **Indicator** |
| * 1. Number of joint cultural activities implemented |
| * 1. Number of staff from Donor States taking part in exchanges (broken down by gender and the Donor State) |
| * 1. Number of staff from beneficiary states taking part in exchanges (broken down by gender and beneficiary State) |

1. Methodology for calculating monitoring indicators is provided in Annex 7 to the Guidelines.
2. A maximum of 36 months shall be planned for the implementation of project activities. During the implementation of the project, the project activities may be extended in presence of duly justified reasons, but not longer than till 30 April 2024.
3. The project shall be prepared and implemented in observance of the principles of **good governance** (accountability, transparency, participation, equality, rule of law, skills, competence and sensitivity to human needs shall be ensured in the implementation of the project), **sustainable development** (alignment of economic, social development and environmental protection objectives, taking into account their complex interdependence and the expected effects of their implementation) and **gender equality and equal opportunities** (ensuring equal opportunities for women and men and the elimination of any discrimination based on ethnic or racial origin, age, disability, sexual orientation, religion or views). The project cannot have an adverse impact on these principles.
4. The project shall meet the set project administrative criteria, general project selection criteria and specific project compliance criteria (project eligibility criteria) and shall aim to meet the specific priority project selection criteria (benefit and quality) laid down in Annexes 3, 4 and 6 to the Guidelines, according to the respective funding strand.
5. When applying for financing for investments in infrastructure, copies of documents certifying the right to land / real estate shall be submitted. The property shall belong to the Applicant or the Project Partner under the right of ownership or trust, loan-for-use or lease. In case the property is intended to be mortgaged to cover the own contribution to project, a bank confirmation or other document proving the bank's intention to grant a loan in case of project financing shall be submitted along with the application. Before signing a project contract, the applicant must obtain the CPMA's consent to mortgage the property. The consent of the CPMA shall be given after the applicant has submitted arguments proving that the mortgage of the property is necessary for the successful fulfilment of the project implementation obligations.

*Amended on 20 August 2020 by the Decree No. DR-20-2-2020-35.*

1. In cases where the Applicant or the Project Partner does not own real estate, a document conferring the right of trust or a loan-for-use or a lease agreement shall be valid for the entire duration of the implementation of the Project and at least five years thereafter. The agreement shall also provide for a commitment to provide a local community with a possibility to use real estate services throughout the entire period of the implementation of the Project and at least five years thereafter. Machinery and equipment acquired in the course of the Project shall remain ownership of the Project Promoter or its Partner for 5 years after the end of the Project implementation and it shall be used for the purposes foreseen in the Project during this period of time. The CPMA may exempt the Project Promoter from these obligations if continued use of the equipment for the purposes of the Project is not economically viable.
2. Investments in infrastructure shall be financed only where after the implementation of the Project, the entire object will be opened up for use, and no additional investment will be necessary for the implementation of the planned activities.
3. The Programme Operator shall evaluate the compliance of projects with provision of the point 20 of the Guidelines on the absence of state aid by completing a checklist on the presence or absence of state aid (Annex 8 to the Guidelines).
4. **Requirements for eligible project costs and financinG**
5. Project costs shall comply with the requirements, which project costs are subject to in accordance with Chapter XIX of the MAFR, the eligibility requirements set out in Chapter 8 of the Regulation.
6. The minimum amount of mechanism and co-financing funds, which may be requested under this call, shall be EUR 200 000.00 (two hundred thousand euro) and the maximum – EUR 1 000 000.00 (one million euro).
7. The maximum share of the project, which may be financed from the mechanism and co-financing funds, shall be 90% of the total eligible project costs. The Applicant and / or the Partner (-s) shall contribute to the project at least 10% (i.e. the share of own contribution) of the total eligible costs of the project, and ensure payment of all other costs necessary for the implementation of the project, including ineligible costs during the implementation of the project.
8. If the Project Promoter is a non-governmental organization, as defined in Article 1.6 (n) of the Regulation, or a social partner, as defined in Article 1.6 (y) of the Regulation, up to 50% of its own contribution may be covered by a contribution in kind. The own contribution covered by a contribution in kind shall meet the conditions and be justified in accordance with provisions of the Methodology of Calculation and Application of the Covering of Own Contribution to Projects of EEA and Norwegian Financial Mechanism Programmes 2014 – 2021 by Contributions in Kind” approved by the CPMA, published online at www.cpva.lt.
9. The Applicant and / or the Partner may, at its own initiative and with funds from its own and/or other sources, contribute to the implementation of the project more than the requested amount.
10. Eligible costs shall be directly linked to the implementation of the project and necessary to achieve the goal and the intended results of the project. The principles of economy, efficiency and effectiveness shall be followed when planning a project budget.
11. The implementation of project activities may be commenced and project costs shall be eligible from the date of the decision on project financing. Inclusion of an expenditure item into the project budget template approved by the Programme Operator cannot be considered as confirmation of eligibility of that expenditure item All project activities shall be completed and all costs shall be incurred and paid during the period of eligibility of project costs for payment till the deadline for the eligibility of project costs for payment indicated in the project contract, except for costs, which were invoiced in the last month of the period of eligibility of costs for financing and which are considered eligible for financing, if the invoice substantiating the project costs is paid within 30 days from the end of the period of eligibility of project costs for financing. Final date of eligibility of expenditure in projects is 30 April 2024.
12. The project and project activities may not have been financed or be financed, or, having granted financing, submitted for financing from other programmes financed from state budget funds, other funds or financial mechanisms (European Union Structural Funds, the Swiss Confederation, etc.) and other EEA Financial Mechanism programmes, if this may lead to eligible costs of the project or a part thereof being financed several times, including de minimis aid.
13. Calculation (substantiation) of project costs shall be submitted along with the planned project budget. In cases where costs are incurred in connection with (public) procurement (except for costs to be declared and paid in a simplified procedure), the planned costs shall be based on the conducted market research. The recommended market research summary form and explanations for its completion are provided in Annex 9 to the Guidelines.
14. The following are the categories of eligible or ineligible costs under this Call:

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| **Cost category No.** | **Cost category name** | **Requirements and explanations** |
| **Direct costs** | | |
| 1. | Land and real estate | Ineligible. |
| 2. | Contractor works (construction, reconstruction, repair and other works) | In **the first funding strand** (for projects restoring adapting for cultural purposes immovable cultural heritage from the Register of Cultural Property),  The following costs shall be considered eligible:   1. Costs of maintenance construction works and/or maintenance works of cultural heritage buildings/ premises and/ or engineering facilities; 2. Costs of maintenance construction works and/or maintenance works performed in cultural heritage buildings/ premises, the intended purpose of which will be changed to the cultural purpose by the end of the implementation of the project.; 3. Costs of construction of existing engineering facilities, which are necessary for conducting cultural activities in cultural heritage buildings/ premises, where the necessity of these costs has been justified; 4. Costs of arrangement of public spaces and other related costs, which are necessary for and related to conducting cultural activities in renovated cultural heritage buildings/ premises, where the necessity of these costs has been justified; 5. Costs of engineering services which are necessary to conduct construction and/or maintenance works in cultural heritage buildings/ premises, provided for in the Law on Construction of the Republic of Lithuania and the Law on the Protection of Immovable Cultural Heritage.   Costs of applied research of cultural heritage objects shall not exceed the amounts specified in the Annex 2 to the Guidelines for the Calculation of Prices of Immovable Cultural Heritage Maintenance Works, approved by the Order of the Minister of Culture No ĮV-527 on 8 August 2007 “Regarding approval of the Heritage Regulation PTR 4.01.26: 2007 “Guidelines for the Calculation of Prices of Immovable Cultural Heritage Maintenance Works”.  According to **the second funding strand** (for projects adapting for cultural purposes sites that are not included in the Register of Cultural Property):  The following costs shall be considered eligible:   1. Costs of construction of existing buildings designated for conducting cultural activities; 2. Costs of construction of existing engineering facilities designated for conducting cultural activities or for proper assurance of cultural activities of buildings; 3. Costs of arrangement of public spaces and the environment (land plots) designated for conducting cultural activities and other related costs; 4. Costs of engineering services necessary for conducting the planned construction works provided for in the Law on Construction of the Republic of Lithuania.   Infrastructure costs for **both funding strands** (cost categories 2 and 3) may not exceed 50 % of eligible project costs.  Design and maintenance service costs shall be planned out under the cost category “4. Goods (current assets) and services”. |
| 3. | Fixed assets | Costs of depreciation of new or used equipment or devices (hereinafter all together referred to as equipment) necessary for the implementation of the project, achievement of the project’s outcome and output indicators, and project administration and publication, used in the project falling within the period of project implementation, provided that equipment is depreciated according to generally accepted accounting principles which the Project Promoter or the Partner, or similar equipment in general, is subject to.  If the equipment is an integral and necessary component for achieving the outcomes of the project, the entire purchase price of that equipment may be recognized as eligible costs (this shall not apply to project administration and publicity). In such a case, ensuring that the Project Promoter keeps the equipment in its ownership for a period of at least five years following the completion of the project and continues to use that equipment for the benefit of the overall objectives of the project for the same period, keeps the equipment properly insured against losses such as fire, theft or other normally insurable incidents both during project implementation and for at least five years following the completion of the project, ensures proper equipment maintenance at least 5 years after the end of the project, shall be necessary, unless the project contract establishes otherwise (insurance costs during the lifetime of the project may be eligible project funding). Where a Partner purchases equipment, the Project Promoter shall ensure that the Partner abides by the above provisions.  Movable tangible property used directly in carrying out project activities, the cost of acquisition of which is EUR 1 000 and more (irrespective of the value which the Project Promoter or the Partner considers the minimum value for categorizing the acquired assets as fixed assets according to their accounting policy), such as movable or stationary objects, tools, machinery, mechanisms or instruments required to do work, when the following conditions are met, shall be considered equipment: the useful life of assets is more than one year when used for their intended purpose, and the assets used retain their original form and appearance; when in case of damage of assets, a loss or depreciation of parts thereof fixing the assets than replacing them with new ones is more expedient; assets do not lose their identity (ability to perform functions) even when integrated into another more complex unit.  In cases when it may or is used for other than the project’s purposes, costs of depreciation or acquisition of the equipment (if applicable) shall be financed in application of the *pro-rata* principle (taking into account the proportion of the use of equipment for project and other purposes).  Costs for infrastructure (cost categories 2 and 3) may not exceed 50% of eligible project costs. |
| 4. | Goods (current assets) and services | Costs of acquisition of goods and services necessary for the implementation of the project, the achievement of objectives and indicators of the project, and project administration and publicity.  In cases where they may or are used for other than the project’s purposes, costs of acquisition of goods shall be financed from project funds in application of the *pro-rata* principle (taking into account the proportion of the use of goods for project and other purposes). |
| 5. | Business trips and traveling | Costs of traveling and business trips of employees carrying out and administering project activities and engaged in publicizing project activities, including daily allowances.  All Project Promoters and / or Partners from Lithuania, irrespective of their legal status, shall be subject to provisions of the Resolution No. 526 of the Government of the Republic of Lithuania of 29 April 2004 “Regarding the Payment of Daily Allowances and Compensation of Other Business Trip Expenses” (except for cases where expenses are declared and compensated in a simplified procedure).  Expenses of business trips and traveling abroad (where they last for more than 1 day) (excluding costs of traveling abroad and going back in all types of vehicles) shall be declared and compensated in a simplified procedure in application of the respective per diem rates of the European Commission (which cover costs of travel insurance, accommodation, meals, local trips and other necessary travel expenses abroad) (unit costs) (also available here: <https://www.cpva.lt/data/public/uploads/2020/01/europos-komisijos-skelbiamos-dienpinigiu-normos-perdiems-2017-03-17_en.pdf>).  Donor Project partners can choose to use per diem rates of the European Commission or to apply its institution practise. It should be decided in the partnership agreement.  The per diems applied during the implementation of the project shall remain unchanged.  Travel expenses incurred during the business trips and traveling within the territory of the Republic of Lithuania (fuel or public transportation expenses) shall be declared and compensated on a simplified bases, applying the unit costs per 1 km (EUR 0.07/ km exclusive of VAT, or EUR 0.08/ km inclusive of VAT), set in the Report No. FĮ-005 on the Analysis for Setting Unit costs of Fuel and Public Transportation Expenses (edition of 24 April 2015) of the Ministry of Finance of the Republic of Lithuania, available on the website [www.esinvesticijos.lt](http://www.esinvesticijos.lt) (document “Analysis of Simplified Compensation of Expenses” under the section “Documents”, sub-section “Analyses”).  The unit costs applied during the implementation of the project shall not be changed, except when changes the VAT rate applicable to fuel and (or) public transport costs; and (or) when following the methodology used for the determination of unit costs for projects of the European Union Structural Funds, the managing or audit authority of the European Union Structural Funds determines that unit cost rate or the conditions of its application has not been properly determined. In cases when the unit cost rate should have been lower or otherwise applied, the adjusted rate or conditions of its application shall apply for the payment of simplified project costs incurred from the date of entry into force of the revision of the rate or conditions of its application). |
| 6. | Salary | Salary payable for the time of employees hired or assigned to carry out project activities and administer the project or engage in the publicizing the project, which they spent actually working on the project: salary, social insurance contributions and salary-related expenses established by legal acts, if they are in line with the usual Project Promoter’s and Partner’s salary policy. Solely the share of costs, which is directly related to the project being carried out and calculated and paid for the time spent working on the project shall be considered eligible costs.  Respective salary expenses of employees of public authorities shall be eligible to the extent they are related to activities, which the respective public authority would not carry out, if it wasn’t for the project.  Salary expenses shall not exceed the market rates payable to employees of a respective specialization and qualification, except in duly justified cases. Salary of employees of budgetary institutions, teachers and educational staff shall be calculated in accordance with national legislation governing the calculation of salary of such employees. The planning of salaries may be based on data published by Statistics Lithuania of the Republic of Lithuania, data on similar projects, historical salary data provided by the Applicant and / or a Partner, or data on salary normally paid in the company (institution, organization) for the same functions and / or duties (for example, statements on the average monthly salary of 6 months of the specific employee, statements on the average salary of employees in the respective position (or carrying out similar functions), information about the average salary in the company (institution, organization), published by the Project Promoter, etc.).  The application shall contain information on the number of hours (days, months) planned for each position (function) or their group for the implementation of the project and the planned average hourly (daily, monthly) rate, also explaining the basis and/or indicating the methodology used to calculate the planned average hourly (daily, monthly) rate and enclosing the supporting documents (if necessary).  Expenses for annual leave and additional days-off of employees implementing and administering the project shall be declared and paid on a simplified bases by applying the coefficients of payments for annual leave and additional days-off set in the Report No. FN-005 on the Analysis on Setting Coefficients of Payment of Annual Leave and Additional Days-Off (edition of 20 July 2017) of the Ministry of Finance of the Republic of Lithuania, published on the website [www.esinvesticijos.lt](http://www.esinvesticijos.lt) (document “Analysis of Simplified Compensation of Expenses” under the section “Documents”, sub-section “Analyses”).  The unit costs rates applied during the implementation of the project shall not be changed, except when following the methodology used for the determination of unit costs for projects of the European Union Structural Funds, the managing or audit authority of the European Union Structural Funds determines that unit cost rate or the conditions of its application has not been properly determined. In cases when the unit cost rate should have been lower or otherwise applied, the adjusted rate or conditions of its application shall apply for the payment of simplified project costs incurred from the date of entry into force of the revision of the rate or conditions of its application). |
| **Indirect costs** | | |
| Indirect costs | | Eligible indirect project costs are costs that are not directly attributable to the implementation of project activities, but are necessary for the implementation of the project and can be related to direct project costs. Indirect costs may not include any direct eligible costs. The method for determining indirect costs shall be selected (and, where appropriate, justified) at the time of drafting an application.  The methods for determining indirect project costs are provided for in clause 276 of the MAFR: either on the basis of actual indirect costs (subclauses 276.1 and 276.2 of the MAFR) or at a flat rate (subclauses 276.3.1, 276.3.2 and 276.3.3 of the MAFR).  If the method provided for in subclause 276.3.1. of the MAFR is selected to determine indirect costs of the project, indirect project costs shall be justified in accordance with provisions of the "Methodology for Determining and Applying a Flat Rate for Indirect Costs” published online at [www.cpva.lt](http://www.cpva.lt) (current edition: [the](https://www.cpva.lt/eee-ir-norvegijos-finansiniai-mechanizmai-2014-2021-m./dokumentai/682/act719?sqid=994b3627fada2d63b94793688db3b709c08413e2) methodology).  Examples of indirect costs are the general costs of the organization for infrastructure (such as electricity, natural gas, heating, water, cleaning, security, room maintenance, communications, etc.), small office equipment and office supplies, and horizontal activities of the organization such as administrative and financial management, human resources, training, legal advice, etc., as part of the project implementation. |

1. Costs that are necessary for the administration of the project indicated in the paragraph 49 under headings 3 to 6, e.g. salary expenses of Project Promoter’s or Partner’s employees for time spent working on project administration, purchase of goods for project administration purposes, costs of project administration services, costs of inspection (auditing) of expenses of partners from Donor States (where applicable), other project-administration related costs. Project administration costs may not exceed 10% of eligible project costs.
2. The publicity costs of the project indicated in the paragraph 49 under headings 3 to 6 shall be considered as direct costs of the project and shall be eligible for financing when incurred in the course of communication actions of the project as foreseen in the clauses 260-264 of the MAFR.
3. Value added tax (VAT), which the Applicant (the Project Promoter) and / or a Partner will not or could not deduct and recover according to legislation, shall be eligible for financing from mechanism and co-financing funds.
4. In all cases, ineligible costs are defined in Section III of Chapter XIX of the MAFR.
5. Project costs shall be compensated upon the Project Promoter’s submission of a payment request in application of the method of cost compensation with or without an advance payment, and / or the payment of invoices. The procedure and method (-s) of payment of costs shall be set out in the project contract.
6. In the course of the implementation of the project, the Project Promoter has a possibility to request an advance payment not exceeding 30% the total grant amount (if the payment of an advance has been provided for in the project contract), which shall later be registered after the recognition of declared expenses as eligible costs in accordance with the provisions of clause 300 of the MAFR. An advance assurance document (where applicable in accordance with clause 289.2 of the MAFR) shall be presented along with an advance payment request (if any). If an advance payment is made for a project, the Project Promoter shall have a separate account with the credit institution for managing financing allocated for the project.
7. A Project Partner (-s) from a Donor State and/or a project participant (-s) from a Donor State shall account for the expenses incurred in the course of project implementation in accordance with the procedure laid down in clauses 292-294 of the MAFR and pursuant to the memo prepared by the Process Working Group published online at [www.cpva.lt](http://www.cpva.lt) (for the current memo edition and the forms see: <https://www.cpva.lt/eee-ir-norvegijos-finansiniai-mechanizmai-2014-2021-m./dokumentai/682/act690?sqid=994b3627fada2d63b94793688db3b709c08413e2>).
8. A Project Partner (-s) from a state other than Lithuania or the Donor States shall account for the costs incurred in the implementation of the project in accordance with the procedure laid down in clause 296 of the MAFR by submitting a conclusion on the eligibility of costs signed by an independent auditor (in accordance with the form prepared by the Process Working Group).
9. **Preparation, acceptance of applications, evaluation and selection of projectS**
10. The open call for applications “Supporting local cultural entrepreneurship“ is published online at [www.eeagrants.lt](http://www.eeagrants.lt) and [www.cpva.lt](http://www.cpva.lt).
11. The mechanism and co-financing funds for projects under this open call shall be allocated **by way of a two-stage call**:
    1. Stage 1. A call for project concepts.
    2. Stage 2. A call for the selected applicants having presented the best concepts to submit a complete project application package.
12. **In the first stage** only the concept of the project is submitted for evaluation:
    1. In order to receive financing, the Applicant shall online via the DMS fill in a concept application, drafted by the Process Working Group (Annex No 1 to the Guidelines), and together with annexes (if applicable) submit it via DMS by the date specified in the call for concept notes. After submitting the concept note, the Applicant shall immediately be sent a confirmation via the DMS of the registration of the concept note stating the unique code assigned to the concept note. If the DMS / NORIS functionality is not guaranteed, the applicant will be informed about the registration of the concept note and its unique code in writing, by sending information to the email address of the indicated contact person.
    2. Concepts submitted by other than DMS means and measures shall not be accepted and shall be returned to Applicants. In case of a temporary failure to ensure DMS functionalities, which makes it impossible for Applicants to submit concepts or annexes thereto on the deadline for the submission of concepts, the CPMA shall extend the deadline for the submission of concepts for 7 days and/or create the opportunity to submit concepts or annexes thereto by other means, informing Applicants thereof via DMS or in writing, if DMS functions have not been installed or are not ensured.
    3. The Applicant may ask questions regarding the conditions of allocation of financing, also questions relating to the completion of concepts and other financing allocation-related questions by calling CPMA phone numbers indicated in the call, in writing, by e-mail or verbally.
    4. Project concepts shall be completed in Lithuanian.
    5. The concepts shall provide for one Funding Measure, for which the project concept is being submitted, only.
13. The evaluation of the project concepts submitted will be carried out by at least two independent experts appointed by the CPMA according to the following criteria (the evaluation methodology presented in Annex 5 to the Guidelines):
    1. The overall quality of the offered concept and its contribution to the pursuit of Programme objectives;
    2. Level of preparedness and assurance of sustainability;
    3. Cultural and/or artistic, and/ or creative project value;
    4. Element of cultural entrepreneurship;
    5. Reflection of local social and / or historical and / or cultural context.
14. The maximum score, which may be given for a project concept, shall be 100. As a result of assessment of the project concepts, two ranking lists (one for each strand) will be produced. 10 top-scored concepts (5 from each strand), the total score of which shall be 60 at the least, shall qualify for the second stage and shall be invited to submit complete applications. Where the score of concepts ranking below the 10th place is the same as that of the concept ranking 10th, all concepts having scored the same number of points shall be invited to submit applications. If the total budget of the selected concepts is less than the amount of funds allocated for the funding strand, concepts shall be invited to submit applications until the available budget under the strand is used up. Where the evaluation score of two evaluators differs by more than 30 percent, which is calculated comparing the difference between scores of two evaluators to the higher score, then the CPMA shall appoint the third independent evaluator. In this case, the score given to the concept is the average of the nearest scores.
15. Applicants are informed about the results of the evaluation via the DMS. If the DMS / NORIS functionality is not guaranteed, the Applicant will be informed in written, by sending information to the email address of the indicated contact person.
16. **In the second stage selected applicants** shall be invited to submit a complete project application package.
    1. The Applicant of the selected concept, which is invited to submit a full project proposal, shall online via the DMS fill in an application, drafted by the Process Working Group (a typical form is available in Annex 2 to these Guidelines), and together with annexes submit it via the DMS by the date specified in the invitation to submit application, which shall not be shorter than 2 (two) months. After submitting the application, the Applicant shall immediately be sent a confirmation via the DMS of its registration.
    2. Application submitted by other than DMS means and measures shall not be accepted and shall be returned to Applicant. In case of a temporary failure to ensure DMS functionalities, which makes it impossible for Applicants to submit full applications or annexes thereto by the deadline indicated in the invitation to submit full application, the CPMA shall extend the deadline for the submission of application for 7 days and/or create the opportunity to submit application or annexes thereto by other means, informing Applicant thereof via DMS or in writing, if DMS functions have not been installed or are not ensured.
    3. The Applicant may ask questions regarding the conditions of allocation of financing, also questions relating to the filling of application and other financing allocation-related questions by calling CPMA phone numbers indicated in the invitation to submit application, in writing, by e-mail or verbally.
17. The Applicant shall submit the following annexes along with its application:
    1. Documents justifying the validity of the project’s budget (in cases where costs will be incurred in holding (public) procurement procedures (except for costs, which will be declared and compensated on a simplified bases), the planned costs shall be justified by a conducted market research);
    2. A copy of a draft partnership agreement in the content specified in clause 21 hereof (if a partnership agreement has been signed before the submission of the application – a copy of a signed agreement) or a letter of intent to conclude such an agreement;
    3. Documents proving the commitment to contribute own funds to the implementation of the project, indicating the amount of own contribution, its percentage share and the source of funds (e.g. a copy of the decision of the municipal council, a copy of a loan agreement, documents evidencing funds from a private investor, a commitment signed by the manager of an institution (organization) contributing own funds, etc.);
    4. Evidence / information that in the object / premises, where the investments of mechanism and co-financing will be made, the Applicant / Partner will be entitled to carry out the activities covered by the application (i.e. using the object, premises for the purpose of the project).
    5. Justification of calculation of indirect project costs;
    6. Copy of the agreement providing for the obligation to provide local community with a possibility to use real estate services throughout the entire period of the implementation of the project and for at least five years thereafter;
    7. a free-form statement signed by the head of the institution about the income received during the last financial year from activities analogous to the planned in the project (if such activities were carried out and will be further developed / improved during the project, etc.);
    8. If a part of own contribution is to be covered by contributions in kind, documents and / or information proving that the Applicant and / or the Partner (-s) is an NGO or a social partner, as defined in clauses 1.6 (n) and (y) of the Regulation.
18. The Applicant shall also present the following under **the first funding strand** (projects restoring and adapting immovable cultural heritage included in the Register of Cultural Property for cultural purposes):
    1. Copies of documents proving the Applicant’s right of ownership to the land plot and/or the building, or a different right to the management and use of real estate (if applicable) (the property must not be mortgaged or the property rights to it must not be restricted in any other way, except in the case provided for in the subclause 36).

*Amended on 20 August 2020 by the Decree No. DR-20-2-2020-35.*

* 1. If the Applicant (Partner) owns the building or the land plot where works of construction are planned under the right other than the right of ownership, a copy of an agreement on the management/ use of this property and/or a written consent of the owner of the property to conduct project activities (where such a consent has not been expressed in the agreement on the transfer of assets for management/ use) shall be provided. A property management agreement and/or a written consent of the owner of the property to conduct project activities (if such consent is not expressed in the agreement on the management/ use of the property) shall be concluded for a period of time of 5 years at the least, calculating from the end of financing of project activities, and shall be registered in the Real Property Register of the Republic of Lithuania.
  2. If the building, where construction works are planned, has co-owners, a copy of the building co-owner’s consent to conduct works of construction shall be provided.
  3. A copy of the project of design works prepared and approved in accordance with the procedure laid down in the Heritage maintenance regulation PTR 3.06.01: 2014 “Rules for the Preparation of Projects of Cultural Heritage Maintenance Works” approved by the order No ĮV-329 of the Minister of Culture of the Republic of Lithuanian on 4 June 2007 “Regarding approval of the Heritage maintenance regulation PTR 3.06.01: 2014 “Rules for the Preparation of Projects of Cultural Heritage Maintenance Works” (hereinafter - Heritage maintenance regulation PTR 3.06.01: 2014 “Rules for the Preparation of Projects of Cultural Heritage Maintenance Works”) or of a static project, a composite part whereof a maintenance works project is, prepared and approved in accordance with the procedure laid down in the Heritage maintenance regulation PTR 3.06.01: 2014 “Rules for the Preparation of Projects of Cultural Heritage Maintenance Works” and the Technical Construction Regulation STR 1.04.04: 2017 “Building Design. Expert Examination of a Design”, approved by the order No. D1-738 of the Minister of Environment of the Republic of Lithuania on 7 November 2016 „Regarding approval of the Technical Construction Regulation STR 1.04.04: 2017 “Building Design. Expert Examination of a Design”. An electronic version of a building design of a full composition shall be provided (in PDF or another format, which can be viewed using Microsoft Office software).
  4. A copy of a permit to conduct works of maintenance of a cultural heritage object or a cultural heritage building issued in accordance with the procedure established by the Regulation on Heritage Maintenance PTR 3.04.01:2014 “Rules for Issuing Permits to Conduct Maintenance Works”.
  5. A copy of a construction permit issued in accordance with the procedure prescribed by the Technical Construction Regulation STR 1.05.01: 2017 “Building Permits. Completion of Construction. Suspension of Construction. Removing Consequences of Arbitrary Construction. Removing Consequences of Construction under an Unlawfully Issued Construction Permit”, and in cases where the plan is to conduct maintenance construction works in a cultural heritage object. Its submission shall be mandatory, if a permit to conduct maintenance construction works is mandatory.
  6. Where documents specified in clauses 66.1. – 66.6. thereof have been prepared/ issued according to earlier versions of the specified legal acts, such documents shall be considered acceptable, if they are valid at the time of the implementation of the project.

1. The Applicant shall also present the following under **the second funding strand** (for projects adapting sites not included in the Register of Cultural Property for cultural purposes):
   1. Copies of documents certifying the Applicant’s right of ownership to the land plot and/or the building, or another right of management or use of real estate (where applicable) (the property must not be mortgaged or the property rights to it must not be restricted in any other way, except in the case provided for in the subclause 36).

*Amended on 20 August 2020 by the Decree No. DR-20-2-2020-35.*

* 1. If the Applicant (Partner) owns the building or the land plot where works of construction are planned under the right other than the right of ownership, a copy of an agreement on the management/ use of this property and/or a written consent of the owner of the property to conduct project activities (where such a consent has not been expressed in the agreement on the transfer of assets for management/ use) shall be provided. A property management agreement shall be concluded for a period of time of 5 years at the least, calculating from the end of financing of project activities and shall be registered in the Real Property Register of the Republic of Lithuania.
  2. If the building, where construction works are planned, has co-owners, a copy of the building co-owner’s consent to carry out works of construction shall be provided.
  3. If a project provides for construction works, and preparing a building design is mandatory, but it has not yet been prepared and approved, a copy of an approval task of a building design shall be submitted. If preparing a building design is not mandatory, key technical specification of planned works of construction shall be presented instead of a building design task.
  4. If a project provides for construction works, and preparing a building design is mandatory, but it has not yet been prepared and approved, documents necessary for the design of construction works shall be presented:
     1. Special requirements of maintenance and protection of the protected territory, which are applicable in respect of the building being designed, the land plot or the territory in the area of conservative protection priority or the complex protected territory (if applicable);
     2. Special architectural requirements;
     3. Conditions of connection to engineering networks or communications.
  5. If a project provides for construction works, and a building design has not yet been prepared or approved, or preparing a building design is not mandatory, drawings of the premises planned to be maintained and/or indicative plans / drawings / diagrams of the environment planned to be maintained, and indicative data sheets on the quantities of works, specifying indicative prices of the works planned to be carried out, or documents setting out indicative quantities and prices of construction works shall be presented.
  6. If a project provides for construction works, and a building design has been prepared, a copy of a design documentation prepared and approved in accordance with the procedure established by Technical Construction Regulation STR 1.04.04: 2017 “Building Design. Expert Examination of a Design” shall be presented. An electronic version of a building design of a full composition shall be provided (in PDF or another format, which can be viewed using Microsoft Office software).
  7. If a design documentation has been prepared and a construction permit issued in accordance with the procedure laid down by the Technical Construction Regulation STR 1.05.01: 2017 “Building Permits. Completion of Construction. Suspension of Construction. Removing Consequences of Arbitrary Construction. Removing Consequences of Construction under an unlawfully issued Construction Permit” has been obtained, a copy of a construction permit shall be presented along.
  8. Where documents specified in clauses 67.1. – 67.2. hereof have been prepared/ issued according to earlier versions of the specified legal acts, such documents shall be considered acceptable, if they are valid at the time of the implementation of the project.

1. The CPMA shall arrange the evaluation of applications in observance of the provisions of Chapter XVII of the MAFR. The evaluation shall be done by evaluators completing evaluation tables presented in Annexes 3, 4 and 6 to the Guidelines.
2. At the time of the evaluation of applications, the CPMA may ask the Applicant to submit the missing information and/ or documents. The Applicant shall submit this information and/or documents within the deadline set by the CPMA, which should be at least 3 business days. The CPMA and the Applicant shall correspond via the DMS in the course of the evaluation.
3. At least two independent experts shall conduct a benefit and quality evaluation. Applications shall be evaluated in scores in accordance with priority project selection criteria, which may not be changed in the course of the evaluation of projects. The maximum possible score according to each criterion is indicated in Annex 6 to the Guidelines. The maximum score, which may be given according to all criteria of evaluation of the project’s benefit and quality, shall be 100. 60 shall be the minimum mandatory score for projects under this call. After selecting the two applications with the highest scores from both strands (two from strand 1 and two from strand 2), all further project applications will be selected in decreasing order of total score awarded, starting from the highest, regardless of the strand for which the application was submitted. Where projects receive the same score, and the amount is not sufficient to finance all projects, priority shall be given to projects which score higher on the first priority selection criterion and, where projects are scored equally on this priority criterion, priority shall be given to projects which score higher on the next consecutive priority criterion. If all priority projects are evaluated in the same way and the amount of the call for proposals is insufficient to finance all of them, they shall be arranged in sequence according to the time of receipt of an application via DMS (entering the application received the earliest first). Where the evaluation score of two evaluators differs by more than 30 percent, which is calculated comparing the difference between scores of two evaluators to a higher score, then the CPMA shall appoint the third independent evaluator. In such a case, the project shall be given a score of an average of two scores that came the closest.
4. In case of a two-stage call, evaluation may last for 5 months.
5. The evaluation term may be extended by a decision of the CPMA, if:
   1. Many more project concepts than normally were received during the two-staged call (more than 150 concepts).
   2. During the evaluation of applications, Financial Mechanism Office, Programme Partner, Coordinating Authority or other related authorities were addressed for interpretation of certain evaluation provisions. In such a case, the evaluation term shall be extended for the period of time, which passed from the referral date till the day when a response was received.
6. The CPMA shall make a decision on project financing for projects, which are approved by the project selection committee and are in line with the eligibility and administrative criteria.
7. Applications shall be rejected if it is determined that:
   1. The application does not meet at least one general or special project compliance criterion (eligibility) laid down in Annex 4 to the Guidelines;
   2. The Application does not meet at least one administrative compliance criterion indicated in Annex 3 to the Guidelines;
   3. The Applicant submitted misleading information in its application, or the Applicant or persons related to the application (the project planned for implementation) seek to receive information, which the CPMA considers to be confidential, or to unlawfully exert influence on evaluation results or evaluators;
   4. The project scores less than 60 in the evaluation of benefit and quality.
8. The CPMA shall conclude a bilateral project contract with the Applicant whose project has been selected for financing from mechanism and co-financing funds. A project contract shall comprise general conditions and special conditions. General conditions are approved by the Decree No. 2019/20-3-1 of the Deputy Director of the CPMA of 1 July 2019 “Regarding approval of the General conditions of the 2014-2021 European Economic Area financial mechanism or 2014-2021 Norwegian mechanism project contract”. Special conditions are laid down in the Annexe 10 to the Guidelines.
9. If the Applicant refuses or fails to sign a project agreement within the deadline set by the CPMA or fails to fulfil the conditions that must be fulfilled before concluding a project agreement within the set period of time (fails to fulfil a reservation or submit information and documents proving the fulfilment of the reservation), the Applicant will be deemed to have refused the Agreement.
10. The project contract shall be concluded, modified and terminated in accordance with the provisions of Chapter XVIII of the MAFR.
11. The Project shall provide for monitoring indicators related to the continuity of the project, which shall be included in Section 5 of the application, the values of which shall be ensured or achieved during the project continuity period, i.e. 5 years after the end of the project. The Applicant itself shall plan for the project continuity indicators in its application, taking into account the purpose, activities of the project and the expected project results (e.g. involvement of audience, local identity development, cultural education, cultural entrepreneurship, public welfare). Continuity indicators may be adjusted during the project evaluation period, having agreed thereon with the Applicant.
12. **Final provisions**
13. The Applicant may appeal CPMA’s decisions in accordance with the procedure laid down in clause 429 of the MAFR.
14. Annexes to the Guidelines:
    1. Typical Project Concept Form (to be completed via DMS online), Annex 1;
    2. Typical Project Application Form (to be completed via DMS online), Annex 2;
    3. Administrative Compliance Criteria and their Evaluation Methodology, Annex 3;
    4. Eligibility Evaluation Methodology, Annex 4;
    5. Concept Evaluation Methodology, Annex 5;
    6. Benefit and Quality Evaluation Methodology, Annex 6;
    7. Methodology for Calculating Monitoring Indicators, Annex 7;
    8. Checklist of the Presence or Absence of State Aid, Annex 8;
    9. Calculation of the Price Necessary for Project Procurement. Market Research Summary, Annex 9;
    10. Draft Special Conditions of the Project Contract, Annex 10.

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1. <https://kvr.kpd.lt/#/static-heritage-search> [↑](#footnote-ref-2)