

Selection Regulation of the project application for the Norwegian Financial Mechanism's 2014-2021 Programme "Business Development, Innovation and SMEs" open call "Application of green industry innovation and ICT products and technologies"

Name of the Programme	Norwegian Financial Mechanism 2014-2021 Programme "Business Development, Innovation and SME's" (LV-INNOVATION)
The Programme Operator	Investment and Development Agency of Latvia Perses street 2, Riga, LV-1442 Phone: +371 67039465 E-mail: pasts@liaa.gov.lv ; nor.projekti@liaa.gov.lv
The Donor Programme Partner	Innovation Norway Pb. 448 Sentrum, Akersgata 13, 0104 Oslo E-mail: eeanorwaygrants@innovationnorway.no
Programmes activity	The open call "Application of green industry innovation and ICT products and technologies"
Rules governing the implementation of the open call	<ol style="list-style-type: none"> 1. Memorandum of Understanding on the implementation of the Norwegian Financial Instrument for the period 2014-2021 between the Kingdom of Norway and the Republic of Latvia¹; 2. Regulation on the implementation of the Norwegian financial instrument for the period 2014-2021, adopted on 22 September 2016 by the Ministry of Foreign Affairs of Norway under Article 10, Section 5 of the Agreement between the Kingdom of Norway and the European Union on the Norwegian financial instrument for 2014-2021 in² 2016; 3. Guidelines adopted by the donor country are published on the Norwegian Financial Mechanisms website www.norwaygrants.lv ³; 4. Regulation (EU) No 651/2014 of the European Commission of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty (hereinafter - Commission Regulation No 651/2014); 5. Regulation (EU) No 1407/2013 of the European Commission of 18 December 2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to <i>de minimis</i> aid (hereinafter - Commission Regulation No 1407/2013); 6. Law on the Management of the European Economic Area (hereinafter – EEA) Financial Mechanism and the

¹ https://eeagrants.lv/wp-content/uploads/2020/05/MoU_NOR_2014-2021_ENG.pdf

² <https://eeagrants.org/sites/default/files/resources/NO%2BFM%2BRegulation%2BFinal%2B23%2B09%2B2016.pdf>

³ <https://eeagrants.lv/en/about-grants/legal-framework/donorstates-guidelines-2/guidelines/>

	<p>Norwegian Financial Mechanism for the Period 2014-2021 (hereinafter – Law)⁴;</p> <p>7. The Law on International and National Sanctions of the Republic of Latvia⁵.</p> <p>8. Cabinet Regulation No. 683 of 13 November 2018, Regulations for the Management of the European Economic Area Financial Instrument and the Norwegian Financial Instrument for the 2014-2021 period (hereinafter – Regulation of the Management)⁶;</p> <p>9. Cabinet Regulation No.4 of 7 January 2021, Regulation on the implementation of the Norwegian Financial Mechanism’s 2014-2021 Programme “Business Development, Innovation and SME’s” (hereinafter – Cabinet Regulation)⁷</p>
Total available funding for the open call	Total available funding is EUR 8 495 389.00 , including financing of the Norwegian Financial Mechanism – EUR 7,221,080.65 and State funding – EUR 1,274,308.35
Available funding for green innovation areas according to sub-paragraph 7.1. of the Cabinet Regulation	EUR 5,847,694.50 , of which Norwegian Financial Mechanism co-financing EUR 4,950,540.32 and State budget co-financing of EUR 877,154.18
Available funding for ICT areas according to sub-paragraph 7.2. of the Cabinet Regulation	EUR 2,647,694.50 , of which: Norwegian Financial Mechanism co-financing EUR 2,250,540.32 and State budget co-financing EUR 397,154.18
Objective of the open call	Increased competitiveness for Latvian enterprises within the focus areas green industry innovation and ICT.
Maximum aid intensity of the Norwegian Financial Mechanism	For micro and small-sized enterprises – 55% of the eligible costs For medium-sized enterprises – 45% of the eligible costs
Available Programme funding per project	From EUR 200,000 to EUR 600,000

⁴ <https://likumi.lv/ta/en/en/id/298840-law-on-the-management-of-the-european-economic-area-financial-mechanism-and-the-norwegian-financial-mechanism-for-the-period-2014-2021>

⁵ <https://likumi.lv/ta/en/en/id/280278-law-on-international-sanctions-and-national-sanctions-of-the-republic-of-latvia>

⁶ <https://likumi.lv/ta/id/303045-eiropas-ekonomikas-zonas-finansu-instrumenta-un-norvegijas-finansu-instrumenta-2014-2021-gada-perioda-vadibas-noteikumija>

⁷ <https://likumi.lv/ta/id/320174-norvegijas-finansu-instrumenta-2014-2021-gada-perioda-programmas-uznemejdarbibas-attistiba-inovacijas-un-mazie-un-videjie>

Duration of the project implementation	Project shall be implemented within two years from the date of commencement of the eligibility of the project expenditure specified in the project contract, but not later than 30 th April 2024.	
Project partner	Project partner may be any public or private entity, a commercial or non-commercial and non-governmental organisation registered as a legal person in the Kingdom of Norway or the Republic of Latvia.	
Type of implementation of project application selection	Calls for proposals of the open call	
Time for the submission of the project application	From 14 April 2021	Till 23:59 30 st June 2021

I. The open call outcome and outputs

Outcome/ outputs	Indicators ⁸	Target Value for the programme as a whole
Increased competitiveness ⁹ for Latvian enterprises within the focus areas – green industry innovation, ICT and welfare technologies (1. outcome of the Programme in the framework of the open call)	Number of jobs created ¹⁰	50
	Estimated annual growth in turnover	10%
	Estimated annual growth in net operational profit ¹¹	5%
	Estimated annual CO2 emissions reductions (tons)	2000
	Estimated annual decrease of energy consumption (MWh)	1500
	Number of new green innovation and ICT products or technologies applied (new to the enterprises) ¹²	15
Enterprises supported to develop green products or technologies (1.1. output of the Programme in the framework of the open call)	Number of SMEs supported to apply green products and technologies	10
Enterprises supported to develop innovative ICT products or technologies	Number of SMEs supported to apply ICT products and technologies	5

⁸ Measure the results of enterprises supported by the open call

⁹ Competitiveness – the ability of enterprises to offer products and services at competitive prices that meet quality standards in local and global markets and ensure an enough return on resources used or consumed in their production.

¹⁰ Job – permanent, full-time and paid. For a job to be considered permanent, work must last for at least one year.

¹¹ The difference between production revenue and production expenditure.

¹² Introduced – the enterprise has used solutions/technology/products that has already been developed/available on the market and has adapted it to its needs. These types of projects may include the adaptation of the R&D components related to material, process, etc. to the needs of the project applicant enterprise.

(1.2. output of the Programme in the framework of the open call)		
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II. Requirements for the project promoter and project partner

1. In accordance with sub-paragraph 20.1 and 20.2 of the Cabinet Regulation, a legal person registered in the Commercial Register of the Republic of Latvia at the time of granting the aid complies with the status of a small (micro), small or medium-sized enterprise in accordance with Annex I to the European Commission Regulation No. 651/2014 of 17 June 2014 may apply for the receipt of co-financing of the open call (hereinafter – the call).
2. The project promoter does not comply with the status of an undertaking in difficulty and was not subject to a recovery order in compliance with Paragraph 22 of the Cabinet Regulation.
3. According to sub-paragraph 20.3 of the Cabinet Regulation, insolvency proceedings have not been declared for the project promoter and the project partner by a court judgment, the legal protection proceeding is not implemented by a court judgment, its economic activities have not been terminated.
4. In accordance with sub-paragraph 20.4 and paragraph 23. of the Cabinet Regulation, the project promoter and the project partner (if applicable) do not have any tax debts, which, in total, exceeds EUR 150 separately.
5. In accordance with sub-paragraph 20.5 and paragraph 23. of the Cabinet Regulation, a project promoter and a project partner (if applicable) by such a decision of a competent authority or a court judgment which has entered into effect and has become incontestable and unappealable, has not been found guilty of an offence in the form of employing one or several persons (up to five persons) who are not entitled to reside in the Republic of Latvia, has not been punished for the criminal offence referred to in Section 280 of the Criminal Law of the Republic of Latvia, and no coercive measures regarding the commitment of the criminal offence referred to herein have been applied to it.
6. The project promoter and partner does not have the sanctions laid down in Section 11.² of the Law on International Sanctions and National Sanctions of the Republic of Latvia imposed against it.
7. Additional requirements for the Project promoter, if it is applying for support provided in accordance with Commission Regulation no. 1407/2013 or Commission Regulation no. 651/2014 are specified in Chapter 1 and Chapter 2, sub-chapters 2.1 and 2.2 of the Cabinet Regulation.
8. The project partner may be any public or private entity, commercial or non-commercial and non-governmental organisation registered as a legal entity in the Kingdom of Norway or the Republic of Latvia, in compliance with Paragraphs 23 and 24 of the Cabinet Regulation. No state aid is provided to the project partner within the call. Reimbursement of the costs of partners will be made through invoicing the project promoter.

III. Eligible activities and costs

9. The activities to be supported by the project are specified in Paragraph 31 of the Cabinet Regulation. Within the call, the implementation of the project may be started in accordance with Paragraph 58 of the Cabinet Regulation, observing the requirements of Paragraph 45 of the Cabinet Regulation.
10. The eligible costs of the project are specified in Paragraphs 32, 34, 35, 36 and 37 of the Cabinet Regulation, observing Paragraphs 13, 33, and 38 of the Cabinet Regulation accordingly.
11. Pursuant to Paragraph 59 of the Cabinet Regulation, the Project Promoter and the project partner shall purchase goods and services for the needs of the project in compliance with the procurement regulatory framework in an open, transparent and non-discriminatory manner.
12. After signing the contract on the implementation of the project with the Programme Operator, the project promoter may apply for an advance payment not exceeding 25% of the amount from the granted support. The project promoter may request an advance payment only for the supported activities provided in Paragraph 31.1 or Paragraph 31.2 of the Cabinet Regulation, taking into account Paragraph 63 of the Cabinet Regulation and the conditions specified in the project agreement.
13. When implementing a project, the project promoter submits to the Programme Operator an interim report and a final report of the project in accordance with the procedure and within the term specified in the project agreement, indicating detailed project expenses, including cost breakdown by periods.

IV. Preparation and submission of project applications

14. In order to apply for the call co-financing, the project promoter shall submit a project application to the Programme Operator in accordance with the procedures specified in this Regulation. Within the selection of project application, one project promoter may submit one project application. This condition also applies to the group of related persons of the project promoter.
15. The project application consists of a completed project application form in the Latvian language (Annex 1 to this Regulation) and the following additional documents, which shall also be submitted in the Latvian language unless otherwise specified in Sub-paragraph 15 of this Regulation:
 - 15.1. Acknowledgement of the Latvian partner (if applicable) (Annex 1 of the project application form);
 - 15.2. Acknowledgement of the donor state Project partner in English (if applicable) (Annex 2 of the project application form);
 - 15.3. Business plan in Latvian and English (Annex 2 to this Regulation “Recommended Content of the Business Plan”);
 - 15.4. A power of attorney, pursuant to which the signatory of the project application form has been granted the right to sign (applicable if the project application is signed by a person who is not an official of the project promoter authorized to sign in accordance with the regulatory enactments, being in force);

- 15.5. Printout of the forms for the information to be provided for the accounting and granting of *de minimis* support¹³ in accordance with the laws and regulations on *de minimis* support accounting and granting procedure, if the project application form does not specify the *de minimis* support form identification number established and approved in the *de minimis* accounting system (if applicable);
- 15.6. A completed declaration regarding the project promoter's compliance with the status of a small (micro) or medium-sized¹⁴ commercial company in accordance with regulatory enactments regarding the procedure according to which the commercial company declares its compliance with the status of a small (micro), small and medium-sized commercial company, at the same time specifying the information about all partner undertakings and related undertaking (if applicable);
- 15.7. Procurement procedure documentation, incl. regulation of the procurement procedure, technical specifications, offers submitted by suppliers, protocols, etc. (if applicable);
- 15.8. Market research documentation of potential suppliers (correspondence, screenshots from the websites of potential suppliers and/or service providers, etc.), if the documentation specified in sub-paragraph 16.7 of this Regulations, which contains at least the following information, is not submitted:
 - 15.8.1. the name of the supplier and/or service provider;
 - 15.8.2. address;
 - 15.8.3. model, name, identification code of standard equipment and/or standard components;
 - 15.8.4. purchase/delivery price/costs of standard equipment and/or standard components;
- 15.9. Project partnership documents - letter of intent or partnership agreement¹⁵ on the participation of the partner in the project (if applicable);
- 15.10. Financial report approved by the sworn auditor for the time period of 12 months until the last closed month, which on the day of submission of the project application shall not be older than one month (also applicable if the project promoter is a newly established merchant whose report has not yet been approved and/or is available in the database "Lursoft", or if there have been significant changes in the financial situation of the project promoter and its related companies (if applicable) versus the last closed annual report;
- 15.11. Consolidated annual report (applicable if the parent company or related undertakings are legal entities registered abroad, if the project promoter and related undertakings prepare the consolidated annual report);
- 15.12. The calculation of the energy auditor or industry expert regarding the reduction of the environmental impact achieved as a result of the project;

¹³ Iesniedz lejupielādētu veidlapu PDF formātā vai ieskenētu izdrukā. Informācija par *de minimis* veidlapas iesniegšanu un aizpildīšanu pieejama šeit: <https://liao2.tvp.gov.lv/lv/programmas/noderigi/de-minimis>

¹⁴ Deklarācija par projekta iesniedzēja atbilstību sīkā (mikro), mazā vai vidējā komercsabiedrības statusam pieejama šeit: <https://liao2.tvp.gov.lv/lv/programmas/noderigi/maza-vidēja-komersanta-statuss>

¹⁵ Partnerības līgumā jāietver vismaz Vadības MK noteikumu 12.punktā noteiktās prasības.

- 15.13. A resolution or a confirmation from the board of the project promoter regarding the provision of funding for the mail call project from own funds in accordance or a resolution from the board of a credit institution, credit committee or other competent institution or official regarding granting of a loan for project implementation (recommended);
- 15.14. Other documents that explain the validity, usefulness, efficiency of the results of the activities planned in the project application (if applicable, for example, construction documentation, permits, documents substantiating sales, etc.), as well as to substantiate the compliance of the project application with the criteria for evaluation of the project application specified in Annex 3 or 4 to the Cabinet Regulation.

V. Procedure for project applications' preparation

16. The project application form and business plan shall be submitted in Latvian and English. Other additional documents specified in Paragraph 15 of this Regulation shall be submitted in Latvian, except for documents related to the donor state Programme partner and offers presented within the framework of the procurement, which may be submitted in English. If any of the additional documents of the project application are in another language (neither in Latvian nor English), the project promoter shall attach a translation into Latvian in accordance with the procedures specified in Cabinet Regulation No. 291 "Procedures for the Certification of Document Translations in the Official Language", adopted on 22 August 2000.
17. Annexes to the project application and additional attached documents shall be numbered sequentially, continuing the numbering of the mandatory annexes to the project application form. In addition to the mentioned documents, the project promoter may attach other documents that are considered necessary for the high-quality evaluation of the project application.
18. The project application shall be signed by the responsible person of the project promoter or his/her authorized person. The signatory rights of the person who signs the project application shall be corroborated in accordance with the regulations specified in regulatory enactments. If the project application is signed by an authorized person of the project promoter, a relevant document regarding the authorization issued to a specific person shall be attached.
19. In the project application, the amounts shall be indicated in euros up to 2 decimal places.

VI. Procedure for project applications' submission

20. The Programme Operator publishes call for proposals on the acceptance of project applications in the official gazette *Latvijas Vēstnesis*, on the Program Operator's website: www.liaa.gov.lv and on the unified financial mechanisms website www.norwaygrants.lv in Latvian and English. No later than on the day of announcement, this Regulation in Latvian and English, and the methodology for filling the project application form in Latvian shall be posted on the Program Operator's website www.liaa.gov.lv and the unified financial mechanisms website www.norwaygrants.lv.

21. The submission of project applications shall be announced once for all co-financing available for the call, organizing one selection round for proposals. If, during the first selection round, project contracts are not concluded for all available co-financing, the next round of proposals shall be organized for the remaining co-financing.
22. A project application shall be submitted:
 - 22.1. in electronic form, signed with a secure electronic signature, in accordance with regulatory enactments regarding the circulation and execution of electronic documents, by sending to the Programme Operator's e-mail address pasts@liaa.gov.lv or
 - 22.2. in paper form by sending via registered mail to the registered office of the Programme Operator: Pērses iela 2, Rīga, LV-1442. The project application shall be submitted in 1 copy (original).
23. When submitting a project application in paper form in accordance with sub-paragraph 22.2 of this Regulation, the project promoter shall, within two days from the moment of submission, send the electronic version of the project application to the e-mail: nor.projekti@liaa.gov.lv.
24. The Programme Operator shall assign a project registration number in the record keeping system for each received project application, which shall be retained throughout the project implementation.
25. The project application shall be submitted by the final deadline for submission of project applications specified in this Regulation.
26. If the project application is submitted by electronic mail or using special online forms managed by the institution, the time when it is sent shall be considered as the moment of its submission. When sending a project application to the Programme Operator's e-mail address: pasts@liaa.gov.lv, the following requirements shall be observed:
 - 26.1. the project application form and attachments shall be designed so that they can be opened with standard office software applications (such as Microsoft Office or Open Office applications, Adobe reader, etc.);
 - 26.2. the maximum amount of e-mail data with attachments shall be 50 MB. If the amount of data in the e-mail message and the attached file containing the project application and its attachments exceeds the maximum allowable amount, individual attachments to the project application may be sent in an additional e-mail in accordance with the procedures specified in Sub-paragraph 22.1 of this Regulation.
27. If the project application is sent by post, the date and time of submission are counted as the day and time of dispatch, as indicated by the postal stamp.
28. If the project application is submitted after the deadline for submission of project applications, it shall not be evaluated, and the Programme Operator shall refuse to accept it and inform the project promoter on that.
29. The project application after its submission until the decision on the approval, conditional approval or rejection of the project application cannot be specified. The project promoter or Programme Operator may specify the information of the project application that is not up to date and does not change substantially the project application only after the decision on the approval or decision on the fulfilment of conditions of the project application is

made. This specification can be made before concluding the project agreement, observing the term set in Paragraphs 13 and 14 of the Regulation of the Management.

VII. Procedure for evaluation of project application

30. For the evaluation of project applications, the Programme Operator shall establish and approve a project application selection committee (hereinafter - the Selection Committee) by an order.
31. The Selection Commission shall operate in accordance with the Regulation of the Selection Committee for Projects and Project Applications of the Norwegian Financial Mechanism's 2014 - 2021 Programme "Business Development, Innovation and SME's" (hereinafter - the Regulation of the Selection Committee).
32. The Selection Committee shall evaluate the compliance of the project application with the project application assessment criteria included in Annex 3 or Annex 4 to the Cabinet Regulations in accordance with the regulatory enactments of the Republic of Latvia and Norwegian Financial Mechanism, and the project application evaluation criteria developed by the Programme Operator (Annex 3 to the Selection Regulation).
33. If the project application fails to comply with non-specifiable eligibility assessment criteria, then the evaluation of the project application on the compliance with the other assessment criteria shall not be continued. The project application shall be rejected.
34. If the project application complies with non-specifiable eligibility assessment criteria, the project application shall be submitted for evaluation to two independent external experts (hereinafter - experts), who shall assess the project application in accordance with evaluation quality criterion depending on the areas in which the project application will be submitted. If the assessment of the previously mentioned experts differs by 30% and more, then the project application shall be transferred to the third expert for evaluation.
35. If, when evaluating the compliance of the project application with the evaluation quality criterion, the project application is not awarded the minimum number of points for at least one of the criteria, the project application shall be rejected.
36. If the project application is submitted in cooperation with the project partner, the partner's compliance shall be first assessed against non-specifiable criterion. If it is found that the project partner fails to comply with any of the non-specifiable criterion or the information is not sufficient in order to assess the compliance of a criterion, compliance of the project partner with the evaluation criteria shall not be continued, and its participation in the project is not confirmed.
37. If for the assessment of the specifiable administrative and eligibility criteria misses any information, the project application shall be approved on condition.
38. The Selection Committee gives its opinion on the approval, approval on condition or rejection of the project application.
39. According to the opinion/ opinions of the Selection Committee, the Programme Operator shall draw up the selection list, starting with the project application that has received the highest number of points.
40. In cases where project applications have received the same number of points, then according to the criteria for awarding the funding:

- 40.1. preference is given to the project application that has obtained a higher number of points for the quality criterion No.6;
- 40.2. in the case that the same number of points is obtained in quality criterion No.6, the number of points obtained in quality criterion No.2 is compared, giving preference to the project application that has obtained the highest number of points.
- 40.3. in the case that the same number of points is obtained in quality criterion No.2, the assessment in quality criterion No.7 is compared, giving preference to the project application that has obtained the highest number of points.
- 40.4. if the same number of points is obtained in quality criterion No.7, the assessment in quality criterion No.3 in the Green Industry Innovation area is compared, but the assessment in quality criteria No.8 in the ICT industry area is compared, giving preference to the project application that plans to achieve a greater reduction of environmental impact in tonnes of CO₂ during the implementation of the call project.
41. If in accordance with Paragraphs 39 and 40, the project application is included in the selection list, but no financing is available, the project application shall be rejected due to insufficient financing, and it shall retain its place in the selection list (hereinafter - reserve project application list).
42. If the project application is to be approved on condition(s), the Programme Operator shall indicate in the decision on conditional approval of the project application the actions and deadline specified for the fulfilment of the conditions. The project applicant shall perform only the activities specified in the decision regarding the conditional approval of the project application without changing the essence of the project application.
43. Upon receipt of the specified project application, the Programme Operator evaluates the clarifications made in the project application in accordance with the eligibility criteria, for the fulfilment of which the decision on conditional approval of the project application had set conditions, as well as re-evaluates the compliance of the project application with the sanction evaluation criterion, criterion for evaluation of the status of the merchant in difficulty and tax criteria.

VIII. Decision-making on approval, approval on condition or rejection of the project application and notification procedure

44. Based on the opinion of the Selection Committee, the Programme Operator shall issue an administrative act (hereinafter - decision) on:
 - 44.1. approval of the project application;
 - 44.2. approval of the project application on condition;
 - 44.3. rejection of the project application.
45. The Programme Operator shall make a decision regarding the approval, approval on condition or rejection of the project application within four months after the final deadline for submission of project applications.
46. The Programme Operator shall make a decision regarding the approval of the project application if the Selection Committee has provided an opinion on its approval, namely, the project application complies with all the evaluation criteria of Annexes 3 and 4 to the Cabinet Regulation, and funding is available for it.

47. If the Programme Operator has approved the project application on condition in compliance with Paragraph 37 of this Regulation, the Programme Operator shall provide an opinion on the fulfilment or non-fulfilment of the conditions in accordance with Paragraph 48 or 49 of this Regulation within one month from the date of submission of the specified project application.
48. If the additional information specified in the decision on approval on condition of the project application is not submitted within the specified time period or any of the conditions specified in the decision are not fulfilled, the project application shall be deemed to have been rejected.
49. If the additional information specified in the decision on approval on condition of the project application is submitted within the specified time period or all of the conditions specified in the decision are fulfilled, the Programme Operator shall issue an opinion on fulfilment of the conditions specified in the decision.
50. The Programme Operator shall make a decision regarding the rejection of the project application in accordance with the opinion of the Selection Committee in the cases specified in Paragraphs 33, 35 and 41.
51. If any of the supported project applicants do not fulfil the condition and/or withdraws their project application or does not sign the project contract, the Programme Operator shall select the project application that has obtained the highest number of points from the reserve project application list.
52. If the project application fails to meet the non-specifiable eligibility criterion or fails to receive the minimum number of points for the evaluation quality criteria, the Programme Operator may decide to reject the project application after receiving the relevant opinion from the Selection Committee without waiting for closure of the evaluation process.
53. The decision on the approval of the project application or the opinion on the fulfilment of the conditions shall include information on the procedure for concluding the contract and the fulfilment of the conditions that must be performed in order to be able to conclude the contract and receive support. The decision and opinion of the Programme Operator regarding the fulfilment/non-fulfilment of the condition included in the decision may be contested by submitting a relevant application to the Director General of the Latvian Investment and Development Agency (hereinafter - the Director General). The decision taken by the Director General regarding the contested decision of the Programme Operator may be appealed by submitting an application to the relevant court building of the Administrative District Court.

IX. Entry into the project contract

54. The wording of the project contract (Annex 4 to this Regulation “Draft project contract”) during the process of entry into the contract may be specified in accordance with the approved project application.
55. The project contract shall be concluded within the time period specified in Paragraphs 13 and 14 of the Cabinet Regulation. Before entry into the project contract, the Programme Operator shall check whether sanctions have been applied to the project promoter and project partners in accordance with the Law on International Sanctions and National Sanctions of the Republic of Latvia.

X. More information

56. Please, send questions about the preparation and submission of a project application to the e-mail address jautajumi@liaa.gov.lv or turn to the Program Operator's customer service centre by calling to the phone number +371 67039499 or the staff of the Norwegian Financial Mechanism Department by calling to the phone number +371 67039465. The project applicant shall submit questions regarding selecting specific project applications no later than five working days before the final deadline for submission of project applications.
57. If the project applicant has requested in writing to answer the question regarding the preparation and submission of the project application, the Programme Operator shall provide the answer within five working days from the date of receipt of the question, but not later than within two working days prior to the deadline for the submission of the project application, sending it in the electronic mail to the address specified by the enterprise.
58. Information on the approved project applications is published on the Norwegian Financial Mechanism's uniform website in the project applicant section <https://norwaygrants.lv/projekti/>.
59. In case of suspicions on misappropriation of financial mechanism, conflict of interest or corruption during the implementation of Norwegian Financial Mechanism, the Financial Mechanism Office, the National Focal Point or any other authority responsible for the successful implementation of Norwegian Financial Mechanism must be reported. Complaints can be submitted in person, by post and electronically. For more details on the reporting institutions, see the financial mechanism website <https://eeagrants.lv/en/report-irregularities/>.

Attachments:

Annex 1	Project application form and its annexes;
Annex 2	Recommended content of the business plan;
Annex 3	Methodology for evaluating the criteria for Green Innovation and ICT industry areas;
Annex 4	Draft project contract

Aligned with letter No. 5.1-21/16/63 of the Ministry of Finance as the National Focal Point on 9 February 2021.

Approved by the order N^o.1.1-2/2021/25 of April 9, 2021 by Head of the Norwegian Financial Mechanism Department.

Head of the Norwegian Financial Mechanism Department

J.Ločmelis

Annex 1
Selection Regulation

PROJECT APPLICATION FORM
for the Norwegian Financial Mechanism's open call
“Application of green industry innovation and ICT products and technologies”

Areas of the open call project: <i>(select one option with “X”)</i>	<input type="checkbox"/> Green Industry Innovation <input type="checkbox"/> Information and communication technologies
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Title of the open call project:	
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Norwegian Financial Mechanism 2014-2021 Programme <i>(title of the programme)</i>	„Business Development, Innovation and SME's”
Project promoter:	
Registration number:	
Legal address:	<i>Street and house number:</i>
	<i>City, municipality:</i>
	<i>Country:</i>
	<i>Postal code:</i>
Actual address: <i>(fill it out, if the actual address is different from the legal address)</i>	<i>Street and house number:</i>
	<i>City, municipality:</i>
	<i>Country:</i>
	<i>Postal code:</i>
Homepage (if any) where project information will be inserted in case of approval	
Responsible person:	<i>First and last name:</i>
	<i>Work positions:</i>
	<i>Phone nr.:</i>

	<i>E-mail:</i>
Contact person: (Fill it out, if the contact person is different from the responsible person)	<i>First and last name:</i>
	<i>Work positions:</i>
	<i>Phone nr.:</i>
	<i>E-mail:</i>
Consultants involved in the preparation of the project application (more than one can be indicated by creating additional columns)	First and last name
	Name of the company represented (if applicable)
	Phone nr.
	E-mail
Category of enterprise: (select one option with "X")	<input type="checkbox"/> Company that conforms to the status of micro or small sized enterprise
	<input type="checkbox"/> Company that conforms to the status of medium-sized enterprise
Identification number of the completed and approved <i>de minimis</i> form in the State aid (<i>de minimis</i>) accounting system (if applicable)	
Communication with the project promoter*: * By selecting "X" one of the types of communication, the project promoter agrees to receive documents and official communication related to the project via e-mail or the correspondence address specified previously.	<input type="checkbox"/> Project promoter agrees to the communication only electronically via the e-mail address indicated in the project application form. Documents must be electronically signed with a secure electronic signature.
	<input type="checkbox"/> Project promoter agrees to the communication only via post office. All types of documentation shall be sent by post office in a registered letter to the designated legal or actual address of the project promoter (<i>underline the necessary address</i>)
	<input type="checkbox"/> Project promoter agrees to receive dossier signed with a secure electronic signature to the e-mail address indicated in the project application from LIAA, however, communication may be organized by post office from the merchants' side.
Filled in by the Programme Operator	
Project registration number:	
Date of the project submission:	

1. SECTION – DESCRIPTION OF THE PROJECT

1.1. Project summary: objective of the project, main activities, duration, total project expenditures and expected results (the referred information will be made available to the public in accordance with the procedures and amount specified in the Law on Disclosure of Information once the decision regarding approval of an application for the open call has entered into force) (up to 1000 words)

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1.2. Implementation place of the project (must specify one implementation place of the project)

In accordance with Paragraph 60 of the Cabinet Regulation No.4 of 7th January 2021 (hereinafter – Cabinet Regulation), the project promoter of the open call shall ensure that property, including land, in which initial tangible and intangible assets (investments) are made within the framework of the project, is owned by the project promoter or the project promoter has a rental or building right registered in the Land Register for the whole project implementation period and period of the project post-monitoring.

Implementation place of the project:	
Projects implementation address*	
<u>City</u>	
<u>County city</u>	
<u>Street and number</u>	
<u>Postal code</u>	
<u>Cadastre number or designation</u>	
<u>Description of the project implementation site</u>	

* The address of the actual project implementation site must be provided. If more than one of the implementation sites is planned, and additional table/s shall be included.

1.3. Project promoter's main activity and project implementation sector in accordance with the General Economic Activity Classification NACE

The project implementation sector is the sector benefiting from the initial investments identified in the project.

NB! – One sector of project implementation should be identified. NACE Rev.2. classification is available at homepage of Eurostat (<http://bit.ly/2Pwf5wB>)

<p>The main activity sector of the project promoter:</p> <p>NACE Rev.2. Class _____</p> <p>Title _____</p> <p>Project implementation sector:</p> <p>NACE Rev.2. Class _____</p> <p>Title _____</p>
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1.4. Objective and description of the project (up to 500 words). Provide detailed information in a business plan that is an integral part of the project application form.

2. SECTION – INFORMATION ON COMBINING THE PROJECT PROMOTER EXPENDITURE POSITIONS

2.1. Combining the project expenditures with other aid or individual aid project support mechanisms

Indicate the projects implemented and planned by the project promoter in which State, local government and/or European Union financing received or planned, the planned financing of other foreign financial assistance will be combined with the funding requested under this project, as well as the indication of other funds planned or received under State aid programmes or individual aid programmes, including “de minimis”, guarantees, loans or venture capital, which will be combined with the eligible costs specified by this project (if there are no such project, it is necessary to mark “-“ or to enter “none”).

According to Paragraph 44 of the Cabinet Regulation, cumulation is allowed only for eligible activities specified in subparagraphs 31.1 and 31.2 of the Cabinet Regulation, provided in accordance with Article 14 of Commission regulation No. 651/2014 and may be combined with other State aid for the same eligible costs, including de minimis aid provided in another State aid programme or individual aid project within the limits of the maximum aid intensity (45% or 55%) and subject to Paragraph 41 of the Cabinet Regulation, and within the limits of the maximum allowable aid intensity or aid amount specified in another aid programme or individual aid project.

Aid granted for the open call activities referred to in sub-paragraphs 31.1 and 31.2 of the Cabinet Regulations may not be combined with regional aid within the framework of the same or other regional aid projects or programmes, as regards aid for the costs of expected wages. Any eligible costs exceeding the threshold laid down in Commission Regulation No.651/2014 shall be covered by the co-financing beneficiary from the fund not linked to any State aid, including de minimis aid.

If the project promoter does not intend to combine the financing, mark in all columns with “-”.

Aid provider				
Type of aid				
Date of granting of aid				
Project name and number (if assigned)				
No.	Combined eligible expenditure position	Total eligible expenditure (euro)	Amount of funding allocated/planned under another aid programme or individual aid programme (euro)	Aid intensity provided in %, consisting of State, local government or European Union aid, aid from other region financial assistance funds (of the total financing indicated in column 4).
1.	2.	3.	4.	5.

3. SECTION – PROJECT PARTNER INFORMATION

NB: Cooperation with a project partner is optional criterion and provides extra points in evaluation process.

3.1. Information on the project implementation in cooperation with a project partner. If the project is implemented in cooperation with a project partner, it is mandatory to add Annex 1 “Acknowledgement of the Latvian partner” or Annex 2 “Acknowledgment of the Donor State Programme Partner”.

Mark the corresponding with “X” in the relevant field.

<input type="checkbox"/>	Project not implemented in cooperation with project partner
<input type="checkbox"/>	Project will be implemented in cooperation with donor country (Kingdom of Norway) partner
<input type="checkbox"/>	Project will be implemented in cooperation with partner from the Republic of Latvia

3.2. Information about the project partner (to be completed if the project is implemented in cooperation with the project partner)

Project partner name:	
Registration number:	
Registration number of the taxpayer person:	

Legal address:	Street and house nr.:
	City, municipality:
	Country:
	Postal code:
Responsible person:	Street and house nr.:
	City, municipality:
	Country:
	Postal code:
Homepage (if applicable)	

3.3. Planned cooperation with the project partner (up to 1000 words)

4. SECTION – PROJECT IMPLEMENTATION

4.1. Total planned duration of the project implementation:

The maximum deadline for project implementation pursuant to Paragraph 58 of the Cabinet Regulation shall be no longer than two years from the date of commencement of eligibility for project expenditure specified in the project contract and the implementation of the project may be commenced after the Programme Operator has taken a decision regarding the approval of the project application or the fulfilment of the conditions specified in the decision.

(in full months)

4.2. Project implementation time schedule

The schedule shall indicate all project activities in accordance with the action to be supported under Section 4.3 “Project activities and deliverables” of the project application form and mark the relevant quarters with “X” when the project activity is planned to be implemented.

Project activity number*	Name of the project activity	Timetable for project implementation (quarters)											
		2021.	2022.				2023.				2024.		
		IV	I	II	III	IV	I	II	III	IV	I	II	
1.													
2.													
2.1.													
...													

* The project activity number must correspond to the project activity number specified in section 4.3. “Project activities and deliverables” of the project application form.

4.3. Project activities and deliverables

No.	Project activity *	Description of the project activity	Result	Result in numeric terms	
				Number of	Measuring unit

* The project activity must correspond with the timetable for the implementation of the activities provided for in Section 4.2. All activities to be supported within the project that are planned after approval of the project application shall be indicated.

4.4. Capacity of project implementation

Administration capacity (up to 2000 signs)	
Financial capacity (up to 2000 signs)	
Implementation capacity (up to 2000 signs)	

4.5. Area of the project

Compliance of the project with the areas of support for the open call “**Application of green industry innovation and ICT products and technologies**”

The corresponding area of project implementation shall be marked with “X” in the relevant field, considering the submission of a project application in the area of green industry innovation or ICT.

No.	Field of the project	(X)
Green industry innovation areas		
1.	Energy storage and recovery	
2.	The creation of environmentally friendly and energy-efficient materials and products	
3.	Smart mobility and clean transport	
4.	Management of water resources	
5.	Reduction of air pollution	
6.	Waste management	
7.	Utilisation of surplus production processes	
8.	Prolonging the life cycle of products	
9.	Any other improvement related to green innovation, technology or processes which contributes to the modernisation and sustainability of production processes	
ICT areas		
10.	Solutions for automation, robots, including autonomous robots and sensors	
11.	Internet of Things, big data, cloud computing and next-generation mobile technologies	
12.	3D un 4D printing	
13.	Artificial intelligence and virtual reality	
14.	Any other improvement related to ICT products, technologies or processes that contributes to digitisation and sustainability.	

4.6. Explanation of the project impact on the environment (up to 2000 words)

*Mark the corresponding with “X” in the relevant field. Both may be marked if the project results in both reduction in energy consumption and reductions in greenhouse gas emissions. This section **MUST be filled in for green industry innovation projects**, as this is one of the criteria that must be met for approval of the project application. For ICT projects, this criterion is optional and provides additional points in the evaluation.*

When completing this section, an estimate of the project's environmental impact MUST be approved and submitted by the energy auditor or industry expert.

The project will result in a reduction in energy consumption (MWh/per year)

The project will result in a reduction in greenhouse gas emissions (CO₂ tons/per year)

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4.7. Deliverables of the environmental impact of the project (environmental indicators must be consistent with the information specified in Section 4.6.).

No	Indicator name	Before project implementation	After project implementation	Annual reduction of environmental impacts achieved by the project	Achieved reduction of the environmental impact of the project over 5-year period	Environmental impact reduction MWh or CO ₂ tons
1.	Reduction in energy consumption					
2.	Reduction of greenhouse gas emissions					

4.8. Impact of ICT area projects on the project promoter's production processes. This section MUST be filled in by the project promoter who submits a project application in the area of ICT.

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5. SECTION – INFORMATION AND COMMUNICATION ACTIVITIES

5.1. Types of information and communication activities that will be implemented to meet the project requirements for publicity

Complete the types of information and communication activities that will be implemented within the framework of the project. The types of information and communication measures that will not be taken shall marked with “-”.

Type of activity	Description of the activity	Implementation period	Number
Seminars/conferences/informational events (opening and closing events)			

<i>If the grant amount is more than EUR 500,000 then at least three information activities are required. If the grant amount is less than EUR 500 000, then can be organised 2 events.</i>			
Press releases			
Information on media			
Billboard <i>Billboard is mandatory if the total grant amount exceeds EUR 50,000 and the operation included the financing of physical object, infrastructure or of construction operations.</i>			
Information plate <i>No later than six months after completion of the project, the project promoter shall replace the billboard with a permanent commemorative plaque.</i>			
Photos, video, audio and visual materials			
Information on the homepage of the project promoter <i>Information on the project must be provided in Latvian and English at least once every 6 months</i>			
Other (please specify)			

5.2. Provide information on the communication plan

<p>Develop a communication plan in accordance with the information contained in Section 2.3.2. of Annex 3 “Information and Communication Requirements EEA and Norway Grants 2014-2021” of the Regulation on the implementation of the EEA and Norwegian Financial Mechanisms 2014-2021 (https://eeagrants.org/sites/default/files/resources/Annex_3_EEA-NO_Information_and_Communication_Requirements_0.pdf)</p>
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6. SECTION – IMPACT OF THE OPEN CALL PROJECT ON THE HORIZONTAL PRIORITY “EQUAL OPPORTUNITIES”

6.1. Impact on the horizontal priority “Equal Opportunities”. Select one of the options, mark the corresponding with “X” in the relevant field.

YES	<input type="checkbox"/>	The project will employ disadvantaged workers or disable workers, representing at least 15% of the total number employees employed in the project. “Disadvantaged worker” and “disabled worker” means a person who complies with Article 107 and 108 of Commission Regulation (EC) No.651/2014 of 17 th June 2014 declaring certain categories of aid compatible with internal market in application of Articles 107 and 108 of the Treaty (General Block Exemption Regulation), the definitions laid down in Article 2(3) and (4) of the Treaty.
NO	<input type="checkbox"/>	

Explanation:

YES	<input type="checkbox"/>	The project promoter has identified the social portrait of the project target group, including the distribution by gender, age and disability.
NO	<input type="checkbox"/>	

Explanation:

YES	<input type="checkbox"/>	The project provides for special measures considering the different needs of workers in relation to gender, age group and other potential risks of social exclusion.
NO	<input type="checkbox"/>	

Explanation:

6.2. Deliverables of the project, according to Paragraph 6.1.

No.	Indicator Name	Deliverable	Measuring unit	Notes

TOTAL:							
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** The minimum amount for support is EUR 200,000 and the maximum support is EUR 600,000. The requested grant must be indicated by two decimal places, rounding down. Grant shall be calculated from eligible costs without VAT, where VAT is recoverable from the State budget. However, if VAT is not recoverable from the State budget in conformity with the regulatory enactments in the field of tax policy, VAT shall be included in the eligible costs and the amount of co-financing shall be calculated from the eligible costs with VAT.*

*** Indicate the required co-financing intensity, up to a maximum of 55% for micro and small-sized enterprises, and 45% for medium-sized enterprises.*

***NB!** – The cost position No.2-5 in the table, are de minimis aid and that the total aid amount cannot exceed EUR 200,000.*

******* Provide a justification of the costs included in the project and the mechanism for determining and calculating the cost position. The justification must contain at least the following information:

- Justification for the necessity and selection of the service (*including selected equipment*), application and necessity to achieve the objective of the project,
- technical specification of equipment, performance indicators, connection capacity, raw material consumption and other indicators (may refer to the technical specifications attached), planned load of equipment and maximum production volumes,
- potential service providers and their price offers,
- possible alternative services or facilities.

7.2. Sources of project financing *

Identify the sources of financing that will ensure the implementation of the project. The total amount of project financing sources must be equal to the total cost of the project.

Sources of total cost financing of the project during the implementation of the project	Amount (euro)
7.2.1. Programme co-financing instruments, including	
7.2.1.1. amount of advance payment	
Project promoters' own resources (free from commercial support)	
7.2.3. Loan from a credit institution	
7.2.4. Other (specify other sources of financing)	
<i>Total (7.2.1.+7.2.2.+7.2.3+7.2.4..)</i>	

*The total amount of the project financing sources must be indicated not less than the total project costs specified in the Section 7.1.

If the loan from a credit institution is identified as a source of financing, please indicate at which bank the credit will be taken, as well indicate a contact person from the bank, which may provide more detailed information on the credit.

8. SECTION – PUBLISHING PROJECT INFORMATION

On the basis of Section 6, Paragraph 1 of the Trade Secret Protection Law, the Project promoter shall indicate in which section of the Project Application and the Business Plan, as well as in the documents to be submitted, the information provided shall be regarded as a commercial secret within the meaning of the Trade Secret Protection Law.

Information which, in accordance with Section 49.6 of the Cabinet Regulation No. 683 of 13 November 2018, Regulations for the Management of the European Economic Area Financial Instrument and the Norwegian Financial Instrument for the 2014-2021 period, other regulatory enactments and the Communication Plan of the Programme Operator shall be made public, shall be generally available information after a decision regarding the approval of the project application or the entry into force of an opinion on the fulfilment of the conditions contained in the decision and cannot be regarded as a commercial secret.

9. SECTION – PROJECT RESULTS AND MAINTENANCE

9.1. Results achieved in the project

Creating new jobs

Exports of the new product: This section is filled by green innovation and ICT project applicants who want additional points in the evaluation, ensuring exports of the new product as a result of the project. If you provide detailed information about exports in a business plan, you do not need to back up the information again, you can refer to the Business Plan section where that information is available.

9.2. Describe how to ensure that the results achieved in the project are maintained after the project has been completed (up to 500 words)

10. SECTION - LIST OF ATTACHED DOCUMENTS (MARK WITH "X" WHICH DOCUMENTS HAVE BEEN SUBMITTED)	
Project application form	
Business plan	
Additional documents	
Printout of the forms for the information to be provided for the accounting and granting of de minimis support in accordance with the laws and regulations on de minimis support accounting and granting procedure, if the project application form does not specify the de minimis support form identification number established and approved in the de minimis accounting system (if applicable);	
A completed declaration regarding the project promoter's compliance with the status of a small (micro) or medium-sized enterprise	
Financial report approved by the sworn auditor for the time period of 12 months until the last closed month, which on the day of submission of the project application shall not be older than one month (also applicable if the project promoter is a newly established merchant whose report has not yet been approved and/or is available in the database "Lursoft", or if there have been significant changes in the financial situation of the project promoter and its related companies (if applicable) versus the last closed annual report	
Consolidated annual report (applicable if the parent company or related undertakings are legal entities registered abroad, if the project promoter and related undertakings prepare the consolidated annual report)	
The calculation of the energy auditor or industry expert regarding the reduction of the environmental impact achieved as a result of the project	
A power of attorney, pursuant to which the signatory of the project application form has been granted the right to sign (if applicable)	
Project partnership documents (if applicable):	
letter of intent on the participation of the partner in the project	
partnership agreement on the participation of the partner in the project	
Acknowledgement of the Latvian partner (if applicable) (Annex 1 of the project application form);	
Acknowledgement of the Donor State Programme Partner in English (if applicable) (Annex 2 of the project application form);	
If the supply of equipment intended for the project is related to the works necessary for the installation of the equipment:	
Construction project based on a calculation of construction costs compiled by a certified manufacturer	
Minimum construction design	
Copies of documents certifying procurement procedures when procurement is carried out:	
Procurement documentation, including regulations, technical specifications, tenders submitted by suppliers, protocols, etc.	
Market survey documentation of potential suppliers (correspondence, screenshots from the home page of the potential supplier and/or service providers, etc.), if no procurement documentation is submitted	
Financial documents:	

A resolution or a confirmation from the board of the project promoter regarding provision of funding for the mail call project from own funds in accordance or a resolution from the board of a credit institution, credit committee or other competent institution or official regarding granting of a loan for project implementation (recommended);	
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11. SECTION - STATEMENTS OF THE PROJECT PROMOTER FOR THE OPEN CALL

I, the undersigned, the project promoter

_____ *name of the project promoter*

responsible official

_____ *first and last name*

_____ *title of office*

certify that at the time of submission of the project application

_____ :
dd/mm/yyyy

Eligibility of the project promoter:

11.1. the project promoter is a legal entity, registered in the Republic of Latvia as a enterprise and complying with the status of a micro, small or medium-sized enterprise in accordance with European Commission Regulation (EU) No. [651/2014](#) of 17 June 2014 declaring certain categories of aid compatible with the internal market in the application of Articles 107 and 108 of the Treaty (hereinafter - Commission Regulation No. [651/2014](#)), Annex I;

11.2. the project promoter does not conform to the status of an enterprise undertaking in difficulty in accordance with the definition of Article 2 (18) of the Commission Regulation 651/2014;

11.3. the project promoter, by such a decision of a competent authority or a court judgment which has entered into effect and has become incontestable and unappealable, has not been found guilty of an offence in the form of employing one or several persons (up to five persons) who are not entitled to reside in the Republic of Latvia, has not been punished for the criminal offence referred to in Section 280 of the Criminal Law of the Republic of Latvia, and no coercive measures regarding the commitment of the criminal offence referred to herein have been applied to it;

11.4. the project promoter does not have any debts of taxes or fees, including mandatory state social insurance contribution debts, which in total exceeds EUR 150;

11.5. the project promoter does not have the sanctions laid down in Section 11.² of the Law on International Sanctions and National Sanctions of the Republic of Latvia imposed on it;

11.6. the project promoter has not been declared insolvent by a court ruling, a legal protection process has not been set in motion by a court ruling, its economic activity has not been terminated;

11.7. the project promoter is not subject to an outstanding recovery order referred to in Article 1(4)(a) of Commission Regulation No. [651/2014](#);

11.8. the project promoter will contribute at least 25% of the eligible costs referred to in Sub-paragraphs 32.1, 32.2 and 32.3 of the Cabinet Regulations in accordance with Article 14 (14) of Commission Regulation No 651/2014, using its own resources or external financing, which have not been affiliated to any commercial support, including *de minimis* aid;

11.9. all initial investment projects implemented and planned by the project promoter (at the group level), which qualify as a single investment project in accordance with the provisions of Article 14(13) of Commission Regulation No. [651/2014](#) shall not exceed *EUR* 50 000 000;

11.10. the project promoter has not transferred the economic activity of the project sector to the place of business where the initial investment for which aid is requested will take place during the last two years prior to the application for support and undertakes not to do so for two years after the completion of the initial investment for which the support is requested in accordance with Article 14(16) of Commission Regulation No. [651/2014](#);

11.11. the aid received by the project promoter will not be used for activities related to exports to third countries or the Member States, namely, for aid directly related to the quantities exported, the establishment and operation of a distribution network or other current expenditure related to export activities (Article 1(2)(c) of Commission Regulation No. [651/2014](#));

11.12. the project promoter will not use the received aid to use local goods instead of imported goods (Article 1(2)(d) of Commission Regulation No. [651/2014](#));

11.13. the project promoter complies with the provisions of Article 2(29), (30), (49)(a) and Article 14(8)(a), (b), (c) and (d) of Commission Regulation No. [651/2014](#);

11.14. in the case of combined aid, the project promoter has complied with the conditions of the combination, i.e., combined aid is only allowed for the purposes of the activities to be supported, determined in Sub-Paragraphs 31.1 and 31.2 of the Cabinet Regulation, and may be combined with other state aid for the same eligible costs, including *de minimis* aid provided in another state aid programme or individual aid project, not exceeding the maximum aid intensity specified in the Cabinet Regulation and observing Paragraph 41 of the Cabinet Regulation, and not exceeding the maximum permissible aid intensity or amount of aid determined in another aid programme or individual aid project. The above-mentioned aid may not be combined with regional aid within the framework of the same or other regional aid projects or programmes, with regard to the estimated wage costs of the aid, and the requirements specified in Article 6(1) and (2) of Commission Regulation No. 651/2014 have been complied with. All eligible costs in excess of the maximum allowable intensity set by Commission Regulation No. 651/2014 shall be borne by the project promoter from funds other than any State aid, including *de minimis* support;

11.15. the project promoter is not a company that has received rescue aid and has not yet reimbursed the loan or terminated the guarantee, or a company that has received restructuring aid and is still subject to a restructuring plan, in accordance with the Communication from the Commission Guidelines on State aid for rescuing and restructuring non-financial undertakings in difficulty, Communication from the Commission Guidelines on State aid for rescuing and restructuring non-financial undertakings in difficulty or the Communication from the Commission on the application, from 1 August 2013, of State aid rules to support measures in favour of banks in the context of the financial crisis;

11.16. the project promoter does not comply with the features specified in Section 57 of the Insolvency Law in order to apply insolvency proceedings to it at the request of creditors, i.e.:

(a) when applying compulsory execution means it has not been possible to execute the court ruling regarding the recovery of debt from the debtor;

(b) the debtor - in the case of a LLC or JSC - has not settled the principal debt in the amount of *EUR* 4268, and the creditor has sent a warning regarding the intention to submit an application for insolvency proceedings of a legal person; or

(c) another legal person has not settled the principal debt in the amount of *EUR* 2134, and the creditor has sent a warning regarding the intention to submit an application for insolvency proceedings of a legal person;

(d) the debtor has not paid an employee the work remuneration in full, compensation for damages in connection with an accident at work or an occupational disease or has not made the mandatory social insurance payments within two months after the day specified for payment (unless the day of payment of work remuneration is specified in the employment contract, this day shall be considered to be the

first working day of the following month). The amount of the outstanding amount shall be irrelevant in this case;

11.17. the project promoter confirms that the eligible activities specified in the project application are not and will not be commenced and the eligible costs are not and will not have been incurred prior to the approval of the project application, taking Paragraph 58 of the Cabinet Regulation into account;

11.18. the project applicant certifies that in the case of cumulation of aid in accordance with Paragraph 45 of the Cabinet Regulation, the supported activities specified in the project application are not and will not be commenced and the eligible costs are not and will not be incurred **before all support providers have made a decision on granting support;**

Conditions for receiving co-financing:

11.19. the eligible activities specified in the project application have not been initiated and the eligible costs have not been incurred prior to the approval of the project application;

11.20. information and communication activities will be implemented during project implementation in accordance with the communication plan included in the project application form;

11.21. if any of the sectors where the project promoter operates is not eligible and the project promoter applies for project implementation in a supported sector, the project promoter shall clearly separate the financial flows of project implementation from the financial flows of other sectors of operation of the project promoter during project implementation and for five years after approval of the final report of the project;

11.22. The initial investments purchased from third parties unrelated to the project promoter;

11.23. the project promoter during the implementation of the project has not provided false information to the Programme Operator during or intentionally misled the Programme Operator in relation to the implementation of the open call project financed by the Norwegian Financial Mechanism;

11.24. the investments made within the project will only be used for the purposes provided for in the project, as well as for the economic activity of the enterprise receiving the support and at the place of implementation of the project indicated in the project application;

11.25. the initial investments made within the project will be included in the enterprise assets as depreciable long-term investments and will remain the property of the enterprise in Latvia for at least five years after the approval of the final report of the project and will not be transferred for use to any other legal or natural persons;

The project compliance:

11.26. all affiliated persons shall be indicated in the project application in accordance with Annex I to Commission Regulation No. 651/2014; ;

11.27. the information included in the project application and its annexes is valid and true and the Norwegian Financial Mechanism support and the state budget requested for the implementation of the project will be used in accordance with the description of the project application;

11.28. the project application does not include costs for which the promoter of the project application has received or plans to receive support from local, regional, state, European Union or other foreign financial assistance funds (double financing);

11.29. the project promoter is not aware of any reasons for why this project could not be implemented, or its implementation could be delayed, and the project promoter confirms that the obligations determined for the project can be fulfilled within the deadlines specified in the regulatory enactments on the implementation of the Norwegian Financial Mechanism open call projects.

I am aware that a project may not be approved for support from the Norwegian Financial Mechanism programme if the project application, including this section, is not completed in full and high quality and if the funding for the open call projects (for the current year/planning period) is used at the time of approval of the project.

I am aware that in the case of false information provided in the statement, administrative and financial sanctions may be initiated against the above-mentioned legal entity - project promoter.

I certify that the copies of the documents attached to the project application correspond to the original documents, being at my disposal, and the electronic version of the project application corresponds to the original of the submitted project application.

Position of responsible official:

First and last name:

Date:

dd/mm/yyyy

Place:

Signature:

(The document details '*date*' and '*signature*' shall not be completed if the electronic document has been executed in accordance with the requirements determined in the laws and regulations on the execution of electronic documents).

STATEMENTS OF THE LATVIAN PROJECT PARTNER

The project partner certifies that, at the time of submission the project application,

1. it has not been declared insolvent by a court ruling, a legal protection process has not been set in motion by a court ruling, and its economic activity has not been terminated;
2. it does not have any debts of taxes or fees, including mandatory state social insurance contribution debts, which in total exceeds EUR 150;
3. it does not have the sanctions laid down in Article 11.² of the Law on International Sanctions, and National Sanctions of the Republic of Latvia imposed on it;
4. by such a decision of a competent authority or a court judgment which has entered into effect and has become incontestable and unappealable, has not been found guilty of an offence in the form of employing one or several persons (up to five persons) who are not entitled to reside in the Republic of Latvia, it has not been punished for the criminal offence referred to in Section 280 of the Criminal Law of the Republic of Latvia, or no coercive measures regarding the commitment of the criminal offence referred to herein have been applied to it.

Position of the responsible official:

First and last name:

Date:

dd/mm/yyyy

Place:

Signature:

(The document details '*date*' and '*signature*' shall not be completed if the electronic document has been executed in accordance with the requirements determined in the laws and regulations on the execution of electronic documents).

ACKNOWLEDGEMENT OF THE DONOR STATE PROJECT PARTNER

The donor state project partner certifies that at the time of submission of the project application,

1. it has not been declared insolvent by a court ruling, a legal protection process has not been set in motion by a court ruling, and its economic activity has not been terminated;
2. it does not have the sanctions laid down in Article 11.² of the Law on International Sanctions, and National Sanctions of the Republic of Latvia imposed on it.

Position of the responsible official:

First and last name:

Date:

dd/mm/yyyy

Place:

Signature:

(The document details 'date' and 'signature' shall not be completed if the electronic document has been executed in accordance with the requirements determined in the laws and regulations on the execution of electronic documents).

Recommended business plan content for the main call project¹⁶

If the relevant information is indicated in the project application form, then it is not necessary to re-indicate it in the business plan.

1. General information about the merchant:

- 1.1. Time of establishment of the merchant and its founders;
- 1.2. Description of existing products (good and services) (product groups, name, characteristics, technical characteristics, quality, type of application, trademarks, etc.);
- 1.3. Merchants' strengths, weaknesses, opportunities and threats (SWOT) analysis;
- 1.4. Main technologies and equipment – owned and leased, including addresses and cadastre numbers;
- 1.5. Resources needed to implement the project (premises, land, facilities, labour, raw materials, materials, licences);
- 1.6. Performance-specific financial indicators at least for the last 3 financial years.

2. Detailed description of project implementation *(if the information is duplicated with information in the Project Application Form (hereinafter – PAF), please refer to the specific section of PAF):*

- 2.1. Objective of the project, if it is supplemented according to the information specified in the PAF;
- 2.2. Description of the new product, which will be introduced in manufacturing, describe functional or technical characteristics, quality, type of application which together ensures a higher added competitiveness of the new product (including technologies related to the new product) compared to existing or emerging products/technologies in the target market;
- 2.3. Describe the competitiveness of the project promoter with productivity benefits in terms of labour, materials, energy, capital resources and other factors, and describe product and technology characteristics that will ensure the sustainable competitive advantage of the project promoter;
- 2.4. Project implementation capacity (description of management staff, description of new jobs and experience in the introduction of similar products into production), if it is supplemented according to the information specified in the PAF;
- 2.5. Financing plan of the project, if it is supplemented according to the information specified in the PAF;
- 2.6. Description of the planned project outcome, if it is supplemented according to the information specified in the PAF.

3. Industry research:

- 3.1. Its core indicators (official statistics, sector organisation reports), trends, analysis, segmentation, cyclicity, seasonality;
- 3.2. Its development prospects and export potential *(if applicable)*.

4. Marketing plan:

- 4.1. Characteristics of the outlets (domestic or foreign; market size, development prospects);
- 4.2. Market share of the merchant;
- 4.3. Competitiveness of the merchant in the market (analysis of competitors), what factors determine it;
- 4.4. Consumer characteristics;

¹⁶ Business plan is an integral part of the project application form

- 4.5. Product price, quality, uniqueness;
- 4.6. Development of the new product and/or service on the market.

5. Financial justification for the project:

- 5.1. Description and justification of the assumptions used in the preparation of the planned financial information;
- 5.2. Balance sheet, profit and loss account and project cash flow report (5 years after the implementation of the main call project);
- 5.3. Calculation of the discounted value (NPV) of the project over a period of 5 years after the project has been implemented;
- 5.4. Description and justification of the assumptions used in the calculation of the discounted value of the project (fixed and variable costs, discount rate, discount period);
- 5.5. Impact of revenue on planned cash flow;
- 5.6. Sensitivity analysis on the impact of changes in key assumptions on the discounted value of the project.

No.*	Criteria (N/S) ¹⁷	Procedure	Source of information
	Administrative criteria		
1.	The project application has been submitted within the term specified for the submission of project applications in the announcement published by the Programme Operator in <i>Latvijas Vēstnesis</i> . (N)	<p>It checks whether the date of submission of the project application to the Investment and Development Agency of Latvia (hereinafter - the Programme Operator) complies with the deadlines for submission of the project application specified in the Programme Operator's announcement regarding the acceptance, suspension or termination of project applications.</p> <p>The date of submission of the project application to the Programme Operator is indicated on the first page of the project application form (hereinafter - PAF).</p> <p>If the date of submission of the project application to the Programme Operator is not indicated on the first page of the PAF or the indicated date is indicated later than the deadline for submission of the project application, then the following shall be checked:</p> <p>1) whether a postal envelope is attached. If the project application is sent via mail, the date when the project application had been delivered to the postal office shall be considered to be the day of submission (date indicated on the postmark on the envelope/box). In the case of doubts about the date of dispatch, request additional information from SJSC "Latvijas Pasts"</p> <p>2) whether there is a notice of receipt via electronic mail. If the project application is submitted electronically, the day when the project application was sent to the electronic mail, shall be deemed as the time of submission of the project.</p> <p>The assessment is "Yes" if the project application is submitted by the date specified in the announcement of the Programme Operator. The date of submission of the PAF (dd.mm.yyyy) shall be specified in the column "Notes" of Checklist No. 1 "For assessment of administrative and</p>	<p>1. Project application (including all additional documents to be attached).</p> <p>2. Advertisements of the Programme Operator regarding the acceptance and termination (The official published of the Republic of Latvia "<i>Latvijas Vēstnesis</i>").</p> <p>3. LIAA internal system.</p> <p>4. An envelope, box or similar packaging in which the project application is packaged (if the project application has been sent by post office). E-mail (if the project application has been sent by e-mail).</p>

¹⁷ (N) – non-specifiable criterion; (S) – specifiable criterion

		<p>eligibility criteria for open call project applications” (hereinafter - Checklist No. 1).</p> <p>The assessment is “No” if it is established that the project application has been submitted later than the date specified in the announcement of the Programme Operator and the project application is rejected. The evaluation of the project application is not continued.</p>	
2.	<p>The project application form and business plan has been written on a computer, in Latvian and English. (S)</p>	<p>The assessment is “Yes” if the PAF and the business plan are completed in computer print and submitted in Latvian and English.</p> <p>The assessment is “Yes with condition”, if the PAF or business plan is not submitted in English or in computer type; then the project promoter (hereinafter - PP) is required to submit relevant additional information.</p> <p>The assessment is “No” if the PP does not fulfil the conditions included in the decision on the conditional approval of the project application or if after the fulfilment of the conditions the project application still does not meet the requirements, or the conditions are not fulfilled within the time period specified in the decision on conditional approval of the project application.</p>	<p>Project application (including all additional documents to be attached).</p>
3.	<p>The project application has been prepared in accordance with the requirements specified in the open call project application selection regulations, and all additional documents to be submitted specified in the open call project application selection regulations have been submitted. (S)</p>	<p>It should be checked whether:</p> <ol style="list-style-type: none"> 1. PAF is prepared in accordance with Annex 1 to the Selection Regulation of the project applications for the Norwegian Financial Mechanism’s 2014-2021 Programme “Business Development, Innovation and SME’s” open call “Introduction of green innovations and information and communication technology products in production” (hereinafter - the Regulation) and contains all parts, including annexes to the PAF form (statements of partner); 2. all additional documents to be submitted have been submitted in accordance with Paragraph 16 of the Regulation. <p>The assessment is “Yes”, if the project application has been prepared in accordance with the PAF and all additional documents have been submitted in accordance with Paragraph 16 of the Regulation.</p> <p>The assessment is “Yes with condition” if it is established that one of the mandatory documents has not been submitted and the Programme Operator makes it a condition to submit additional information by submitting the missing documents.</p>	<p>Project application (including all additional documents to be attached).</p>

		<p>When attaching additional documents, the information contained therein must ensure the approval of the activities planned within the project, without changing the nature of the project.</p> <p>The assessment is “No” if the PP does not fulfil the conditions included in the decision on the conditional approval of the project application or if after the fulfilment of the conditions the project application still does not meet the requirements, or the conditions are not fulfilled within the time period specified in the decision on conditional approval of the project application.</p> <p>In addition to the above documents, the PP may submit other documents that it deems necessary to submit in order to substantiate the compliance of the project application with the project application selection criteria.</p>	
4.	<p>The project application original, having legal effect:</p> <p>4.1. It is drawn up in accordance with the requirements of regulatory enactments regarding the circulation of electronic documents (applicable if the project application is submitted in the form of an electronic document), the project application is signed with a secure electronic signature in accordance with regulatory enactments regarding the formatting of electronic documents, attaching an authorisation (if necessary) (S);</p>	<p>It should be checked whether:</p> <ol style="list-style-type: none"> 1. The PAF is signed by the responsible official indicated by the PP, who according to the power of attorney attached to the PAF or the data of the <i>Lursoft</i> database has been granted the right to sign the PAF, as well as to certify the project application. 2. whether there is a mark “submitted electronically” and a confirmation of the Record Keeping Department of the Programme Operator (hereinafter - RKD) regarding the legal force of the document has been provided, if the project application has been submitted in electronic format. 3. A certified copy of the PP shall bear the certificate “COPY IS CORRECT”, the full job title of the person certifying the true copy or the copy (including the name of the organisation), the handwritten personal signature and its transcript, the name of the place of certification and the date of certification. 4. If any of the details are not indicated (except for the signature and transcript of the signature), then the finding is considered as irrelevant and no additional information is requested, it is checked whether these details are indicated in other documents or at the end of the project application, indicating it in the column “Remarks” of the Checklist. 5. In addition, it should be checked that: 	<ol style="list-style-type: none"> 1. Project application (including all additional documents to be attached). 2. <i>Lursoft</i> data base. 3. The Law of Legal Force of Documents. 4. Cabinet Regulation No. 558 of 4th September 2018 “Procedures for Drawing up and Preparing Documents”. 5. Electronic Documents Law. 6. Cabinet Regulation No.473 of 28th June, 2005 “ Procedures for the Preparation, Drawing Up, Storage and Circulation of Electronic Documents in State and Local Government Institutions,

	<p>4.2. It has been drawn up in accordance with the regulatory enactments which determine the requirements for the development and formatting of documents (applicable if the project application has been submitted in paper form), the statement of the project applicant has been signed by the project applicant or its authorised person, the relevant authorisation is attached to the project application. (S)</p>	<p>5.1. the name, surname, title of the responsible official, date of the document, name and signature of the place of preparation, issue, acceptance or signing of the document are indicated at the end of the PAF and on the lacing of the project application,</p> <p>5.2. in accordance with the RKD confirmation, the PAF is signed with a secure electronic signature and certified with an appropriate time stamp - notice “submitted electronically”, if the project application is submitted in electronic format,</p> <p>5.3. If any of the details (except for the signature and the transcript of the signature) are missing in one of the places at the end of the PAF or on the lacing), then the finding is considered as irrelevant and no additional information is requested,</p> <p>5.4. the person who has signed the PAF is the person, being entitled to sign, according to the data of the <i>Lursoft</i> database. If it is established that the PAF and/or the lacing of the project application has not been signed by the person being entitled to sign, then it shall be checked whether the PAF is enclosed with a power of attorney granting the right to sign the PAF for another person,</p> <p>5.5. all documents (incl. documents to be submitted in addition - operational financial statement, etc.) have been signed, their signature is clearly understandable, and it is the person being entitled to sign, in accordance with the data of the <i>Lursoft</i> database or authorisation,</p> <p>5.6. documents have been drawn up in accordance with the requirements of the regulatory enactments. If each of the attached copies of documents has not been drawn up in accordance with the requirements specified in the Law on the Legal Force of Documents and Regulation No. 916, then it should be ascertained whether the person authorised to sign the lacing of the project application has confirmed that the attached copies of documents are correct,</p> <p>5.7. documents to be submitted in addition, which are not issued in Latvian, are accompanied with certified translations of the document in Latvian, drawn up with the inscription of the certification of the translator (any person) on the last page after the Latvian text. The certification shall bear the words: - “TRANSLATION IS CORRECT” in capital letters,</p>	<p>and the Procedures by which Electronic Documents are Circulated between State and Local Government Institutions, or Between These Institutions and Legal and Natural Persons”.</p>
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		<ul style="list-style-type: none"> - name, surname and personal identity number of the translator (any person), - the signature of the translator (any person), - the name of the place of certification, - date of certification. <p>If the translation is not submitted, but the content of the document is understandable without a translation, then the translation is not required. In exceptional cases, a translator may be attracted for translation of the document.</p> <p>The assessment is “Yes” if the PP has fulfilled all the above-mentioned requirements in relation to the layout of the documents.</p> <p>The assessment is “Yes with condition”, if any of the above-mentioned requirements are not met, i.e., the documents are not drawn up in accordance with the requirements; the PP is required to submit a properly drawn up project application.</p> <p>The assessment is “No” if the PP does not fulfil the conditions included in the decision on conditional approval of the project application or if after fulfilment of the conditions the project application still does not meet the requirements, or the conditions are not fulfilled within the time period specified in the decision on conditional approval of the project application. A printout of the signatories of the PP from the <i>Lursoft</i> database is attached electronically to the project application selection documentation in the internal Programme Operator’s system.</p>	
	Eligibility criteria		
1.	Eligibility of the project applicant:		
1.1.	The project applicant conforms to the intended legal status in conformity with sub-paragraph 20.1 of the Cabinet Regulation No.4 of 7 th January, Regulation on the	<p>Compliance of the PP is verified, upon ascertaining whether the PP is a merchant registered in the Commercial Register of the Republic of Latvia and has the status of a legal entity.</p> <p>Based on the information provided in the PAF in the column “Project Promoter” and “Registration Number”, the information available in the Commercial Register is checked, namely, the information available in the <i>Lursoft</i> database is compared with the information specified in the PAF.</p>	<p>1. Project application (including all additional documents to be attached).</p> <p>2. <i>Lursoft</i> data base.</p>

	<p>implementation of the Norwegian Financial Mechanism's 2014-2021 Programme "Business Development, Innovation and SME's" (hereinafter – the Cabinet Regulation) (N)</p>	<p>The printout from the <i>Lursoft</i> database is electronically attached to the application selection documentation in the internal Programme Operator's system. If inaccuracies are found in the name, registration number, but they are not significant and it is possible to identify the PP, the findings shall be entered in the section "Remarks" of Checklist No. 1.</p> <p>The assessment is "Yes" if the PP is a merchant registered in the Commercial Register of the Republic of Latvia and has the status of a legal entity.</p> <p>The assessment is "No" if it is established that the PP is not a merchant registered in the Commercial Register of the Republic of Latvia, which has the status of a legal entity; the assessment of the project application is not continued and a decision is prepared regarding denial of the project application.</p>	
1.2.	<p>The project applicant has not been declared insolvent by a court ruling, a legal protection process has not been set in motion by a court ruling, its economic activity has not been terminated or suspended. (N)</p>	<p>It should be checked whether the PP has confirmed that it has not been declared insolvent by a judicial judgment, the legal protection process, including the extra-judicial legal protection process, is not implemented by a judicial judgment, or its economic activity has not been terminated (see Section 11 "Statements of the project promoter for the open call" of the PAF (hereinafter - Section 11 of the PAF)).</p> <p>It should be checked in the <i>Lursoft</i> database that the PP has not been declared insolvent with a judicial judgment, legal protection proceedings and extra-judicial legal protection proceedings are not being implemented by a judicial judgment, and its economic activity has not been terminated. The printout from the <i>Lursoft</i> database is electronically attached to the project application selection documentation in the internal Programme Operator's system.</p> <p>The assessment is "Yes", if a court judgment has not declared the PP as insolvent, legal protection proceedings or extra-judicial legal protection proceedings are not being implemented by a judicial judgment, and its economic activity has not been terminated.</p> <p>The assessment is "No", if a court judgment has declared the PP as insolvent, legal protection proceedings are implemented by a judicial judgment, including an extra-judicial legal protection proceeding, or its economic activity has been terminated. The assessment of the project</p>	<p>1. <i>Lursoft</i> data base. 2. https://maksatnespeja.ur.gov.lv/insolvency/practitioner/en</p>

		application is not continued and a decision on the rejection of the project application is prepared.	
1.3.	The project applicant does not have the sanctions laid down in Article 11. ² of the Law on International Sanctions and National Sanctions of the Republic of Latvia imposed against it. (N)	<p>It should be checked whether the PP has acknowledged (see Section 11 of the PAF) that no international or national sanctions of a Member State of the European Union or of a North Atlantic Treaty Organization have been imposed on its board member, beneficial owner, person entitled to represent or procurator, or person authorised to represent the PP in branch-related activities, which have a significant effect on the financial and capital market interests.</p> <p>The assessment is “Yes”, if in accordance with the information specified in the <i>Lursoft</i> Sanctions Catalogue, websites of the Ministry of Foreign Affairs or the Financial Intelligence Unit of Latvia, no international or national sanctions of a Member State of the European Union or of a North Atlantic Treaty Organization have been imposed on the PP, its member of the board, beneficial owner, person authorised to represent or procurator, or the person, being authorised to represent the PP in branch-related activities. A printout from the <i>Lursoft</i> database Sanctions Catalogue or the relevant website is attached electronically to the project application selection documentation in the internal Programme Operator’s system.</p> <p>The assessment is “No”, if it is established that international or national sanctions of a Member State of the European Union or of a North Atlantic Treaty Organization have been imposed on the PP, its board member, beneficial owner, person entitled to represent or procurator, or person authorised to represent PP in branch-related activities, which have a significant effect on the financial and capital market interests. The assessment of the project application is not continued and a decision on the rejection of the project application is prepared.</p>	<ol style="list-style-type: none"> 1. https://sanctions.Lursoft.lv/site/index 2. https://sankcijas.fid.gov.lv/ 3. https://www.mfa.gov.lv/arpolitika/par-eiropas-savienibas-ierobezojiem-pasakumiem/sankciju-saraksti
1.4.	The project applicant with a decision of a competent authority or a court judgment that has entered into force and has become indisputable and	The purpose of the criterion is to make sure that the PP, who has been punished for committing the violation referred to in Section 68. ⁴ , Paragraph three of the Immigration Law or for committing the criminal offence referred to in Section 280 of the Criminal Law or is not subject to coercive measures for committing the said criminal offence, does not apply for support.	<ol style="list-style-type: none"> 1. Project application (including all additional documents to be attached). 2. Ministry of Internal database “Penal Register”.

	<p>unappealable has not been found guilty of a violation, which takes the form of employment of one or more such persons (up to five persons) who are not entitled to reside in the Republic of Latvia or have not been punished for committing the criminal offence referred to in Section 280 of the Criminal Law or it does not have adequate coercive measures to commit that offence. (N)</p>	<p>The above-mentioned shall be checked in accordance with the following order:</p> <ol style="list-style-type: none"> 1. verify whether the PP has confirmed that it has not been found guilty of an offence in the form of the employment of one or more persons (up to five persons), who are not entitled to reside in the Republic of Latvia, or has not been subject to coercive measures for committing a criminal offence provided under Section 280 of the Criminal Law (see Section 11 of the PAF); 2. check in the database of the Ministry of the Interior whether the PP has been found guilty of committing the offence referred to in Section 68.⁴, Paragraph three of the Immigration Law and the criminal offence referred to in Section 280 of the Criminal Law and whether coercive measures for the committing of the above-mentioned criminal offence have been imposed, namely, whether the decision of a competent authority or a judicial judgment on the commitment of said offence/criminal offence has come into force and has become uncontested. <p>The printout from the database “Penal Register” is electronically attached to the project application selection documentation in the internal Programme Operator’s system.</p> <p>The assessment is “Yes”, if the PP is not penalised for the above-mentioned infringements.</p> <p>The assessment is “No” if the PP has been found guilty of committing an offence referred to in Section 68.⁴, Paragraph three of the Immigration Law or committing a criminal offence referred to in Section 280 of the Criminal Law by a decision of a competent authority or a judicial judgment, which has become final and unappealable, or coercive measures against the commission of the said criminal offence are imposed. The assessment of the project application is not continued and a decision on the rejection of the project application is prepared.</p>	<p>3.Publicly available information.</p>
1.5.	<p>The project applicant complies with the conditions for granting <i>de minimis</i> support specified in sup-paragraphs 15.1 and</p>	<p>The criterion is assessed when the PP applies for <i>de minimis</i> aid.</p> <p>If the PP has applied for <i>de minimis</i> aid, it shall verify whether the amount of aid requested by the PP, together with the <i>de minimis</i> aid already granted in the relevant fiscal year and in the previous two fiscal years, does not exceed the amount of maximum <i>de minimis</i> aid (EUR 200 000) determined in Article 3(2) of Commission Regulation (EU) No. 1407/2013 of 18</p>	<ol style="list-style-type: none"> 1.Project application (including all additional documents to be attached). 2. <i>De minimis</i> accounting system. 3. <i>Lursoft</i>.

<p>15.2 of this Regulation (if applicable) (S).</p>	<p>December 2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to <i>de minimis</i> aid (Commission Regulation No. 1407/2013). The amount of <i>de minimis</i> support is assessed at the level of a single undertaking.</p> <p>a) Verify the information submitted by the PP - the completed <i>de minimis</i> form printout (hereinafter - <i>De minimis</i> form) or, if the PP has provided the identification number in the PAF of the form created and approved in the <i>de minimis</i> aid accounting system, the information specified in the <i>de minimis</i> accounting system by performing the following activities: determine the compliance of a PP single undertaking. A single undertaking within the meaning of this Regulation complies with the definition of a single enterprise specified in Article 2(2) of Commission Regulation No. 1407/2013,</p> <p>b) the information shall be verified by using the “<i>Lursoft</i>” database and in the documents submitted by the PP,</p> <p>c) verify the information received on the <i>de minimis</i> aid received by the PP and one single undertaking and compare it with the information provided in the <i>de minimis</i> aid accounting system.</p> <p>Verify, whether PP has provided information on its undertaking in the <i>De minimis</i> form of the PP or <i>de minimis</i> system, as well as on those enterprises that fall within the definition of a single undertaking (if applicable) in accordance with Article 2(2) of Commission Regulation No. 1407/2013.</p> <p>“Single enterprise” includes all enterprises having at least one of the following relationships with each other:</p> <p>a) one enterprise has a majority of the shareholders’ or members’ voting rights in another enterprise,</p> <p>b) one enterprise has the right to appoint or remove a majority of the members of the administrative, management or supervisory body of another enterprise,</p> <p>c) one enterprise has the right to exercise a dominant influence over another enterprise pursuant to a contract entered into with that enterprise or to a provision in its memorandum or articles of association,</p> <p>d) one enterprise, which is a shareholder in or member of another enterprise, controls alone, pursuant to an agreement with other</p>	
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1.6.	The project applicant complies and fulfils the conditions for granting support in accordance with Commission Regulation No. 651/2014:	The criterion is assessed if the PP has applied for aid under Commission Regulation No. 651/2014.	
1.6.1.	Conditions of subparagraph 22.1 of this Regulation (N)	It shall be assessed in the criterion, whether the PP corresponds to the status of undertaking in difficulty in accordance with the definition laid out in Article 2(18) of Commission Regulation No. 651/2014.	1. Project application (including all additional documents to be attached);

		<p>It should be verified whether the PP corresponds with the status of an undertaking in difficulty (hereinafter - UID). PP is UID, if at least one of the following features is met:</p> <p>Feature 1 - PP has an insolvency proceeding declared by a judicial judgment or a legal protection proceeding is implemented by a judicial judgment, or an extra-judicial legal protection proceeding is initiated by a judicial decision, bankruptcy proceedings have been initiated, reorganisation or settlement has been initiated, or its economic activity has been terminated, or it complies with one of the features specified in Section 57 of the Insolvency Law in order for the insolvency proceedings to be applied to it at the request of creditors.</p> <p>Verify whether the PP has submitted a confirmation in the project application (Section 11 of the PAF) that insolvency proceedings have not been declared, legal protection proceedings have not been implemented by a judicial judgment, bankruptcy proceedings have not been initiated, reorganisation or settlement has not been initiated, its economic activity has not been terminated and it does not comply with the features specified in Section 57 of the Insolvency Law in order to apply the insolvency proceedings for it at the request of creditors.</p> <p>It should be ascertained in the section “Current entries in the Insolvency Register” of the full <i>Lursoft</i> statement that the PP has not been declared insolvent, has not been subject to legal protection proceedings, has not been declared bankrupt, reorganisation or settlement has not been applied, and a printout (in PDF format) from the <i>Lursoft</i> or Insolvency Register database should be attached as a link in the internal Programme Operator’s system to the Checklist.</p> <p>It should be ensured in the <i>Lursoft</i> database that the commercial activity of the PP is not terminated. On the other hand, if, according to the information available in <i>Lursoft</i> or the Insolvency Register database, it is established that the PP to be supported has been declared insolvent, its legal protection proceedings are initiated on the basis of the judicial judgment, bankruptcy proceedings are initiated, reorganisation or settlement is initiated, the PP's economic activity is suspended, or it conforms to one of the features specified in Section 57 of the Insolvency Law in order to apply insolvency</p>	<p>2. Case search - Competition - European Commission (europa.eu).</p> <p>3. <i>Lursoft</i></p> <p>4. https://maksatnespeja.ur.gov.lv/insolvency/practitioner/en</p>
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		<p>proceedings to it at the request of creditors, then the evaluation of the application shall not be continued and a decision regarding the rejection of the project application shall be prepared.</p> <p>Feature 2 - PP has received rescue aid and has not yet repaid the loan or withdrawn the guarantee or has received restructuring aid and is still subject to a restructuring plan. It should be verified whether the PP has provided a certification in the project application (Section 11 of the PAF) that it has not received rescue aid and has not yet repaid the loan or withdrawn the guarantee, or that the undertaking that has received restructuring aid, is still covered by a restructuring plan.</p> <p>In order to ascertain whether the PP has received rescue or restructuring aid under the Guidelines on State aid for rescuing and restructuring non-financial undertakings in difficulty, the name of the company and the duration of the rescue or restructuring aid shall be further verified by using the European Commission's State Aid Advanced Search and becoming acquainted with the Commission's decision on the undertaking concerned.</p> <p>If the PP and all related undertakings are younger than three years, counting the time period until the decision to grant aid (for making a decision regarding approval of the PAF or an opinion on the fulfilment of the conditions set out in the decision, if a decision on approval of the PAF with condition has been taken), then only feature 1 and 2 shall be verified. If the project promoter fails to meet features 1 and 2, then the PP fails to comply with UID and feature 3 is not assessed.</p> <p>If the PP and any of the related undertakings are older than three years, counting the time period until the decision to grant aid (for making a decision regarding approval of the PAF or an opinion on the fulfilment of the conditions set out in the decision, if a decision on approval of the PAF with condition has been taken), then it should be verified, whether the PP complies with UID in accordance with feature 3, in addition to the above-mentioned features.</p> <p>Feature 3:</p> <ul style="list-style-type: none">• with regard to capital companies (including JSC and LLC), if more than half of their subscribed capital has been lost due to accumulated	
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		<p>losses. This is the case when deducting accumulated losses from reserves (and all other items that are generally considered to be part of a company's equity), the result is negative, exceeding half of the subscribed capital. For the purposes of this provision, “capital company” shall in particular mean the types of company listed in Annex I to Directive 2013/34/EU of the European Parliament and of the Council (37) and “capital” in the relevant case shall include the share premium;</p> <ul style="list-style-type: none"> • with regard to companies, where at least one of the shareholders has unlimited liability for the company's debts (incl. general partnership, limited partnership), if more than half of the capital presented in the company's accounting has been lost due to the accumulated losses. For the purposes of this provision, “company, where at least some of the shareholders have unlimited liability for the company's debts” means, in particular, the types of company listed in Annex II to Directive 2013/34/EU. <p>The financial indicators required for the calculation of Feature 3 shall be taken from the annual reports available in the <i>Lursoft</i> database, as well as in the project application submitted by the PP (including additional documents - consolidated annual report and operative financial report approved by a sworn auditor).</p> <p>Calculation should be performed according to the formula in the Excel file “UID calculation table” (Excel file is attached to the checklist in the internal Programme Operator’s system). The calculation for 2020 is performed separately at first by the PP (in the Excel file “UID calculation table” page “Project promoter”) and then for the group of related parties (aggregated data or consolidated annual report data) (in the Excel file “UID calculation table” page “Group of related companies, including PP”). In order to assess whether the PP complies with UID Feature 3, the following formula shall be used, including the data of the PP and also the group of related undertakings:</p> $X = \frac{(PZ1+PZ0+R)}{PK}, \text{ where}$ <p>PZ1 - retained earnings or uncovered losses of previous years since the last closed financial year report (balance sheet equity item)</p>	
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PZ0 - profit or loss of the reporting year after the last closed financial year report (balance sheet equity item)
 R - reserve (Balance sheet equity capital long-term investment reassessment reserve, financial instrument fair value reserve and reserve amount)
 PK - subscribed capital (share capital and share premium or share issue mark-up or equivalent (balance sheet equity item).

If $X \geq -0.5$, PP is not UID
 If $X < -0.5$, PP is UID

Result for feature 3:

Project promoter	Group of related undertakings of the project promoter	Result
Not UID	Not UID	Co-financing is granted
Not UID	Is UID	Co-financing is not granted
Is UID	Not UID	Co-financing is not granted
Is UID	Is UID	Co-financing is not granted

For detailed information on the UID calculation, see the guidelines developed by the Ministry of Finance “Explanatory material for the assessment of an aid applicant according to the definition of an undertaking in difficulty”.

<https://www.fm.gov.lv/sites/fm/files/fm20majas20lapai20gnu20materials20final1.pdf>

A printout on annual reports of the PP and its related undertakings from the *Lursoft* database is attached electronically to the project application selection documentation in the internal Programme Operator’s system.

The assessment is “Yes”, if the PP is not an undertaking in difficulty.

		<p>The assessment is “No”, if it is established that the PP is an undertaking in difficulty.</p> <p>The assessment of the project application is not continued and a decision on the rejection of the project application is prepared.</p>	
1.6.2.	Conditions of subparagraph 22.2 of this Regulation (N)	<p>Verify whether the PP has confirmed that it has not been named as a subject of recovery of funds in accordance with a previous European Commission decision declaring the aid illegal and incompatible with the internal market pursuant to Article 1(4)(a) of Commission Regulation No. 651/2014 (see Section 11 of the PAF).</p> <p>Information should be verified on the website of the Ministry of Finance: https://www.fm.gov.lv/lv/sadala/komercdarbibas_atbalsta_kontrole/informacija_par_saimnieciskas_darbibas_veicejiem_uz_kuriem_attiecas_lidz_eklu_atgusanas_lemums/ and a “screenshot” should be electronically attached to the project application selection documentation in the internal Programme Operator’s system.</p> <p>In case of need, contact the Commercial Activity Support Control Department of the Ministry of Finance.</p> <p>The assessment is “Yes” if the PP is not the subject of recovery of funds. The assessment is “No” if it is established that the PP is subject to the above-mentioned order. The assessment of the project application is not continued and a decision on the rejection of the project application is prepared.</p>	<p>1. Project application (including all additional documents to be attached);</p> <p>2. Home page of the Ministry of Finance.</p>
1.6.3.	Conditions of paragraph 58 of this Regulation (S)	<p>Verify that the PP has signed the statement section of the PAF (see section 11 of PAF) and provided a certification that:</p> <ol style="list-style-type: none"> the eligible activities specified in the PAF are not and will not be commenced and the eligible costs are not and will not have been incurred prior to the approval of the project application, taking Paragraph 45 of the Cabinet Regulation into account, complies with the provision of Article 14(13) of Commission Regulation No. 651/2014, which stipulates that any initial investment started by the same beneficiary within a period of three years from the date of start of works on another aided investment in the territory related to the investments shall be considered to be part of a single investment project; 	<p>Project application (including all additional documents to be attached)</p>
1.6.4.	Conditions of subparagraph 42.1 of this Regulation (S)		
1.6.5.	Conditions of subparagraph 42.2 of this Regulation (S)		
1.6.6.	Conditions of subparagraph 31.1 of this Regulation (S)		

1.6.7.	Conditions of subparagraph 32.1 of this Regulation (S)	<p>in turn, the state aid for commercial activity is not provided, if the single investment project exceeds the amount of large investments project – EUR 50,000,000;</p> <p>3. has not performed and will not perform the activities referred to in Article 14(16), defined in Article 2(61)(a) of Commission Regulation No. 651/2014,</p> <p>4. complies with Article 2(49)(a) of Commission Regulation No. 651/2014,</p> <p>5. complies with Article 2(29) of the Commission Regulation No. 651/2014,</p> <p>6. complies with Article 2(30) and Article 14(8) (a), (b), (c) and (d) of Commission Regulation No. 651/2014,</p> <p>7. the initial investments will be acquired from third parties not associated with the PP,</p> <p>8. the initial investments will be included in assets of the PP as depreciable long-term investments, they will remain in the property of the PP of the open call project in Latvia and will not be transferred to any other legal or natural persons for five years after approval of the final report of the open call project,</p> <p>9. the PP, upon using its own resources or external financing, which is not related to any business support, including <i>de minimis</i> support, will invest at least 25% of the eligible costs referred to in Sub-Paragraphs 32.1, 32.2 and 32.3 of the Cabinet Regulation for the implementation of the open call project.</p> <p>If the project promoter intends to cumulate the aid, when assessing criteria 1.6.3-1.6.12, it shall be verified whether the project promoter has complied with Paragraph 43 of the Cabinet Regulation.</p> <p>The assessment is “Yes” if the PP has signed Section 11 of the PAF and acknowledged the above-mentioned.</p> <p>The assessment is “Yes with condition” if the PP has not submitted a signed statement containing the above-mentioned statements and the Programme Operator makes a condition and requests relevant additional information.</p>
1.6.8.	Conditions of subparagraph 32.2 of this Regulation (S)	
1.6.9.	Conditions of subparagraph 32.3 of this Regulation (S)	
1.6.10.	Conditions of subparagraph 33.1 of this Regulation (S)	
1.6.11.	Conditions of subparagraph 33.4 of this Regulation (S)	
1.6.12.	Conditions of paragraph 41 of this Regulation (S)	

1.6.13 .	Conditions of paragraph 44 of this Regulation (if applicable) (S)	<p>Verify whether Section 2 of the PAF “Information on combining of the project promoter cost positions”, in Paragraph 2.1 “Combining of the project costs with other aid or individual aid project support mechanisms” (hereinafter - Section 2.1) indicates that project costs for the activities to be supported determined in Sub-Paragraphs 31.1 and 31.2 will be combined with other State aid, including <i>de minimis</i> aid, for the same eligible costs. If it is indicated in Section 2.1 of the PAF that support for the purchase of equipment will be combined, then it is necessary to ascertain that the intensity of the combined aid (total sum of requested funding intensities specified in Section 7.1 of the PAF and support intensity specified in Section 2.1 of the PAF) does not exceed the maximum acceptable support intensity determined by the Cabinet Regulation according to the status of the merchant:</p> <ul style="list-style-type: none"> - for small and micro enterprises - 55%, - for medium-sized enterprises - 45%, as well as the maximum permissible amount of support. <p>The aid, which is granted for activities referred to in Sub-Paragraphs 31.1 and 31.2 of the Cabinet Regulation, may not be combined with regional aid within the framework of the same or other regional aid projects or programmes, with regard to the estimated wage costs of the aid.</p> <p>Paragraph 45 of the Cabinet Regulation stipulates that if the support funding requested by the PP is planned to be combined, the implementation of the project activities of the PP and investments may only be commenced if all involved institutions have made a decision on granting support for the supported activities. In addition, the Programme Operator may decide to only grant aid after the relevant authorities have taken a decision on granting the aid which the PP intends to combine with the requested aid.</p> <p>Verify whether institutional decisions to grant aid are attached to the PAF. In order to ascertain that the requested aid does not exceed the maximum permissible aid intensity or aid amount specified in another aid programme or individual aid project that the PP plans to combine with the requested aid, it should be verified what aid of involved authorities the PP plans to combine the requested aid with, one should become acquainted with the decisions of the authorities submitted by PI regarding the granting of support and the regulatory enactments regulating the relevant support</p>	
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		<p>programme or individual support project, and, if necessary, the institutions which have taken the relevant decisions should be contacted.</p> <p>If the project promoter plans to combine support, it shall comply with the requirements specified in Article 6(1) and (2) of Commission Regulation No. 651/2014.</p> <p>Verify whether the PP has provided all information in the PAF on the planned and granted aid for the same eligible costs, indicating the date of granting the aid, the aid provider, the aid measure and the amount of the planned or granted aid and aid intensity, in accordance with the provisions of the Cabinet Regulation.</p> <p>The assessment is “Yes” if the PP has complied with all the conditions for combining the aid.</p> <p>The assessment is “Yes with condition”, if in the case of combination of aid the information is missing or it is incomplete to assess the criterion; the Programme Operator makes a condition and requests relevant additional information. If, during the assessment, it is established that the aid intensity has been exceeded, the Programme Operator shall make it a condition that the aid intensity is reduced in accordance with the conditions for granting the aid.</p>	
1.7.	<p>The project applicant corresponds to the status of a micro, small or medium-sized enterprise in accordance with Annex 1 to Commission Regulation No. 651/2014. (S)</p>	<p>Verify whether the PP status in the PAF, in the column “Category of merchant” and the Declaration on the compliance of a merchant with the status of a small, micro or medium-sized enterprise (hereinafter - SME) is correctly indicated - according to the types of merchants specified in Article 2 of Annex I to Commission Regulation No. 651/2014.</p> <p>When assessing the SME status, the prepared commitment graph from the <i>Lursoft</i> database is added as a link in the internal programme manager's system to the checklist. When determining the status of the PP, the data for the last closed financial year (number of employees, turnover, total sum of the balance sheet) shall be considered. Newly established enterprises shall take the data for the operational reporting period into account. When determining the status of a merchant, partner companies and related undertakings for the last two closed financial years (number of employees, turnover, total sum of the balance sheet) should also be considered.</p>	<ol style="list-style-type: none"> 1. Project application (including all additional documents to be attached); 2. Declaration of SME's. 3. <i>Lursoft</i> database. 4. Commission Regulation No.651/2014

When determining the status of the PP, the combined data of the PP's partner companies (from 25% -50% of the capital) and related enterprises (50% and more of the capital) should be considered according to the following indicators:

	Number of employees		Turnover		Balance Sheet
Micro (small)	< 10		<= 2 million EUR		<= 2 million EUR
Small	< 50	And	<= 10 million EUR	or	<= 10 million EUR
Medium	< 250		<= 50 million EUR		<= 43 million EUR

In order to determine the status, a proportionate share of the number of employees and financial information of the partner company is added to the PP data. In turn, the data of the related enterprise are added to the PP data in the amount of 100% of the number of employees and financial information.

The European Community SME User's Guide is used to assess SME status. file:///C:/Users/user/AppData/Local/Temp/sme_definition_user_guide_iv.pdf

The status of the PP shall be indicated in the column "Remarks" of Checklist No. 1:

1. Small (micro) commercial activity performer,
2. Small commercial activity performer,
3. Medium-size commercial activity performer.

All related enterprises shall be listed in the column "Remarks" of Checklist No. 1, in accordance with the definition of related companies specified in Article 3 (3) of Annex 1 to Regulation No. 651.

		<p>The assessment is “Yes” if the PP meets the SME status. If, when determining the PP status, it is established that the status of the merchant indicated in the PP (PAF and additional documents to be submitted, including the SME declaration) is not indicated correctly, but inaccuracies are not significant and the status can be identified, then in the case if the project is approved, findings shall be specified in Checklist No. 1 and the PP shall be informed about the corresponding status. When using the information available in the <i>Lursoft</i> database, it should be verified whether the PP belongs to the SME category, in accordance with Article 2 of Annex 1 to Commission Regulation No. 651/2014. If, when determining the PP status, it is established that the status of the merchant indicated by the PP (in PAF and additional documents to be submitted) is not indicated correctly, but inaccuracies are not significant and the status can be identified, the PP shall be informed about the corresponding status.</p> <p>The assessment is “Yes with condition”, if the project application lacks information or provides inaccurate or incomplete information in the SME declaration in order to determine the SME status; then the PP is required to submit additional information.</p> <p>The assessment is “No” if it is established that the PP does not comply with the SME status or fails to fulfil the conditions included in the decision on conditional approval of the project application or if after fulfilment of the conditions the project application still does not meet the requirements, or the conditions are not fulfilled within the time period specified in the decision on conditional approval of the project application.</p>	
1.8.	The project applicant does not have tax or fee debts administered by the State Revenue Service, including the mandatory contribution debt of the State social insurance, which in total exceeds EUR 150; (S)	<p>The information in the database of tax (duty) debtors administered by the State Revenue Service (hereinafter - the SRS) (hereinafter - the database of tax debtors) is updated every month on the 7th (seventh) and 26th (twenty-sixth) dates.</p> <p>The assessment is determined based on the information available to the database of tax debtors of the SRS on the nearest date before the submission of the project application or project application clarifications, for example, if the project application is submitted on 21 April, the</p>	<ol style="list-style-type: none"> 1. Project application (including all additional documents to be attached); 2. State Revenue Service (hereinafter – SRS) tax Debbie database 3. https://www6.vid.gov.lv/NPAR.

		<p>decision on the project promoter is based on the information available on 7 April.</p> <p>The date of verification and the established situation shall be specified in the checklist of the project application, as well as the evidence of the verification shall be saved.</p> <p>The assessment is “Yes” if:</p> <ol style="list-style-type: none">1. based on the information available to the Programme Operator in the SRS tax debtors database on the nearest date before the submission of the project application or project application clarifications, the PP has no tax debts, including debts of mandatory state social insurance contributions (hereinafter - tax debts), which exceed EUR 150 in total;2. based on the information available in the SRS tax debtors database, if the Programme Operator PP has tax debts on the nearest day before the submission date of the project application, but on the nearest day before the Programme Operator's <u>decision</u> on conditional approval/approval of the project application, the PP does not have any tax debts in the SRS tax debtors database with a total amount of more than EUR 150, the condition on the payment of the debt is not made and the criterion is assessed as “Yes”. <p>The assessment is “Yes with condition”, if according to the information available in the SRS tax debtors database https://www6.vid.gov.lv/NPAR on the nearest published date before the submission of the project application and before the decision of the Programme Operator on approval/conditional approval of the project application, the PP has tax debts exceeding EUR 150 in total.</p> <p>Having established the mentioned situation, a condition is set to make the payment of all tax debts, ensuring that the PP has no tax debts in the Republic of Latvia on the day of submission of clarifications to the project application, exceeding EUR 150 in total.</p>	
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		<p>The assessment is “No” if, on the nearest date <u>before</u> the submission of the clarifications to the project application to the Programme Operator, the PP has not paid the tax debts and the applicant has tax debts exceeding EUR 150 in total.</p>	
		<p>In order to ensure the comprehensive examination of this criterion, compliance of the PP with this criterion shall be repeated if the project application is approved with a condition, regardless of whether the condition is related to the fulfilment of this criterion. The Programme Operator shall verify in the SRS tax debtors database https://www6.vid.gov.lv/NPAR whether on the nearest date before the submission of the clarifications to the project application the PP has tax debts in a total amount exceeding EUR 150.</p> <p>If, as a result of the verification, the Programme Operator identifies a tax debt exceeding EUR 150 in total, the Programme Operator shall decide to reject the PP on the basis of non-compliance with this criterion, even if the PP was assessed with “Yes” during the initial assessment.</p>	
2.	<p>The project applicant of the open call operates, and the project shall be implemented in the eligible sector in accordance with the requirements of this Regulation and Annex 2 (S).</p>	<p>Verify that the project implementation sector according to NACE Rev. 2 has been determined correctly and whether it corresponds with the activities envisaged in the project (compares the description of the production technological process and the result provided within the framework of the project, business plan with the NACE Rev. 2 industry classification).</p> <p>1. Verify what the main activity sector and project implementation sector of the PP specified in PAF Section 1, Paragraph 1.3 “Project promoter's main activity and project implementation sector in accordance with the General Economic Activity Classification NACE” (hereinafter - Paragraph 1.3) is, and whether they are specified in Annex 2 to the Cabinet Regulations as ineligible sectors.</p> <p>2. Verify whether the project sector indicated by the PP appears in the <i>Lursoft</i> database as one of the types of economic activity of the company and it is registered with the SRS. This information shall be verified in the SRS database https://www6.vid.gov.lv/ and a printout shall be attached to</p>	<p>1. Project application (including all additional documents to be attached).</p> <p>2. Commission Regulation No.651/2014</p> <p>3. Commission Regulation No.1407/2013.</p> <p>4. Annex 2 of Cabinet Regulation “Industries, that are ineligible under the Programme “Business Development, Innovation and SME’s”</p>

		<p>the project application selection documentation in the internal Programme Operator's system. If it is established that the sector of the project indicated by the PP is not registered with the SRS, additional information is requested from the PP.</p> <p>3. Make sure that the project implementation sector specified in Paragraph 1.3 of the PAF complies with the project description provided in the project application, the purpose of the project and is related to the explanation of technology, products or services that will be implemented, produced or provided as a result of the project.</p> <p>4. If Paragraph 1.3 of the PAF only indicates in which sector the project is planned to be implemented, but the corresponding NACE Rev. 2 classification code is not indicated, then it is necessary to determine the appropriate code and enter it in the column "Remarks" of Checklist No. 1.</p> <p>5. If each set of information differs, then the project implementation sector is the sector that complies with the provisions of Section 1.3 of the PAF and the business plan, and the corresponding sector is indicated in the notes.</p> <p>6. If one of the sectors where the PP operates is ineligible and the PP applies for project implementation in the sector to be supported, co-financing may only be granted if the PP clearly separates the financial flows of the supported sector from the financial flows of other sectors during the implementation of the project and five years after the implementation of the project, ensuring that actions in excluded sectors do not benefit from the co-financing awarded within the framework of the open call.</p> <p>If the project implementation sector specified in Paragraph 1.3 of the PAF does not correspond with the activities and the target provided for in the project, but it is possible to identify it and it is the sector to be supported, then it shall be indicated in the notes what the relevant project implementation sector is, and the Programme Operator shall provide information about the clarification of the project implementation sector.</p>	<p>5. Statistical classification of economic activities in the EC NACE Rev.2.</p> <p>6. https://www6.vid.gov.lv/</p> <p>7. <i>Lursoft</i> database</p>
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		<p>At the same time, if the PP has also applied for <i>de minimis</i> aid, it shall be verified whether the project has been submitted in the non-supported sector in accordance with Article 1(1) of Commission Regulation No. 1407/2013.</p> <p>The assessment is “Yes”, if the sector indicated by the PP is an eligible sector and it is not included in Annex 2 to the Cabinet Regulation as an ineligible sector.</p> <p>The assessment is “Yes with condition”, if it is not possible to identify the sector from the information provided in the project application, <i>Lursoft</i> database or SRS database; then appropriate additional information shall be requested from the PP.</p> <p>The assessment is “No” if the PP does not fulfil the conditions included in the decision on conditional approval of the project application or if after the fulfilment of the conditions the project application still does not meet the requirements, namely, the specified sector is a non-eligible sector, in accordance with Annex 2 to the Cabinet Regulation, or the conditions are not fulfilled within the time period specified in the decision on conditional approval of the project application.</p> <p>The printout from the SRS database is electronically attached to the project application selection documentation in the internal Programme Operator’s system.</p>	
3.	The objective and the area of the open call project shall comply with this Regulation (S)	<p>Make sure that the target and areas of the project comply with Paragraph 28 of the Cabinet Regulation - to contribute to increasing the productivity and competitiveness of merchants by introducing new products and technologies in the production in the following Green Industry Innovation areas:</p> <ol style="list-style-type: none"> 1. energy storage and recovery, 2. creation of environmentally friendly and energy efficient materials and products, 3. smart mobility and clean transportation, 4. water resources management, 5. reduction of air pollution, 6. waste management, 	1. Project application (including all additional documents to be attached) Publicly available information

		<p>7. use of production process residues,</p> <p>8. product life cycle extension,</p> <p>9. making of any other improvements related to green innovation, technology or processes that contribute to the modernisation and sustainability of production processes.</p> <p>In the information and communication technology areas (hereinafter - ICT):</p> <p>1. automation, robotics, incl. autonomous robot and sensor solutions,</p> <p>2. Internet of Things, big data, cloud computing and next generation mobile technologies,</p> <p>3. 3D and 4D printing,</p> <p>4. artificial intelligence and virtual reality,</p> <p>5. making of any other improvements to ICT products, technologies or processes that contribute to digitisation and sustainability.</p> <p>The assessment is “Yes” if:</p> <p>1. The PP has completed Section 1, Paragraph 1.1 of the PAF “Project summary: objective of the project, main activities, duration, total project costs and expected results” and the project objective is clearly indicated and understood, as well as a short description of the project has been made in Section 1.4 “Objective and description of the project” (hereinafter - Paragraph 1.4), namely, it complies with Paragraph 28 of the Cabinet Regulation;</p> <p>2. In Paragraph 4.6 of the PAF “Explanation of the environmental impact of the project” the PP has indicated the Green Industry Innovation or ICT area (depending on the area in which the project application has been submitted), which corresponds to the field of activity of the PP and the nature of the project.</p> <p>The assessment is “Yes with condition”, if information is missing or incomplete for any of the above-mentioned paragraphs; then the PP is required to provide additional information. When submitting additional information, the information contained therein must ensure the approval of the activities planned within the project, without changing the nature of the project.</p>	
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4.	The open call project is planned to be implemented within the time period specified in this Regulation (S)	<p>The assessment is “Yes” if:</p> <ul style="list-style-type: none"> - the Programme Operator has gained confidence on whether the activities provided for in the project application are planned to start within the time period specified in Paragraph 58 of the Cabinet Regulation, i.e., after the decision on approval of the project application or opinion on the fulfilment of the conditions specified in the decision; - the project implementation term in accordance with the provisions of Section 4, Paragraph 4.1 “Total planned duration of the project implementation” and Paragraph 4.2 “Project implementation time schedule” of the PAF does not exceed the one specified in Paragraph 58 of the Cabinet Regulation, i.e., two years from the date of commencement of eligibility for project costs determined by the Programme Operator in the project contract, but not longer than until 30 April 2024; <p>If the project application fails to meet the above requirements, the assessment is “Yes, with condition ”, setting the condition to specify the project implementation duration, activity plan by quarters or financing plan by years or cost items, to provide harmonised information in the relevant project application sections and business plan.</p>	Project application (including all additional documents to be attached)
5.	The project costs of the open call (total eligible costs of the project, total ineligible costs (if applicable) and total project costs) are calculated arithmetically correctly in the detailed budget and comply with the rules on eligible costs, types of costs and co-financing amount and aid intensity. (S)	<p>1. Verify whether the total project eligible costs, total project ineligible costs and total project costs indicated in Section 7, Paragraph 7.1 of the PAF “Budget of the project” (hereinafter - Paragraph 7.1) have been calculated arithmetically correctly, as well as whether the total cost items have been calculated in accordance with the specified unit costs and number of units. Verify whether the project activities in Section 4 of the PAF “Project Implementation”, Paragraph 4.3 “Project activities and deliverables” (hereinafter - Paragraph 4.3) are indicated in accordance with the unit costs specified in Paragraph 7.1 of the PAF and the sum of costs matches the information provided in Paragraph 7.2 of the PAF “Project financing sources” (hereinafter - Paragraph 7.2). If the non-eligible costs in the project cost estimate are not calculated arithmetically correctly, the finding is considered immaterial and no additional information is required. The sum of the correct non-eligible costs and the total costs shall be indicated in the column “Remarks” of Checklist No. 1.</p>	Project application (including all additional documents to be attached)

		<p>2. Verify whether the activities included in the PAF in Paragraph 4.3 and costs in Paragraph 7.1 are considered eligible for the purpose of Paragraphs 32, 34, 35, 36, 37 and 38 of the Cabinet Regulation. If the assessment of the project costs reveals that the eligible costs include costs that are not eligible and are to exclude from the eligible costs, then updated sections of the PAF are required.</p> <p>3. It shall be verified whether the intensity of financing requested in Section 7.1 of the PAF exceeds the maximum permissible financing intensity and the maximum permissible amount of co-financing specified in Paragraphs 29 and 30 of the Cabinet Regulation.</p> <p>In the case that the requested amount of co-financing is not calculated correctly at the indicated requested funding intensity, then in Checklist No. 1 it is marked “Yes, with condition” and the PP is asked to adjust the amount of the requested funding according to the requested intensity.</p> <p>The assessment is “Yes” if the PP has provided information on the project costs, they have been calculated arithmetically correctly and all cost eligibility and intensity limits have been complied with.</p> <p>The assessment is “Yes with condition” if the PAF has not provided all the necessary information in section 7.1 of the PAF, or information is missing to assess compliance with the criterion, impose a condition and request additional information.</p>	
6.	The open call project application form indicates information and communication measures (including a description of the communication plan), which have been developed in compliance with the	<p>Information and communication activities are implemented with the aim of raising awareness of the existence and objectives of the project, any bilateral cooperation with bodies in Norway, the implementation of Norwegian grant support, results and impact on the project.</p> <p>Verify whether the PP has filled Section 5 “Information and Communication Activities” Paragraph 5.1 “Types of information and communication activities that will be implemented to meet the project</p>	<p>1. Project application (including all additional documents to be attached)</p> <p>2. https://eeagrants.org/resources/regulation-implementation-norway-grants-2014-2021-annex-</p>

<p>requirements specified in Annex 3 “Information and communication requirements” to the Regulations on the Implementation of the Norwegian Financial Mechanism 2014-2021 (available on the website https://eeagrants.lv). (Those provisions were adopted on 22nd September 2016 by the Norwegian Ministry of Foreign Affairs under Article 10, Paragraph 5 of the Agreement between the Kingdom of Norway and the European Union on the Norwegian Financial Mechanism for the period 2014-2021). (S)</p>	<p>requirements for publicity” of the PAF, specifying the planned information and communication measures, description of the measure, implementation period and number.</p> <p>Ascertain that Section 5.2 “Provide information on the communication plan” describes the communication plan in accordance with the information included in the Regulation on the Implementation of the Norwegian Financial Mechanism in 2014-2021, Annex 3 “Information and Communication Requirements for EEA and Norwegian Grants for 2014-2021”, Section 2.3.2. (https://eeagrants.lv/wp-content/uploads/2021/02/Annex_3_EEA-NO_Information_and_Communication_Requirements_0.pdf)</p> <p>Verify that the PP has included mandatory information and communication measures:</p> <ol style="list-style-type: none"> 1. at least three major information events to inform the public about the progress, success and results of the project, including the opening and/or closing event of the project, if the grant amount exceeds EUR 500,000. In the case of projects with a grant of less than EUR 500,000, two measures will be sufficient, 2. post the information and update it regularly on a website containing information on the project, its progress, success and results, cooperation with bodies in Norway, relevant photographs, contact information and a clear reference to the relevant programme and the Norwegian grant, 3. set up a billboard if the total state funding allocated for the performance of the relevant activity exceeds EUR 50,000 and the activity includes the financing of a physical object, infrastructure or construction works, 4. no later than six months after the completion of the project, a permanent commemorative plaque complying with the requirements of the Communication and Design Manual shall be placed at the place of the PP information board. 	<p>3-information-and-communication</p>
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		<p>The assessment is “Yes” if the PP has completed Section 5 of the PAF and provided all the necessary information, as well as provided for mandatory information and communication measures.</p> <p>The assessment is “Yes with condition” if the PP has not provided all the necessary information in section 5 of the PAF; a condition shall be imposed, and additional information requested.</p>	
7.	Project partner eligibility (if applicable):		
7.1.	The project partner complies with the legal status specified in Paragraph 23 of this Regulation. (N)	<p>If the project application is submitted for a partnership, verify the information provided in Paragraph 3.2 of Section 3 “Project partner information” (hereinafter - Section 3) of the PAF and make sure in publicly available information that the project partner is a public or private body, commercial or non-commercial and non-governmental organisation registered as a legal entity in the Kingdom of Norway or the Republic of Latvia. The printout from the database is electronically attached to the project application selection documentation in the internal Programme Operator’s system.</p> <p>The assessment is “Yes” if the project partner meets the definition of a partner.</p> <p>The assessment is “NO” if the project partner fails to meet the definition of a partner. The evaluation of the project partner shall not be continued, and the decision shall indicate the grounds for rejection of the partner. The evaluation of the PP’s application is continued in accordance with the criteria.</p>	<p>1. https://www.brreg.no/ https://www.ebr.lv/en/</p>
7.2.	The project partner has not been declared insolvent by a court ruling, a legal protection process has not been set in motion by a court ruling, its economic activity has not been	<p>The assessment is “Yes” if:</p> <p>1. A judicial judgment has not been issued for the opening of the project partner’s insolvency proceedings, legal protection proceedings, including extra-judicial legal protection proceedings, are not being implemented by a judicial judgment, or its economic activity has not been terminated.</p> <p>2. The project partner has signed a statement that it has not been declared insolvent by a judicial judgment, a legal protection process has</p>	<p>1. https://w2.brreg.no/kunngjoring/index.jsp?spraak=en;</p> <p>2. Lursoft database</p> <p>3. Project application (including all additional documents to be attached)</p>

	<p>terminated or suspended. (N)</p>	<p>not been set in motion by a judicial judgment, or its economic activity has not been terminated (Annex 1 or Annex 2 to the PAF). The printout from the database is electronically attached to the project application selection documentation in the internal Programme Operator's system.</p> <p>The assessment is "No" if the project partner fails to meet the above-mentioned requirements. The evaluation of the project partner shall not be continued, and the decision shall indicate the grounds for rejection of the partner. The evaluation of the PP's application is continued in accordance with the criteria.</p>	
7.3.	<p>The project partner does not have the sanctions laid down in Article 11.² of the Law on International Sanctions and National Sanctions of the Republic of Latvia imposed against it.</p>	<p>The assessment is "Yes" if, according to the information provided in the Lursoft Sanctions Catalogue, on the websites of the Ministry of Foreign Affairs or the Financial Intelligence Unit of Latvia, the project partner, no international or national sanctions of a Member State of the European Union or the North Atlantic Treaty Organization affecting the financial and capital market interests have been imposed on the member of the board, beneficiary, the person being entitled to represent or a procurator, or the person being entitled to represent the project partner in activities related to the branch, and the project partner has signed a PPF certificate, which confirms that no international or national sanctions of a Member State of the European Union or a North Atlantic Treaty Organization affecting the interests of the financial and capital market have been determined for the project partner; (Annex 1 or Annex 2 to the PPF). A printout from the Lursoft Sanctions Catalogue or the relevant website is attached electronically to the project application selection documentation in the internal Programme Operator's system.</p> <p>The assessment is "No", if it is established that no international or national sanctions of a Member State of the European Union or of a North Atlantic Treaty Organization have been imposed on the project partner, its board member, beneficial owner, person entitled to represent or procurator, or person authorised to represent project partner in branch-related activities, which have a significant effect on the financial and capital market interests, or the project partner has not signed the PPF certificate. The evaluation of</p>	

		<p>the project partner shall not be continued, and the decision shall indicate the grounds for rejection of the partner. The evaluation of the PP's application is continued in accordance with the criteria.</p>	
7.4.	<p>The project partner, by such a decision of a competent authority or a court judgment which has entered into effect and has become incontestable and unappealable, has not been found guilty of an offence in the form of employing one or several persons (up to five persons) who are not entitled to reside in the Republic of Latvia, has not been punished for the criminal offence referred to in Article 280, Section 2 of the Criminal Law of the Republic of Latvia, and no coercive measures regarding the commitment of the criminal offence referred to herein have been applied to it.</p>	<p>This criterion is not assessed for a donor state (Norway) project partner. The purpose of the criterion is to ascertain that the project partner, which has been found guilty of an offence in the form of employing one or several persons (up to five persons) who are not entitled to reside in the Republic of Latvia, has been punished for the criminal offence referred to in Section 280 of the Criminal Law of the Republic of Latvia, or coercive measures regarding the commitment of the criminal offence referred to herein have been applied to it, is not involved in the implementation of the project.</p> <p>The above-mentioned shall be checked in accordance with the following order:</p> <ol style="list-style-type: none"> 1. verify whether the project partner has confirmed that it has not been found guilty of an offence in the form of the employment of one or more persons (up to five persons), who are not entitled to reside in the Republic of Latvia, or has not been subject to coercive measures for committing a criminal offence provided under Section 280 of the Criminal Law (Annex 1 to the PPF); 2. check in the database of the Ministry of the Interior whether the project partner has been found guilty of committing the offence referred to in Section 68.4, Paragraph three of the Immigration Law and the criminal offence referred to in Section 280 of the Criminal Law and whether coercive measures for the committing of the above-mentioned criminal offence have been imposed, namely, whether the decision of a competent authority or a judicial judgment on the commitment of said offence/criminal offence has come into force and has become uncontested. The printout from the database "Penal Register" is electronically attached to the project application selection documentation in the internal Programme Operator's system. <p>The assessment is "Yes", if the project partner is not penalised for the above-mentioned infringements.</p> <p>The assessment is "No" if the project partner has been found guilty of committing an offence referred to in Section 68.4, Paragraph three of the</p>	

		<p>Immigration Law or committing a criminal offence referred to in Section 280 of the Criminal Law by a decision of a competent authority or a judicial judgment which has become final and unappealable, or coercive measures against the commission of said criminal offence are imposed. The evaluation of the project partner shall not be continued, and the decision shall indicate the grounds for rejection of the partner. The evaluation of the PP's application is continued in accordance with the criteria.</p>	
7.5.	<p>The project partner does not owe taxes or fees administered by the State Revenue Service, including mandatory state social insurance contribution debts, in excess of EUR 150.</p>	<p>This criterion is not assessed for donor state (Norway) project partners.</p> <p>The information in the database of tax (duty) debtors administered by the State Revenue Service (hereinafter - the SRS) (hereinafter - the database of tax debtors) is updated every month on the 7th (seventh) and 26th (twenty-sixth) dates.</p> <p>The assessment is determined based on the information available to the database of tax debtors of the SRS on the nearest date before the submission of the project application or project application clarifications, for example, if the project application is submitted on 21 April, the decision on the project partner is based on the information available on 7 April. The date of verification and the established situation shall be specified in the checklist of the project application, as well as the evidence of the verification shall be saved.</p> <p>The assessment is “Yes” if:</p> <ol style="list-style-type: none"> 1. based on the information available to the Programme Operator in the SRS tax debtors database on the nearest date before the submission of the project application or project application clarifications, the project partner has no tax debts, including debts of mandatory state social insurance contributions (hereinafter - tax debts), which exceed 150 euros in total; 2. based on the information available in the SRS tax debtors database, if the Programme Operator the project partner has tax debts on the nearest day before the submission date of the project application, but on the nearest day before the Programme Operator's decision on conditional approval/approval of the project application, the project partner does not 	

		<p>have any tax debts in the SRS tax debtors database with a total amount of more than EUR 150, the condition on the payment of the debt is not made and the criterion is assessed as “Yes”.</p> <p>The assessment is “Yes with condition”, if according to the information available in the SRS tax debtors database on the nearest published date before the submission of the project application and before the decision of the Programme Operator on approval/conditional approval of the project application, the project partner has tax debts exceeding 150 euros in total. Having established the mentioned situation, a condition is set to make the payment of all tax debts, ensuring that the project partner has no tax debts in the Republic of Latvia on the day of submission of clarifications to the project application, exceeding 150 euros in total.</p> <p>The assessment is “No” if, on the nearest date before the submission of the clarifications to the project application to the Programme Operator, the project partner has not paid the tax debts and the partner has tax debts exceeding 150 euros in total.</p> <p>The finding shall be recorded in the column “Remarks” of the Checklist. If the assessment is “No”, the project promoter's partner shall not be approved and the partnership costs shall not be supported from the programme funding, but the PP shall continue the assessment according to the criteria.</p>	
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No*	Evaluation criteria*	Points	Procedure	Source of information
1.	Ability of the open call project applicant to attract external financing for project implementation:		The criterion shall be assessed on the basis of the data of the last approved annual report of the PP and its related undertakings - the item “total equity” available in the <i>Lursoft</i> database, in relation to the total eligible costs of the project.	1. Project application (including all additional documents to be attached).
1.1.	The equity of the open call project applicant or a group of persons associated with the project applicant shall be at least 35% of the eligible costs of the project.	15	A related undertaking complies with the definition of related undertakings set forth in Annex 1 to Commission Regulation No. 651/2014. The status of the group of related undertakings of the PP shall be fixed according to the situation on the day of adoption of the decision of the	2. <i>Lursoft</i> database 3. Assessment of expert/s

1.2.	The equity of the open call project applicant or the group of persons associated with the open call project applicant is from 30.00% to 34.99% of the eligible costs of the project.	10	<p>Selection Committee on the promotion of the project application, conditional approval or rejection.</p> <p>The compliance of the project promoter and its related undertakings with the definition of related parties specified in Section 1, Paragraph 18 of the Law on Taxes and Duties shall also be assessed.</p>	
1.3.	The equity of the open call project applicant or the group of persons associated with the open call project applicant is from 25.00% to 29.99% of the eligible costs of the project.	5	<p>The project promoter's related parties shall be identified by using the information available in the <i>Lursoft</i> database. If the PP compiles a consolidated report, i.e., includes data on related parties, the equity ratio reported in the last approved consolidated annual report shall be considered.</p>	
1.4.	The equity of the open call project applicant or the group of persons associated with the open call project applicant is less than 25% of the eligible costs of the project.	0	<p>If the PP does not prepare a consolidated annual report, the equity of the group of all related companies shall be summed together. The equity of related undertakings shall also be taken into account in full if, in accordance with Section 1, Clause 18, Sub-Clause 2 of the Law On Taxes and Duties, the share of one commercial company or cooperative society in another commercial company or cooperative society is 20 to 50 per cent, and the company does not have a majority.</p> <p>If data on related undertakings are not available in the <i>Lursoft</i> database (they have not closed the financial year and/or submitted an annual report to the SRS), the project application is not enclosed with operational financial statements approved by a sworn auditor or related undertakings are registered in the countries, the annual reports of which are not available in databases or the annual reports of the related undertakings are not attached to the project application; then only the PP's equity data shall be taken into account, when determining the assessment for the criterion.</p>	

			<p>For newly established merchants, whose accounts have not yet been approved, the data to be used shall be obtained from conservative approximate estimates made during the financial year, i.e., the assessment criterion is based on the operative report data, also checking the information on the paid-up share capital available in the <i>Lursoft</i> database. The first reporting year of a newly established merchant may cover a shorter or longer period of time, but not exceeding 18 months (Section 14 of the Law on Accounting).</p> <p>For merchants who fail to comply with the status of a newly established merchant, the assessment shall be determined for the criterion by using the data of the last financial year report only or the data of the operative financial report approved by a sworn auditor. Equity data, including the data of the paid-up equity capital, shall be considered as they will be available for approval, conditional approval or rejection of the selection committee's decision on the promotion of the project application in the databases.</p> <p>In the case if one group of related undertakings submits several project applications within the selection round, all project applications submitted by one group of persons within quality criterion No. 1 shall be evaluated in jointly. Namely, by summing up the eligible costs of all project applications submitted by the relevant group of persons by the Programme Operator.</p> <p>According to the total amount of equity of the PP and its related undertakings (if applicable), points shall be assigned in points according to the table (by entering the assessment in the column "Assessment" of the Checklist):</p>	
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			<p>The equity of the project promoter or a group of persons related to the project promoter is</p> <table border="1"> <tr> <td>at least 35_% of the eligible costs of the project;</td> <td>15</td> </tr> <tr> <td>from 30% to 34.99% of the eligible costs of the project;</td> <td>10</td> </tr> <tr> <td>from 25% to 29.99% of the eligible costs of the project;</td> <td>5</td> </tr> <tr> <td>less than 25% of the eligible costs of the project.</td> <td>0</td> </tr> </table>	at least 35_% of the eligible costs of the project;	15	from 30% to 34.99% of the eligible costs of the project;	10	from 25% to 29.99% of the eligible costs of the project;	5	less than 25% of the eligible costs of the project.	0	
at least 35_% of the eligible costs of the project;	15											
from 30% to 34.99% of the eligible costs of the project;	10											
from 25% to 29.99% of the eligible costs of the project;	5											
less than 25% of the eligible costs of the project.	0											
			<p>The minimum assessment in the criterion, in order to approve the project application, shall be 5 points.</p>									
2.	Readiness for commencement of the activities planned in the open call project application:		<p>The purpose of the criterion shall be to ascertain the degree of readiness of the project implementation, thus selecting projects with the highest possible degree of readiness, which would ensure a higher probability that the project will be implemented within the planned deadlines and scope. The degree of readiness of both the part of the eligible costs of the project and the part of the non-eligible costs that is directly related to the project implementation, is important.</p>	<p>1. Project application (including all additional documents to be attached).</p>								
2.1.	<p>High readiness:</p> <p>2.1.1. The procurement has been performed and the winners of the procurement have been determined;</p> <p>2.1.2. A construction project has been developed, based on the calculation of construction costs prepared by a certified estimator (if the construction works are related to the purchase of equipment);</p> <p>2.1.3. A resolution from the board of a credit institution, credit committee or other competent institution or official regarding the granting of a loan for project implementation has been received or a resolution or confirmation</p>	10	<p><u>2.1. High degree of readiness.</u></p> <p>The maximum number of points, i.e., 10 points, shall be awarded if the PP fulfils all the following conditions by the project submission deadline, which shall be no later than the project application submission deadline indicated in the Programme Operator's notification:</p> <p>2.1.1 the procurement procedures for the purchase of all eligible equipment provided for within the project have been performed and the winners of the procurement have been determined, which is confirmed by:</p>	<p>2. Home page of Procurement Monitoring Bureau of Republic of Latvia https://www.iub.gov.lv/</p> <p>4.Home page of The Financial and Capital Market Commission https://www.fktk.lv/</p>								

	from the board of the project applicant regarding the provision of financing for the open call project from own funds		a) the procurement procedure documentation submitted to the Programme Operator, including the decision regarding the winner of the procurement procedure, has been made no later than by the last day of submission of projects	
2.2	Medium readiness: 2.2.1. Potential equipment suppliers have been identified, but the procurement procedure has not been initiated or completed 2.2.2. A minimal building project has been developed (if the construction works are related to the purchase of equipment 2.2.3. Potential sources of project funding have been indicated.	5	b) the notification on the decision making is sent to the PMB no later than by the last day of project submission c) the opinion of the Programme Operator regarding the performed procurement procedure, including compliance with the technical specification, is positive or has minor objections. In the case that it is established that the procurement procedure has not been carried out properly, the Programme Operator shall give a negative opinion and it is necessary to repeat the procurement procedure; the PP cannot apply for the assessment of the degree of readiness of its project with the highest number of points. In situations when there is conflicting information, the PMB should be contacted for additional information.	
2.3.	The open call project is not ready for commencement in accordance with points 2.1 or 2.2 of this Annex	0	2.1.2. in the case that the project requires and envisages construction, which is a non-eligible cost, then in order to receive a 10-point assessment for the compliance of the project readiness level with the highest level: a) it is necessary to provide evidence that the building authority permits have been received for the implementation of the project (if construction works are being performed), which is confirmed by a building permit (copy) issued by the building authority attached to the project. The conformity and validity of the submitted construction permit shall be verified by contacting the relevant building authority b) a construction project has been developed, based on the calculation of construction costs prepared by a certified estimator (if the construction works are related to the purchase of equipment).	

			<p>2.1.3. a decision of the board of the credit institution, credit committee or other competent institution or official of the credit institution regarding the granting of a loan for the implementation of the project has been received, and a decision of the competent official or institution of the project promoter regarding the fulfilment of the conditions set by the bank has been received. Make sure that the issuer of the decision meets the types of issuers of the decision specified in the criterion. If it is planned to receive a loan from a credit institution, it must be registered in the European Union or the European Economic Area and it shall correspond with the status of a registered credit institution and it shall be checked on the website of the Financial and Capital Market Commission or an equivalent foreign institution.</p> <p>Alternatively, a decision or statement of the PP's board on providing the necessary funding for the implementation of the open call project from its own resources shall be attached, provided that the equity in the PP's last closed annual report or operational financial statement approved by a sworn auditor, represents at least 100% of the total project costs.</p> <p>2.2. <u>Average degree of readiness.</u></p> <p>2.2.1. 5 points shall be awarded for the criterion, if the PP meets all of the following conditions:</p> <p>a) Potential equipment suppliers have been identified, but the procurement procedure has not been initiated or completed. The PP has provided detailed information on the research methods of potential equipment suppliers and service providers, the range based on specific data on the surveyed range (contacts, details, general information on the merchant, from which information source contacts were obtained), explaining the selection criteria and justifying, for example, with correspondence, initial offers, etc. Ascertain the compliance of the identified suppliers and service</p>	
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		<p>providers by checking the information available in the public environment in the <i>Lursoft</i> database, etc. sources.</p> <p>b) A medium degree of readiness is also granted if the procurement procedure for all eligible equipment has been completed and the decision has been made before the last day of project submission, but it does not meet the requirements of the regulatory enactments - the Programme Operator has provided a negative opinion, namely, in the opinion the Programme Operator has indicated violations of regulatory enactments that could change the result of the procurement procedure. Or it is established that the procurement procedure has been performed in accordance with the requirements of procurement regulatory enactments, but the decision on the winner of the procurement procedure has been made later than the last day of project submission, based on the information available on the PMB website.</p> <p>2.2.2. If construction is required and planned within the framework of the project, which is a non-eligible cost, a construction project in a minimum composition has been developed and submitted to the building authority. The Programme Operator makes sure by contacting the relevant building authority.</p> <p>2.2.3. The PP has identified and indicated potential sources of project funding. The PP has provided substantiated information on potential sources of funding.</p> <p>2.3. <u>Inadequate degree of readiness.</u> A score of 0 points is awarded if any of the criteria in sub-clauses No. 2.2.1, 2.2.2 and 2.2.3 are not fulfilled. The minimum assessment in the criterion, in order to approve the project application, shall be 5 points.</p>	
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3.	Impact of the open call project on the objectives of the Programme:			
The criterion is evaluated for projects in the Green Industry Innovation area				
3.1.	Significantly reduced impact on the environment. The impact on the environment is reduced throughout the life cycle of a new product, i.e. both resource selection and use, both in the production process and during use and in the waste stream, and the reduction in environmental impacts is based on measurable indicators in each phase of the product life cycle	10	For projects of the open call “Introduction of Green Industry Innovation products into production” the impact on environmental factors should be assessed, taking into account whether the open call project introduces a new product that changes the production process or uses new/improved technology or other improvements that result in reduced environmental impact compared to the production process/technology before the submission of the project or to an equivalent production process/technology already used in the production of similar products. The degree of environmental improvement of the open call project and whether the best “green” solution has been selected shall be also assessed.	1. Project application (including all additional documents to be attached). 2. Calculation of the environmental impact reduction resulting from the project by the energy auditor or industry expert. 3. Assessment of expert
3.2.	Moderately reduced impact on the environment. The planned changes and the chosen option shall ensure that preservation of a reduced environmental impact for at least five years after the project has been implemented, and the planned improvement shall be proportionate to the investments planned under the project	5	<i>At the same time, it shall be verified whether the PP has submitted an Energy Auditor's or industry expert's estimate of the environmental impact reduction achieved as a result of the project.</i> The information should be based on reasonable calculations and should be related to the description and explanation provided in the PAF, Paragraph 4.6. “Explanation of the environmental impact of the project”, as well as the PAF, Paragraph 4.7. “Deliverables of the environmental impact of the project” and specific environmental indicators should be specified.	
3.3.	No reduced impact on the environment. The project applicant has not provided information on the environmental impact of the project and the production of the new product, or the reduced environmental impact is not justified, or the planned	0	Significantly reduced impact on the environment: When introducing a new product, the PP intends to change production processes by improving them or to use new/improved technology in the product production process that provides improvements in one or more environmental indicators. Evaluate the production process and compare it with the situation before the implementation of the project	

	<p>improvement is disproportionate to the investments planned under the project</p>		<p>and with an equivalent production process or technology already used in the production of similar products.</p> <p>The planned changes and the chosen solution ensure that the reduced environmental impact is maintained for at least 5 years after the implementation of the project, and the planned improvement is proportionate to the planned investments within the project. The environmental impact is reduced throughout the life cycle of the new product, i.e., in the selection and use of resources, in the production process and during use, and in the waste stream, as well as the reduction of the product's environmental impact through measurable indicators at each stage of the product life cycle is justified. The PP has provided verifiable environmental impact reduction indicators based on reasonable calculations.</p> <p>Moderately reduced impact on the environment:</p> <p>When introducing a new product, the PP intends to change production processes by improving them or to use new/improved technology in the product production process that provides improvements in one or more environmental indicators. Evaluate the production process and compare it with the situation before the project implementation and with the technology or production processes of equivalent capacity and application available on the market.</p> <p>The planned changes and the chosen solution ensure that the reduced environmental impact is maintained for at least 5 years after the implementation of the project, and the planned improvement is proportionate to the planned investments within the project. The PP has provided verifiable environmental impact reduction indicators based on reasonable calculations.</p> <p>No reduced impact on the environment:</p>	
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			<p>The PP has not provided information on the production processes of the new product, whether there are plans to significantly change production processes or use new/improved technology to reduce the environmental impact of the new product, or the environmental impact is not justified, or the planned improvement is disproportionate to the project investments. The PP has not provided verifiable environmental impact reduction indicators based on reasonable calculations. Points shall also not be awarded if the energy auditor's or industry expert's estimate of the environmental impact reduction achieved as a result of the project has not been submitted.</p> <p>The criterion examines whether the PAF and the business plan indicate whether the project will lead to the development of a new product (including technology related to a new product) that has a positive impact on the environment.</p> <p>Reduced environmental impact technology is a technology that provides proactive prevention of environmental pollution in comparison with previously used technologies or other widely used technologies and reduces the consumption of natural resources, energy, materials and environmental pollution (emissions to water, air and soil) in the relevant production process, or a technology that reduces the effects of environmental pollution and promotes the recovery or restoration of resources.</p> <p>A product with a reduced environmental impact is a product (good or service) that reduces the consumption of natural resources, energy, materials and environmental pollution during the production process, during use or after entering the waste stream compared to similar products.</p>	
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			<p>When assessing whether a product has reduced its environmental impact, it shall be verified that a reasonable explanation has been provided and specific measurable indicators have been provided, indicating the units of measurement before the implementation of the project and the planned units of measurement after the implementation of the project. The specified calculations of indicators and calculation assumptions are substantiated and the calculation of the <i>Energy Auditor or industry expert on the reduction of the environmental impact achieved as a result of the project</i> has been submitted. It should also be assessed whether it is justified that the activities carried out within the framework of the investments planned in the project will have a direct impact on the improvement of the specified indicators.</p> <p>The assessment of the degree of environmental improvement shall take into account the indicators achieved as a result of the project and their justification and compare such with the PP's indicators before the project implementation and with equivalent capacity and application technology or production processes available on the market and the industry situation. The criterion shall be assessed on the basis of the adequacy of the information provided to assess the environmental impact of the project, as well as the proportionality of the investment to environmental improvements.</p> <p>The minimum assessment in the criterion, in order to approve the project application, shall be 5 points.</p>	
The criterion shall be evaluated for ICT area projects				
3.4.	Significant impact on the project applicant's technological/production processes.	10	The impact of the implemented ICT solutions on the production processes of the PP, which ultimately ensures the production of a new product, shall be assessed for the projects of the open call "Introduction of information and	1. Project application (including all additional documents to be attached).

	<p>The introduction of the ICT solution linked to the production of the new product aims at improving production processes and increasing production efficiency, thereby achieving significant improvements at company level (including improvements in financial, environmental or other indicators) compared to the pre-project situation</p>		<p>communication technology products into production”. Verify that the PP has completed Section 4.8 of the PAF “Impact of ICT area projects on the project promoter's production processes” and provided an explanation of the implemented ICT solutions in the production process of a new product.</p> <p>Significant impact on the PP’s production processes: The PP intends to implement an ICT solution by developing a new product. The PP has described how the implemented ICT solution improves production processes and what company indicators have improved (financial, environmental or other indicators) compared to the situation before project implementation. The PP has provided verifiable indicators based on reasonable calculations.</p> <p>Evaluate the PP’s production process in relation to the implemented ICT solution throughout the production process of the new product and whether the ICT solution has been used at all stages of production, where possible, to improve production efficiency. 10 points shall be awarded for the criterion if the PP has implemented an ICT solution throughout the production process of a new product.</p> <p>The chosen ICT solution in the production of a new product is applied during project implementation and maintained for 5 years after project implementation.</p>	2.Assessment of expert.
3.5.	<p>Moderate impact on the project applicant's technological/production processes. The introduction of the ICT solution linked to the production of the new product aims at improving production processes and increasing production efficiency, thereby achieving an improvement in one or more indicators (e.g. improvements in financial, environmental or other indicators) at company level compared to the pre-project situation</p>	5	<p>Medium impact on the PP’s production processes: The PP intends to implement an ICT solution by developing a new product. The PP has described how the implemented ICT solution improves production processes and what company indicators have improved (financial, environmental or other indicators) compared to the situation before project implementation. The PP has provided verifiable indicators based on reasonable calculations.</p>	
3.6.	<p>No impact on the project applicant's technological/production processes. The project applicant has not provided information on the impact of the ICT solution related to the production of the new product on production processes and on the</p>	0	<p>Medium impact on the PP’s production processes: The PP intends to implement an ICT solution by developing a new product. The PP has described how the implemented ICT solution improves production processes and what company indicators have improved (financial, environmental or other indicators) compared to the situation before project implementation. The PP has provided verifiable indicators based on reasonable calculations.</p>	

	improvement of indicators (financial, environmental or other indicators) at company level		<p>The PP's production process is evaluated in relation to the implemented ICT solution, throughout the production process of the new product.</p> <p>5 points are awarded for the criterion if the PP has implemented an ICT solution in certain stages of production of a new product.</p> <p>The chosen ICT solution in the production of a new product is applied during project implementation and maintained for 5 years after project implementation.</p> <p>No impact on the PP production processes: The PP has not described how the implemented ICT solution improves production processes and what company indicators have improved (financial, environmental or other indicators) compared to the situation before project implementation. As a result of the project, the impact of the new product is not justified.</p> <p>At the same time, it is checked whether the PAF and the business plan indicate whether a new product will be developed during the project. Check whether the PP has implemented an ICT solution and digitised the production process of a new product. The PP has described the ICT solutions implemented in production processes.</p>	
4.	Economic impact of the open call project.		This criterion assesses the quality and economic benefits of the submitted project.	1. Project application (including all additional documents to be attached). 2. <i>Lursoft</i> database. 3. Assessment of expert.
4.1.	The planned expenses are proportionate and economically justified, necessary for the implementation of the project. The positive impact of the proposed problem on the economic performance of the project	5	When assessing the criterion, the adequacy of the information included in the PAF and business plan (structure, correctness of information, topicality of information - whether the data are outdated) and compliance of the project application with the requirements of the Cabinet Regulations, as well as compliance with the	

	<p>applicant is justified, a detailed calculation of the project's financial performance has been carried out (the calculation is based on objective assumptions) and an analysis of costs and benefits, and the discounted cash flow (NPV) is positive (NPV>0)</p>		<p>business plan in its terms in accordance with the practice in the industry.</p> <p>When assessing the compliance of the project application with the criterion:</p>	
4.2.	<p>The planned costs are not proportionate and economically justified or do not ensure the achievement of physically measurable results.</p> <p>The positive impact of the proposed problem on the economic activity of the project applicant is not justified. A detailed calculation or calculation of the project's finances has not been performed or is not based on objective assumptions, whether the discounted cash flow (NPV) is negative (NPV<0)</p>	0	<p>1. Verify whether the project activities specified in Section 4.3 of the PAF are related to the eligible project costs in Section 7.1 and a justification of the costs is provided for each of the cost items, as well as a description of the necessity for the respective investments is provided, and it is clear that the costs are directly related to achieving the project goal specified in Section 1.4 "Objective and description of the project". Check that it is clear which activities will be implemented and that the funding required to implement the planned activities is indicated.</p> <p>2. Check whether a detailed technical specification of the equipment, required parameters (equipment capacity, output volume per hour/minute, etc.), functions and connection capacities (kWh) according to which the equipment can be identified, are provided. It is not enough if the project promoter has only described the functionality of the equipment. If the technical specification (technical description) attached to the PAF in annex and/or the technical specification is included in the procurement documentation and/or business plan, the documents attached to the PAF shall be used for evaluation and the PAF's technical specification may not be indicated if a reference is attached.</p> <p>3. Check whether the eligible costs in Section 7.1 of the PAF are economically justified and a detailed explanation of the mechanism for determining and calculating each investment is provided. Unreasonable costs shall mean the costs of investments whose necessity for the implementation of the project is not justified (including the indicated costs are not necessary to achieve the project objective) or the</p>	

			<p>investment description cannot identify the investment and its costs, or the investment amount does not comply with the implementation of the project objective;</p> <p>4. The business plan must include a comparison of the alternatives, the equipment currently available to the PP (technical parameters, functions, depreciation, etc.), the feasibility and costs of adaptation thereof, and the financial and technological benefits of purchasing new equipment.</p> <p>5. Verify that the prices of the investments planned in the project are reasonable and in line with the market price on the basis of publicly available information and information provided as a result of communication with investment producers/service providers. The total investment costs shall not exceed the price indicated by the manufacturers/service providers by more than 30%. If the investment costs exceed more than 30% of the price indicated by the manufacturers/service providers, then they are considered as unreasonable costs or a cost increase. If the external financial expert has indicated the permissible fluctuations of the investment prices in the opinion, then the assessment shall be based on the highest price for the indicated investments.</p> <p>6. Check whether the PAF and the business plan have assessed and provided the existing and potential risks in project implementation, development of new products, viability. Whether all the planned activities, the funding required for their implementation and the sources of funding are indicated. Check whether the project application provides a reasonable explanation of the existing PP's resources that will facilitate the implementation of the project, as well as indicates a reasonable action plan for attracting the necessary resources in the case if all necessary resources for successful project implementation are not available at the time of project submission.</p>	
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			<p>7. Verify whether a detailed description of the prime cost calculation of the product or service has been provided, indicating the most significant items constituting the prime cost, their planned costs, as well as indicating the sources of information on which the calculations are based.</p> <p>8. Ascertain the validity of the assumptions used in the preparation of the financial analysis, description and justification of the assumptions used (product assortment, production volumes, production losses, sales prices, fixed and variable costs, discount rate, useful life of equipment, discount period, project terminal value and other assumptions), has provided a project profit or loss statement five years after the implementation of the open call project, project cash flow statement (by months for five years after project implementation), revenue impact on planned cash flow, sensitivity analysis of the impact of changes in key assumptions on the project's discounted value;</p> <p>9. Verify that the PP has provided a calculation of the net present value (NPV) of the project, calculated over a period of 5 years after the implementation of the project, at a discount rate (%) which is the average rate in the relevant sector. The correctness of the calculations made by the PP must be verified (check that all the conditions, assumptions that make up the correct calculation of NPV have been considered).</p> <p>Discounted cash flow is considered positive if the calculation is mathematically correct and based on reasonable and objective financial assumptions (direct and indirect production costs, sales price, volumes, customers, sensitivity of NPV to change), as well as expert judgment and, if necessary, as a result of the adjustments made, it was found that the $NPV > 0$.</p> <p>5 points are awarded in the criterion if:</p>	
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			<p>1. the planned expenses are proportionate and economically justified, necessary for the implementation of the project and ensure the emergence of physically measurable results, including the positive effect of the solution of the proposed problem on the economic activity of the PP is justified. The costs indicated in the project application are related to the introduction of a new product into production</p> <p>2. a detailed explanation of the mechanism for determining and calculating each investment is provided</p> <p>3. a detailed technical specification of the equipment, required parameters (equipment capacity, output volume per hour/minute, etc.), functions and connection capacities (kWh) according to which the equipment can be identified, are provided, if the procurement documentation is not submitted</p> <p>4. a detailed calculation of the project's funds has been performed in accordance with Paragraphs 7, 8 and 9 (the calculation is justified and based on objective assumptions) and a cost-benefit analysis, and the discounted cash flow (NPV) is positive (NPV > 0).</p> <p>0 points are awarded in the criterion if:</p> <p>1. the planned expenses are not proportionate and economically justified or do not ensure the emergence of physically measurable results, including the positive effect of the solution of the proposed problem on the economic activity of the PP is not justified</p> <p>2. it cannot be concluded from the project application that the planned costs are related to the introduction of the new product into production</p> <p>3. a detailed technical specification of the equipment, required parameters (equipment capacity, output volume per hour/minute, etc.), functions and connection capacities</p>	
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			<p>(kWh) according to which the equipment can be identified, are not provided</p> <p>4. a detailed calculation of the project's funds has not been performed in accordance with Paragraphs 7, 8 and 9 or the calculation is not justified and based on objective assumptions, or the discounted cash flow (NPV) is negative ($NPV > 0$).</p> <p>If there are mathematical inaccuracies in the financial calculations and if they do not significantly affect the objectivity and reasonableness of the financial calculations, the finding shall be considered insignificant. On the other hand, if the financial plans change significantly as a result of mathematical inaccuracies and it can be concluded that it is not a technical inaccuracy, then a negative assessment is provided for the project.</p> <p>The minimum assessment in the criterion, in order to approve the project application, shall be 5 points.</p>	
5.	New jobs created within the open call project:		<p>Within the framework of this criterion, the number of newly created full-time jobs within project implementation (jobs directly related to project implementation) shall be assessed.</p> <p>5 points - if the project promoter creates 4 or more new jobs during project implementation.</p> <p>3 points - if the PP creates 1 to 3 new jobs during project implementation.</p> <p>0 points - if the PP has not provided information on jobs or the number of jobs existing during project implementation is not increased.</p> <p>Check whether an explanation and justification has been provided for the fact that the product to be introduced will create additional full-time jobs in the PP as part of the project.</p>	Project application (including all additional documents to be attached).
5.1.	The project applicant creates 4 or more new jobs during the implementation of the project	5		
5.2.	The project applicant creates 1 – 3 new jobs during the implementation of the project	3		
5.3.	The project applicant does not increase the number of existing jobs.	0		

			<p>Points are not awarded if the purchase of new equipment reduces the number of employees previously involved in the production process, but at the same time new employees are hired to introduce the new product, without creating a positive difference between the number of discharged and newly hired employees.</p> <p>The compliance of the number of jobs created within the project after the implementation of the project within five years shall be verified by the Programme Operator based on the project reports and annual reports, if necessary, performing more detailed checks. Failure to comply with this indicator may result in financial corrections in accordance with the provisions of the Project Implementation Contract.</p> <p>The minimum assessment for the criterion, in order to approve the project application, shall be 3 points.</p>	
6.	Bilateral cooperation of the open call project applicant with the project partner of the donor country (Norway):	Criteria gives additional points	<p><u>Additional points are only awarded for cooperation with the donor state (Norway) Programme Partner.</u></p> <p>When assessing the criterion, check whether the legal entity specified in Section 3 of the PAF “Project partner information” (hereinafter - Section 3) may be considered as the project partner for the purpose of Paragraph 23 of the Cabinet Regulation, namely, whether the project partner is a public or private body, commercial or non-commercial and non-governmental organisation registered as a legal entity in the Kingdom of Norway or the Republic of Latvia.</p>	Project application (including all additional documents to be attached).
6.1.	The project applicant has enlisted a donor project partner for the implementation of the project and has submitted a copy of the partnership agreement on the participation of the partner in the project.	10		
6.2.	The project applicant has enlisted a donor project partner for the implementation of the project and plans on cooperating within the scope of project activities, as well as has submitted a letter of intent on	5	<p>A person who has a contractual relationship with the PP for the supply of goods or services or for the sale of goods or services within the framework of the project is not considered a project partner. Parties associated with the PP are also not considered project partners in accordance with</p>	

	the participation of the partner in the project.		Annex 1, Article 3, (2) and (3) of Commission Regulation No. 651/2014.
6.3.	The project applicant has not enlisted a donor project partner, or if a copy of the concluded partnership agreement or letter of intent has not been submitted, or if the donor country project partner does not meet any of the eligibility assessment criteria.	0	<p>In the case if the project application is submitted in partnership with the donor state project partner, make sure that:</p> <ol style="list-style-type: none"> 1. the partner is not related to the PP and performs important and necessary tasks in the implementation of the project 2. the partnership is not based solely on the co-financing of the project or the contractual relationship for the supply of goods or services or the sale of goods or services but includes cooperation activities related to the introduction of a new product into production. <p>A legal entity is considered to be a project partner, which has a partnership agreement concluded with the PP for the implementation of the project, according to which joint project activities related to the implementation of the new product specified in the project application are planned. Check whether the project partner and the PP will work together within the framework of the project, where the partner will share best practices in the development of a specific product and/or technology, as well as knowledge in product/technology development, product/technology development activities, such as reduction of environmental indicators, in the development of various possible scenarios related to the development of the new product/technology to achieve the project objectives, and the value of the partner's activities in the project will be the costs actually incurred and required by the partner, which will be justified and provable.</p> <p>If a partnership agreement is attached to the project application, then make sure that it contains at least the following information:</p>

			<p>a) obligations and rights of the parties</p> <p>b) mutual settlement procedures, including expenses that will be reimbursed to the project partner from the project budget</p> <p>c) the method of calculation of indirect costs and the maximum amount thereof</p> <p>d) currency exchange conditions and reimbursement</p> <p>e) conditions for audits and inspections of project partners</p> <p>f) detailed budget</p> <p>g) dispute resolution procedures.</p> <p>The partnership agreement must clearly define the rights and obligations of the parties, where it is clear what activities are carried out by the partner and comply with the project implementation conditions, and the partnership agreement clearly states that the partner is not the legal entity from which the PP intends to purchase equipment, technology, products (goods or services) for the provision of their commercial activity, as well as the partner does not perform activities related to the receipt of support for commercial activity - does not benefit personally from the implementation of the project.</p> <p>6.1. 10 points are awarded if:</p> <p>- cooperation with the donor state partner involves a significant contribution or participation of the donor state partner in a project aimed at the development, growth or research of a new product (including technology related to the new product) and its introduction into production, as well as the donor state project partner and the PP have a joint economic goal in the short term perspective (i.e., cooperation with the project partner is only planned during the project implementation period and the benefit of the project partner will be relatively temporary);</p>	
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			<p>- a copy of the concluded partnership agreement regarding participation of the partner in the project has been submitted.</p> <p>6.2 5 points are awarded if:</p> <ul style="list-style-type: none"> - cooperation with the donor state partner involves a significant contribution or participation of the donor state partner in a project aimed at the development, growth or research of a new product (including technology related to the new product) and its introduction into production, as well as the donor state project partner and the PP have a joint economic goal in the short term perspective (i.e., cooperation with the project partner is only planned during the project implementation period and the benefit of the project partner will be relatively temporary); - a letter of intent is submitted regarding participation of the partner in the project. <p>6.3. The PP has not attracted the donor state project partner for the implementation of the project. In the case that the involvement of the donor state partner in the project cannot be clearly identified from the submitted documents, 0 points are awarded.</p>	
7.	Orientation of the open call project on exports and identified competitiveness advantages:	Criteria gives additional points	Within the framework of this criterion, the export potential of the new product is assessed within the project, which is reasonably calculated and based on objective calculations (increase in export volume), as well as the description of the target export market and competitive advantages.	Project application (including all additional documents to be attached).
7.1.	The product introduced by the project is intended to export more than 30% of the production produced under the project to large-scale markets, not only Europe but also Asia, Africa, North America, South America or Australia for	3	7.1. The product introduced as a result of the project is planned to be exported at a scale of more than 30% of the volume of products produced within the project to large-scale or volume markets - 3 points are awarded, if all conditions are met:	

	three years after the project has been completed		1) PI has provided information on the export potential based on reasonable assumptions and calculations, as well as a description of the competitive advantages of the new product within the project and the reasonable export potential of the product is submitted
7.2.	The product introduced by the project is intended to export between 10% and 30% of the production produced under the project to markets of limited scale or volume (exports to European countries) three years after completion of the project	1	2) the product introduced as a result of the project is intended to be exported to large-scale or volume markets - export not only to the European market, but also to Asian or African, or North American or South American countries, or Australia
7.3.	The project applicant has not submitted information regarding the competitive advantages and export potential of the product resulting from the project, or it is planned to export each year less than 10% of the volume of production produced under the project for three years after the completion of the project	0	3) as a result of the project, it is planned to export the new product every year more than 30% of the volume of products produced within the framework of the project 3 years after the completion of the project. 7.2. The product introduced as a result of the project is planned to be exported at the scale of 10%–30% of the volume of products produced within the project to limited scale or volume markets - 1 point is awarded if all conditions are met: 1) PI has provided information on the export potential based on reasonable assumptions and calculations, as well as a description of the competitive advantages of the new product within the project and the reasonable export potential of the product is submitted 2) as a result of the project, it is planned to export the new product to European countries 3) As a result of the project, it is planned to export the new product every year 10% - 30% of the volume of products produced within the framework of the project 3 years after the completion of the project. 0 points - the PP has not submitted information on the competitive advantages and export potential of the product introduced as a result of the project or is planning to export

			<p>less than 10% of the products produced within the framework of the project every year.</p> <p>When assessing the project application, the export possibilities of the new product shall be taken into account. It should be verified whether the PP has assessed and projected exports of the new product on average over the next three calendar years after the implementation of the project, providing reasonable and verifiable assumptions and estimates for export growth, and described the market and demand for the new product.</p> <p>When assessing the export potential and the validity of the forecasts of export indicators during the first three years after the completion of the project, it should be considered in connection with the product's competitive advantages, available resources and planned sales markets. It must be ensured that the planned volumes are sufficiently realistic, based on objective assumptions, as well as achievable.</p> <p>The compliance of the export volumes after the implementation of the project during the first three calendar years shall be verified by the Programme Operator on the basis of the information provided in the annual reports, if necessary, by performing more detailed inspections.</p>	
8.	<p>Horizontal priority “Equal opportunities”</p> <p>The project will ensure the principle of non-discrimination by providing for actions that promote gender equality and active ageing, as well as respect for the rights of persons with disabilities.</p>	Criteria gives additional points	<p>Check whether the PP has filled in Section 6 of the PAF “Impact of the Open call Project on the Horizontal Priority “Equal Opportunities” (hereinafter - Section 6) and plans to implement one of the indicated activities.</p>	<p>Project application (including all additional documents to be attached).</p> <p>2. Assessment of expert</p>
8.1.	The project will employ persons who meet the definition of a	3	Check whether the PP has filled in Section 6, Paragraph 6.1 of the PAF and noted that disadvantaged or disabled	

	disadvantaged worker or a disabled person in accordance with European Commission Regulation No. 651/2014 of 17 June 2014, and the proportion of these employees within the project reaches at least 15% of the total number of employees involved in the project;		<p>employees will be employed in the project, and these persons make up at least 15% of the total number of employees employed in the project, as well as has filled in Paragraph 6.2, indicating the specific achievable indicators and providing an explanation of the provision of the said activity; then 3 points shall be awarded for the criterion.</p> <p>This indicator will be checked 5 years after the implementation of the project, based on the information provided in the project reports and annual reports, if necessary, performing more detailed checks. Failure to comply with this indicator may result in financial corrections in accordance with the provisions of the Project Implementation Contract.</p> <p>If the PP has not completed any of the sections mentioned in the PAF and provided an explanation, no points will be awarded for the sub-criterion.</p>	
8.2.	The project applicant has identified the social portrait and needs of the project target group, including distribution by gender, age and disability.	2	<p>Check whether the PP has filled in Section 6, Paragraph 6.1 of the PAF and has identified the social portrait and needs of the project target group, including distribution by gender, age and disability.</p> <p>Check whether the PP has described the social portrait and needs of the target group (potential employees), including a breakdown by gender, age and disability. If the appropriate explanation and outline of the target group is provided in Section 6 of the PAF, then the assessment of 2 points is awarded for the sub-criterion.</p> <p>If the PP has not completed any of the sections mentioned in the PAF and has not provided an explanation, no points will be awarded for the sub-criterion.</p>	
8.3.	Based on sub-paragraph 8.2 of this Annex, the project provides for special measures, considering the	1	Check whether the PP has filled in Section 6, Paragraph 6.1 of the PAF and noted that the project provides for special measures, taking into account the different needs of	

	different needs of employees in relation to gender, age group and other possible risks of social exclusion.		<p>employees (according to the identified social portrait and needs of the target group) in relation to gender, age group and other possible risks of social exclusion.</p> <p>Examine whether the PAF indicates what measures are planned in the project to meet the needs of the target group according to the identified social portrait and needs of the target group. If the PP has provided a description of the measures to meet the needs of the target group and the measures are in line with the identified social portrait and needs of the target group, then 1 point is awarded for the sub-criterion.</p> <p>If the PP has not identified the social portrait and needs of the target group and/or has not indicated what activities will be performed to meet the needs of the target group, then no points will be awarded for the sub-criterion.</p>	
9.	Impact of the open call project on the environmental performance indicators:	Criteria gives additional points	The criterion shall be evaluated for ICT area projects only.	
9.1.	The project applicant has provided information on the environmental impact and provided measurable indicators based on reasonable calculations by introducing an ICT solution that ensures the production of a new product. The savings of electricity consumption (MWh per year) or greenhouse gas emission reductions (tonnes of CO2 per year) have been calculated in relation to the expected improvements and/or solutions in production processes and their impact on the production	5	<p>The PP has provided information on the impact of the ICT solution on the company's production processes and how this implemented ICT solution will ensure the reduction of the environmental impact related to the production of the new product. The PP has provided verifiable environmental impact reduction indicators based on reasonable calculations.</p> <p>The planned changes and the chosen solution ensure that the reduced environmental impact is maintained for at least 5 years after the implementation of the project, and the planned improvement is proportionate to the planned investments within the project.</p> <p><i>At the same time, it shall be verified whether the PP has submitted an Energy Auditor's or industry expert's estimate of the environmental impact reduction achieved</i></p>	<p>1. Project application (including all additional documents to be attached).</p> <p>2. Calculation of the environmental impact reduction resulting from the project by the energy auditor or industry expert.</p>

	of the new product has been explained.		<i>as a result of the project.</i> The information should be based on reasonable calculations and should be related to the description and explanation provided in the PAF, Paragraph 4.6. “Explanation of the environmental impact of the project”, as well as the PAF, Paragraph 4.7. “Deliverables of the environmental impact of the project” and specific environmental indicators should be specified.	
9.2.	The project applicant has not provided information on the environmental impact, by introducing an ICT solution that ensures the production of a new product.	0	The PP has not foreseen or provided information on the impact of the ICT solution on production processes and how the implemented ICT solution will ensure a reduced environmental impact. At the same time, Paragraphs 4.6 and 4.7 of the PAF are not completed and verifiable environmental impact reduction indicators are not provided based on reasonable calculations, or the planned environmental improvement is disproportionate to the planned investments within the project, as well as the energy auditor's or industry expert's calculation of the environmental impact reduction achieved as a result of the project has not been submitted.	
10.	Funding criterion	Assessment		
	For the project application to be approved, evaluation criteria 1,2,3 and 4 must receive at least 5 points each, evaluation criteria 5 must receive at least 3 points, but in the joint assessment, the project application must receive at least 23 points. In the case that there are project applications with the same number of points, preference is given to those project applications that have a higher number of points in quality criterion No. 6.	Yes/No	1) Check whether administrative criterion No. 1 of the project is assessed as appropriate. 2) Sequentially check whether the project promoter's compliance criteria No. 1.1, No. 1.2, No. 1.3, No. 1.4, No. 1.6.1 and No. 1.6.2 are assessed as appropriate. 3) Check whether, when evaluating project quality criterion No. 1, at least 5 points have been received, in quality criterion No. 2 at least 5 points have been received, for quality criterion No. 3 at least 5 points have been received, for quality criterion No. 4 at least 5 points have been received, for quality criterion No. 5 at least 3 points have been received and in total at least 23 points have been received.	1. Project application (including all additional documents to be attached). 2. Assessment of the administrative, eligibility and evaluation criteria contained in test sheet No.1, No.2. and No.3.

	<p>In the case that the same number of points is obtained in quality criterion No. 6, the assessment in quality criterion No. 2 is compared, giving preference to the project application that has obtained the highest number of points.</p> <p>In the case that the same number of points is obtained in quality criterion No. 2, the assessment in quality criterion No. 7 is compared, giving preference to the project application that has obtained the highest number of points.</p> <p>If the same number of points is obtained in quality criterion No. 7, the assessment in quality criterion No. 3 is compared, giving preference to the project application that plans to achieve a greater reduction of environmental impact in tonnes of CO2 during the implementation of the open tender project.</p>		<p>4) If at least one of the above criteria has not been properly assessed, the award criterion shall be assessed as “No”.</p> <p>5) Those project applications that have received an appropriate assessment in accordance with Sub-Paragraphs 1-3 shall be listed according to priority and the funding available in the activity selection round is sufficient for them.</p> <p>6) A project application for which there is insufficient funding available for the activity selection round does not meet the criterion.</p>	
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