

**Selection Regulation of the project application for the Norwegian Financial Mechanism's 2014-2021 Programme "Business Development, Innovation and SME's" small grant scheme "Development of green industry innovation and ICT products"**

Name of the Programme	Norwegian Financial Mechanism 2014-2021 Programme "Business Development, Innovation and SME's" (LV-INNOVATION)
The Programme Operator	<b>Investment and Development Agency of Latvia</b> Pērses iela 2, Riga, LV-1442 Phone: +371 67039465 E-mail: <a href="mailto:pasts@liaa.gov.lv">pasts@liaa.gov.lv</a> ; <a href="mailto:nor.projekti@liaa.gov.lv">nor.projekti@liaa.gov.lv</a>
The Programme Partner	<b>Innovation Norway</b> Pb. 448 Sentrum, Akersgata 13, 0104 Oslo Phone: (+ 47) 22 00 25 00 E-mail: <a href="mailto:eeanorwaygrants@innovationnorway.no">eeanorwaygrants@innovationnorway.no</a>
Programmes activity	The small grant scheme "Development of green industry innovation and ICT products"
Rules governing the implementation of the small grant scheme	<ol style="list-style-type: none"> <li>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 Latvia<sup>1</sup>;</li> <li>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 in<sup>2</sup> <a href="https://eeagrants.org/sites/default/files/resources/NO%2BFM%2BRegulation%2BFinal%2B23%2B09%2B2016.pdf">https://eeagrants.org/sites/default/files/resources/NO%2BFM%2BRegulation%2BFinal%2B23%2B09%2B2016.pdf</a>;</li> <li>3. Guidelines adopted by the donor country are published on the Norwegian Financial Mechanisms website <a href="http://www.norwaygrants.lv">www.norwaygrants.lv</a> <sup>3</sup>;</li> <li>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);</li> <li>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</li> </ol>

<sup>1</sup> [https://eeagrants.lv/wp-content/uploads/2020/05/MoU\\_NOR\\_2014-2021\\_ENG.pdf](https://eeagrants.lv/wp-content/uploads/2020/05/MoU_NOR_2014-2021_ENG.pdf)

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

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

	<p>the European Union to <i>de minimis</i> aid (hereinafter - Commission Regulation No 1407/2013);</p> <p>6. Law on the Management of the European Economic Area (hereinafter – EEA) Financial Mechanism and the Norwegian Financial Mechanism for the Period 2014-2021 (hereinafter – Law)<sup>4</sup>;</p> <p>7. The Law on International and National Sanctions of the Republic of Latvia<sup>5</sup>.</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)<sup>6</sup>;</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)<sup>7</sup></p>
Total available funding for the small grant scheme	Total available funding is <b>EUR 1,700,000</b> , including financing of the Norwegian Financial Mechanism – EUR 1,445,000 and State funding – EUR 255,000
Available funding for green innovation areas according to sub-paragraph 7.1. of the Cabinet Regulation	<b>EUR 850,000</b> of which Norwegian Financial Mechanism co-financing EUR 722,500 and State budget co-financing of EUR 127,000
Available funding for ICT areas according to sub-paragraph 7.2. of the Cabinet Regulation	<b>EUR 850,000</b> of which Norwegian Financial Mechanism co-financing EUR 722,500 and State budget co-financing of EUR 127,000
The call objective	Increased competitiveness for Latvian enterprises within the focus areas of green industry innovation and ICT .
Maximum aid intensity of the	If the commercial activity aid is provided in accordance with Commission Regulation No.1407/2013 – <b>70%</b> of the eligible costs.

<sup>4</sup> <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>

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

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

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

Norwegian Financial Mechanism	<p>If the commercial activity aid is provided in accordance with Commission Regulation No.651/2014:</p> <ul style="list-style-type: none"> <li>• For the micro and small-sized enterprises – 45%, while for the medium-sized enterprises – 35% for eligible costs referred to in sub-paragraph 51.1., and paragraphs 52. and 53. of the Cabinet Regulation;</li> <li>• 50% for eligible costs referred to in sub-paragraphs 51.4 and 51.5 of the Cabinet Regulation.</li> </ul>	
Available Programme funding per project	from EUR 10,000 to EUR 130,000	
Duration of the project implementation	The project shall be implemented within two years from the date of commencement of the eligibility of project expenditure specified in the project contract, but not later than 30 April 2024.	
Project partner	The project partner may be any public or private body, 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 small grant scheme	
Time for the submission of the project application	<b>From 7 June 2021</b>	<b>Till 23:59 31 August 2021</b>

## I. The call outcome and outputs

Outcome/ outputs	Indicators <sup>8</sup>	Target Value for the Call as a whole
Increased competitiveness <sup>9</sup> for Latvian enterprises within the focus areas – green innovation, ICT and welfare technologies (1. Outcome).	Number of products or technologies supporting green innovation, ICT and welfare technologies developed.	24 (14 in green innovation and ICT areas, 10 in welfare technology area).
Enterprises supported to develop green products or technologies (1.1. output of the small grant scheme).	Number of SMEs supported <b>to develop green products and technologies.</b>	7
	Number of enterprises using external research expertise or research institutions to develop innovative green products and technologies.	7
Enterprises supported to develop innovative ICT products and technologies (1.2. output of the small grant scheme).	Number of SMEs supported <b>to develop ICT products and technologies.</b>	7
	Number of enterprises using external research expertise or research institutions to develop innovative ICT products and technologies.	7

Furthermore, the projects are expected to contribute to the following outcome indicators of the programme:

- Estimated annual CO2 emissions reductions (tons)
- Estimated annual decrease of energy consumption (MWh).

For projects realized in partnership with Donor project partners (entities from Norway), a survey will be administered to the project promoters by the FMO (Financial Mechanism Office – Secretariat of the EEA and Norway Grants). The survey will measure the level of satisfaction with the partnership, the level of trust between cooperating entities in Beneficiary States and Donor States, and the share of cooperating organisations that apply the knowledge acquired from bilateral partnership.

## 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 small grant scheme (hereinafter – the call).

<sup>8</sup> Measure the results of enterprises supported by the small grant scheme.

<sup>9</sup> 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.

2. 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; a court judgment does not implement the legal protection proceeding, and economic activities have not been terminated.
3. 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.
4. In accordance with sub-paragraph 20.5 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.
5. The project promoter and partner do not have the sanctions laid down in Section 11.<sup>2</sup> of the Law on International Sanctions, and National Sanctions of the Republic of Latvia imposed against it.
6. If the support is provided in accordance with the Commission Regulation No.651/2014, the project promoter does not comply with the status of an undertaking in difficulty and is not subject to a recovery order in compliance with Paragraph 22 of the Cabinet Regulation (if applicable).
7. Additional requirements for the Project promoter, if it is applying for the 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 2.3 of the Cabinet Regulation.
8. The project partner may be any 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, in compliance with Paragraphs 23 and 24 of the Cabinet Regulation.
9. 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**

10. If the commercial activity aid is provided in accordance with Commission Regulation No.1407/2013, eligible activities are referred to in paragraph 50. of the Cabinet Regulation.
11. If the commercial activity aid is provided in accordance with Commission Regulation No.651/2014, eligible activities are referred in sub-paragraphs 50.1., 50.4. and 50.5. of the Cabinet Regulation.
12. The implementation of the small grant scheme project may be started in accordance with Paragraph 58 of the Cabinet Regulation.
13. If commercial activity aid is provided in accordance with Commission Regulation No.1407/2013, the eligible costs of the project are referred to in paragraphs 51., 52. and

53. of the Cabinet Regulation, taking into account paragraphs 13. and 57. of the Cabinet Regulation.

14. If commercial activity aid is provided in accordance with Commission Regulation No.651.2014, in accordance with paragraph 49. of the Cabinet Regulation, the eligible costs of the project are referred to in sub-paragraphs 51.1, 51.4, 51.5., and in paragraphs 52. and 53. of the Cabinet Regulation, taking into account paragraph 13. of the Cabinet Regulation. The rest of the project's eligible costs referred to in sub-paragraphs 51.2., 51.3., 51.6. and 51.7. of the Cabinet Regulation shall be covered by the project promoter from his or her own resources.
15. Pursuant to Paragraph 59 of the Cabinet Regulation, the Project Promoter and the project partner shall purchase goods and services for the project's needs in compliance with the procurement regulatory framework in an open, transparent, and non-discriminatory manner.
16. The project promoter may apply for an advance payment not exceeding 25% of the amount from the granted support, subject to the time limit for the acquisition of the advance and conditions specified in the project contract after signing the agreement on the implementation of the project with the Programme Operator.

#### **IV. Preparation and submission of project application**

17. 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. One project promoter can submit more than one project application.
18. The project application consists of a completed project application form in the Latvian language (Annex 1 or Annex 2 of this Regulation<sup>10</sup>) and the following additional documents, which shall also be submitted in the Latvian language, unless otherwise specified in sub-paragraph 18 of this Regulation:
  - 18.1. Acknowledgement of the Latvian partner (if applicable) (Annex 1 of the project application form);
  - 18.2. Acknowledgement of the Donor State Programme Partner in English (if applicable) (Annex 2 of the project application form);
  - 18.3. Feasibility study in Latvian and English (Annex 3 of this Regulation “Recommended content of the Feasibility Study”);
  - 18.4. A power of attorney, according 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 authorised to sign following the regulatory enactments, being in force);
  - 18.5. Printout<sup>11</sup> of the forms for the information to be provided for the accounting and granting of de minimis support under 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);

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<sup>10</sup> Depending on whether the project promoter qualifies for aid under Commission Regulation No.1407/2013 or Commission Regulation No.651/2014.

<sup>11</sup> Submits a downloaded form in PDF format or scanned print. To access the *de minimis* aid accounting system enterprise uses the State Revenue Service Electronic Declaration System <https://eds.vid.gov.lv/>

- 18.6. A completed declaration regarding the project promoter's compliance with the status of a small (micro) or medium-sized enterprise under 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);
- 18.7. Project partnership documents - letter of intent or partnership agreement<sup>12</sup> on the participation of the partner in the project (if applicable);
- 18.8. Financial report approved by the sworn auditor for the period of 12 months until the closed last 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;
- 18.9. Consolidated annual report (applicable if the parent company or related undertakings are legal entities registered abroad if the project promoter and affiliated undertakings prepare the consolidated annual report);
- 18.10. 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);
- 18.11. Other documents that explain the validity, efficiency of the results of the activities planned in the project application (if applicable) and to substantiate the compliance of the project application with the criteria for evaluation of the project application specified in Annex 5 or 6 to the Cabinet Regulation.

## **V. Procedure for project application's preparation**

19. The project application form and feasibility study shall be submitted in Latvian and English. Other additional documents specified in Paragraph 18 of this Regulation shall be submitted in Latvian, except for documents related to the Donor State Programme Partner and offers submitted within the procurement framework, 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 following the procedures specified in Cabinet Regulation No. 291 "Procedures for the Certification of Document Translations in the Official Language", adopted on 22 August 2000.
20. 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.

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<sup>12</sup> The partnership agreement shall include at least the requirements set out in paragraph 12 of the Regulation of the Management.

21. The project application shall be signed by the responsible person of the project promoter or his/her authorised 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 authorised person of the project promoter, a relevant document regarding the authorisation issued to a specific person shall be attached.
22. In the project application, the amounts shall be indicated in euros up to 2 decimal places.

## **VI. Procedure for project application's submission**

23. The Programme Operator publishes the call for proposals on accepting project applications in the official gazette *Latvijas Vēstnesis* in Latvian and on the Program Operator's website: [www.liaa.gov.lv](http://www.liaa.gov.lv) and on the unified financial mechanisms website [www.norwaygrants.lv](http://www.norwaygrants.lv) in Latvian and English. No later than on the day of the 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](http://www.liaa.gov.lv) and the unified financial mechanisms website [www.norwaygrants.lv](http://www.norwaygrants.lv).
24. The submission of project applications shall be announced once for all co-financing available for the call, organising one selection round for proposals.
25. A project application shall be submitted:
  - 25.1. in electronic form, signed with a secure electronic signature, following regulatory enactments regarding the circulation and execution of electronic documents, by sending to the Program Operator's e-mail address [pasts@liaa.gov.lv](mailto:pasts@liaa.gov.lv) or via united portal of public and municipal services [www.latvija.lv](http://www.latvija.lv), or
  - 25.2. in paper form by sending via registered mail to the registered office of the Program Operator: Pērses iela 2, Rīga, LV-1442. The project application shall be submitted in 1 copy (original).
26. When submitting a project application in paper form in accordance with sub-paragraph 25.2 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](mailto:nor.projekti@liaa.gov.lv).
27. 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.
28. The project application shall be submitted by the final deadline for submitting project applications specified in this Regulation.
29. If the project application is submitted via united portal of public and municipal services [www.latvija.lv](http://www.latvija.lv), or by **electronic mail** or using particular online forms managed by the institution, in that case, 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](mailto:pasts@liaa.gov.lv), the following requirements shall be observed:
  - 29.1. 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.);

- 29.2. the maximum amount of e-mail data with attachments shall be 50 MB. Suppose 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. In that case, individual attachments to the project application may be sent in an additional e-mail following the procedures specified in Sub-paragraph 24.1 of this Regulation.
30. If the project application is sent **by post**, the date and time of submission are counted as the day and time of dispatch indicated by the postal stamp.
31. Suppose the project application is submitted after the deadline for submission of project applications. In that case, it shall not be evaluated, and the Programme Operator shall refuse to accept it and inform the project promoter of that.
32. 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**

33. For evaluating project applications, the Programme Operator shall establish and approve a project application selection committee (hereinafter - the Selection Committee) by an order.
34. 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).
35. The Selection Committee shall evaluate the compliance of the project application with the project application assessment criteria included in Annex 5 or Annex 6 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 4 to the Selection Regulation).
36. Suppose the project application **fails to comply** with non-specifiable eligibility assessment criteria. In that case, the evaluation of the project application in compliance with the other assessment criteria shall not be continued. **The project application shall be rejected.**
37. Suppose the project application **complies** with non-specifiable eligibility assessment criteria. In that case, the project application shall be submitted for evaluation to two independent external experts (hereinafter - experts), who shall assess the project application in accordance with the evaluation quality criterion depending on the areas in which the project application will be submitted. For the purposes of ranking the projects, the average of the scores awarded by the experts shall be used. 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. In such cases, the average score of the two closest scores shall be used for the ranking of the projects.

38. 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.**
39. If the project application is submitted in cooperation with the project partner, the partner's compliance shall be first assessed against a 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 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**, nor can partners be replaced.
40. If, for the assessment of the specifiable administrative and eligibility criteria, the information provided is insufficient, inappropriate, or inaccurate, **the project application shall be approved on condition.**
41. The Selection Committee **gives its opinion on the approval, approval on condition or rejection of the project application.**
42. 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.
43. In cases where project applications have received the same number of points, then according to the criteria for awarding the funding:
  - 43.1. Preference is given to the project application that has obtained a higher number of points for the quality criterion No.1;
  - 43.2. In the case that the same number of points is obtained in quality criterion No.1, 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.
  - 43.3. In the case that the same number of points is obtained in quality criterion No.2, the number of points obtained in quality criterion No.5 is compared, giving preference to the project application that has obtained the highest number of points.
  - 43.4. If the same number of points is obtained in evaluation criterion No.5, the assessment if evaluation criterion No.6 is compared, giving the preference to the project application that plans to achieve a more significant impact on the Programme's objectives.
44. Suppose in accordance with Paragraphs 42 and 43, the project application is included in the selection list, but no financing is available. In that case, **the project application shall be rejected due to insufficient funding**, and it shall retain its place in the selection list (hereinafter - reserve project application list).
45. Suppose the project application is to be approved on condition(s). In that case, 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.

46. 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 and tax criteria. If the commercial activity aid is provided in accordance with Commission Regulation No.651/2014, then re-evaluates the criterion for evaluation of the status of the enterprise in difficulty. The assessment of the over-evaluation criteria is not changed.

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

47. Based on the opinion of the Selection Committee, the Programme Operator shall issue an administrative act (hereinafter - decision) on:
- 47.1. Approval of the project application;
  - 47.2. Approval of the project application on condition;
  - 47.3. Rejection of the project application.
48. 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.
49. 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 5 and 6 to the Cabinet Regulation, and funding is available for it.
50. If the Programme Operator has approved the project application on condition, the Programme Operator shall **provide an opinion on the fulfilment or non-fulfilment** of the requirements under Paragraph 51 or 52 of this Regulation within one month from the date of submission of the specified project application.
51. If the additional information specified in the decision on approval on condition of the project application is not submitted within the specified time or any of the conditions specified in the decision are not fulfilled, in that case, the project application **shall be deemed to have been rejected**.
52. If the additional information specified in the decision on approval on condition of the project application **is** submitted within the specified time or all the conditions specified in the decision are fulfilled, the Programme Operator shall issue an opinion on fulfilment of the requirements specified in the decision.
53. The Programme Operator shall **decide on the rejection of the project application** in accordance with the opinion of the Selection Committee in the cases specified in Paragraphs 36, 38 and 44.
54. 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.

55. 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 the closure of the evaluation process.**
56. The decision to reject the project application 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.
57. Project promoter may commence planned project activities (including entering into a contract with the winning bidder or the service provider selected as a result of market research) only after a decision regarding the approval of the project application or an opinion regarding the fulfilment of the conditions specified in the decision, if a decision on the conditional approval of the project application has been made in advance.

## **IX. Entry into the project contract**

58. The wording of the project contract (Annex 5 to this Regulation “Draft project contract”) during the process of entry into the contract may be specified in accordance with the approved project application.
59. The project contract shall be concluded within the 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**

60. Please, send questions about the preparation and submission of a project application to the e-mail address [jautajumi@liaa.gov.lv](mailto:jautajumi@liaa.gov.lv) or turn to the Program Operator's customer service centre by calling the phone number +371 67039400 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.
61. 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 by sending it electronically.
62. 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/>.

63. In case of suspicions on misappropriation of financial instruments, conflict of interest or corruption during the implementation of Norwegian Financial Mechanisms, the Financial Mechanism Office, the National Focal Point, or any other authority responsible for the successful implementation of Norwegian Financial Mechanisms must be reported. Complaints can be submitted in person, by post and electronically. For more details on the reporting institutions, see the uniform financial mechanisms website <https://norwaygrants.lv/zino-par-parkapumiem/>.

**Attachments:**

<b>Annexe 1</b>	Project application form No.1 and its annexes (for aid within the framework of Commission Regulation No.1407/2013)
<b>Annexe 2</b>	Project application form No.2 and its annexes (for aid within the framework of Commission Regulation No.651/2014)
<b>Annexe 3</b>	Recommended content for the feasibility study
<b>Annexe 4</b>	Methodology for evaluating the criteria of the small grant scheme in green innovation, ICT, and welfare technology areas
<b>Annexe 5</b>	Draft project contract

It is aligned with letter No. 5.1.-21/16/1368 of the Ministry of Finance as the National Focal Point on 11 March 2021.

It is approved by order N<sup>o</sup>.1.1-2/2021/42 of 4<sup>th</sup> June 2021 by the Head of the Norwegian Financial Mechanism Department.

Director of the Norwegian Financial Mechanism Department

J. Ločmelis

*Siliņa, 67039465*