**Conditions of the issue of vouchers, their circulation, and the use thereof**

1. **General provisions**
	1. These conditions shall determine the procedure for ensuring the circulation of a voucher and the pay-out of the funding indicated on the voucher to the service provider for the service provided to the beneficiary.
	2. The following terms are used in the conditions:
		1. Agency - Investment and Development Agency of Latvia;
		2. Beneficiary - a merchant referred to in Paragraph 42 of Cabinet Regulation No. 692, with whom, on the basis of the decision of the Agency regarding the approval of the application, the Agency has entered into an agreement regarding the provision of support and has issued a voucher for the implementation of supported activities;
		3. Supported Activity - an activity provided for in the project, which complies with Cabinet Regulation No. 692, for the implementation of which eligible costs are planned and which has been completed during the validity period of the voucher;
		4. Eligible Costs - project costs to which support is applicable in accordance with Cabinet Regulation No. 692 and which have been implemented in compliance with the requirements of regulatory enactments governing the procurement as well as other requirements specified in regulatory enactments. Value added tax shall not be covered with a voucher;
		5. Internal Rules - internal rules of the Agency which govern the procedure, according to which the selection of beneficiaries is performed, support is provided for the Implementation of Activity 1.2.1.2 “Support for the Improvement of Technology Transfer System” of the Specific Objective 1.2.1 “To increase investments of private sector in R&D” of the Operational Programme “Growth and Employment”, within the framework of activities referred to in Sub-Paragraphs 41.1 - 41.7 and Sub-Paragraph 41.9 of Cabinet Regulation No. 692 “Regulation for the Implementation of the Activity 1.2.1.2 ‘Support for the Improvement of Technology Transfer System’ of the Specific Objective 1.2.1 ‘To increase investments of private sector in R&D’ of the Operational Programme ‘Growth and Employment’”, adopted on 25 October 2016, recording of the support granted is performed, and circulation of vouchers is ensured. The current wording of the internal regulations is available on the Agency’s website [www.liaa.gov.lv](http://www.liaa.gov.lv);
		6. Agreement - an agreement concluded between the Agency and the beneficiary on the implementation of the project and receipt of the support funding;
		7. Cabinet Regulation No. 692 - Cabinet Regulation No. 692 “Regulation for the Implementation of the Activity 1.2.1.2 ‘Support for the Improvement of Technology Transfer System’ of the Specific Objective 1.2.1 ‘To increase investments of private sector in R&D’ of the Operational Programme ‘Growth and Employment’”, adopted on 25 October 2016;
		8. Inappropriately Made Expenses - expenses that the Beneficiary has indicated in the project as Eligible Costs, but which shall not be eligible for co-financing because they have been incurred due to the actions or omissions of the Beneficiary or the Service Provider upon violating the requirements of the Agreement or the legal acts of the Republic of Latvia or the European Union;
		9. Service Provider - an institution that complies with the requirements determined in Paragraph 46, Paragraph 46.1 or Paragraph 46.2 of Cabinet Regulation No. 692 and provides the service specified in the voucher for the Beneficiary, or a merchant which corresponds to the requirements determined in Paragraph 47.1 of Cabinet Regulation No. 692 and provides the service to the Beneficiary specified in the voucher;
		10. Project - an application regarding which the Agency has adopted a decision of approval or conditional approval and an opinion regarding the fulfilment of conditions;
		11. Voucher - a binding document issued by the Agency in accordance with Paragraph 43 of Cabinet Regulation No. 692, pursuant to which the Agency undertakes to cover the expenses of the implementation of the supported activities referred to in sub-paragraphs 41.1, 41.2, 41.3, 41.4, 41.5, and 41.6 of Cabinet Regulation No. 692 in accordance with the expense restrictions determined in Cabinet Regulation No. 692;
	3. The following abbreviations shall be used in the conditions:
		1. VPR - voucher payment request.
2. **General conditions for use of the voucher**
	1. The Voucher shall be intended only for the financing of the supported activity specified in the Voucher.
	2. The Voucher shall be valid only for the validity period specified therein.
	3. In the event that the Voucher is lost, irretrievably damaged, or destroyed, it shall not be restored.
	4. The maximum compensation to be paid to the Service Provider, excluding value added tax, for the Service Provided to the Beneficiary is indicated on the Voucher.
	5. Before commencement of the Supported Activities, the Voucher should be reserved and activated in accordance with the procedure specified in Paragraph 3 of these Conditions.
	6. The Agency shall pay the compensation provided for in the Voucher for the service provided to the Beneficiary only to the Service Provider, who can present the Voucher received from the Beneficiary and in whose name the reservation and activation of the Voucher is made.
	7. The compensation provided for in the Voucher for the Service Provided to the Beneficiary shall be paid after the Agency has evaluated the VPR submitted by the Service Provider, if these conditions are met and the VPR complies with the payment conditions of the Voucher as specified in the Internal Rules.
	8. The Agency shall use the e-mail: vaucers@liaa.gov.lv for electronic information exchange with the Service Provider. The e-mail address from which the application to reserve the Voucher was received shall be used to communicate with the Service Provider.
	9. The Service Provider shall be obliged to present the original Voucher within 3 working days upon the request of the Agency.
	10. The Service Provider shall not transfer the fulfilment of the Voucher to other persons.
	11. Changes to the Voucher shall be permitted with the written consent of the Agency and the Service Provider.
3. **Reservation and activation of the Voucher**
	1. In order to reserve a Voucher, the Service Provider should send a request for reservation of the Voucher to the Agency to the e-mail vaucers@liaa.gov.lvupon agreement with the Beneficiary on the provision of the service.
	2. If the Agency finds that the Service Provider complies with the requirements of Cabinet Regulation No. 692 and it has been selected in compliance with the requirements of procurement regulatory enactments, the Agency shall reserve a Voucher for the Service Provider by making a relevant note in the List of Vouchers and informing the Service Provider and the Beneficiary electronically.
	3. If the Agency finds that the Service Provider fails to comply with the requirements of Cabinet Regulation No. 692 and it has been selected in compliance with the requirements of procurement regulatory enactments, the Agency shall refuse to reserve the Voucher and shall inform the Service Provider and the Beneficiary of that electronically.
	4. After reservation of the Voucher, the Agency shall assess the compliance of the service agreement concluded between the Beneficiary and the Service Provider with the Project, the conditions for receiving of the support, and the regulatory enactments governing the procurement provided for in Cabinet Regulation No. 692, Internal Rules, and the Agreement. If the service agreement meets the above-mentioned conditions, the Agency shall activate the Voucher by making an entry in the List of Vouchers regarding activation of the Voucher and shall inform the Service Provider and the Beneficiary of that electronically.
	5. If the Agency establishes that the service agreement fails to comply with the requirements referred to in Paragraph 3.4 of these Conditions, the Agency shall refuse to activate the Voucher and inform the Service Provider and the Beneficiary of that electronically.
4. **Procedure for claiming compensation**
	1. In order to claim the pay-out of compensation specified in the Voucher for the services provided to the Beneficiary, the Service Provider shall submit to the Agency the VPR and at least the following documents and information, no later than within 10 working days after the expiry of the Voucher as indicated on the Voucher:
		1. a certified copy of the invoice issued to the Beneficiary for the work performed within the framework of the service agreement;
		2. a certified copy of the document certifying payment of the invoice issued by the Service Provider for the part of the costs to be covered by the Beneficiary;
		3. a certified copy of the certificate of acceptance;
		4. a certified copy of the deliverable or content report regarding the work performed;
		5. the bank account number of the Service Provider in whose name the Voucher is activated, to which the payment of VPR shall be made;
		6. The Service Provider shall indicate the Voucher number on all invoices.
	2. The Service Provider shall submit the VPR and the documents referred to in Paragraph 4.1 of these Conditions to the Agency in person or shall send them via mail or to the e-mail: vaucers@liaa.gov.lv signed with a secure electronic signature.
	3. VPR may be submitted:
		1. for making an interim payment on the basis of the Eligible Costs of the eligible actions actually carried out during the relevant phase of the service agreement for auditable value. The auditable value is a physically measurable result of the performed activity which is substantiated with documents (certificate of acceptance, deliverable, report on performed works, etc.);
		2. for payment of the final payment, which is granted after the performance of the service provided by the Service Provider, on the basis of the Eligible Costs of the Supported Activities performed for the audited value.
	4. VPR for making an interim payment may be submitted not more frequently than once a quarter, if the amount of the interim payment does not exceed EUR 5,000.00.
	5. The total amount of interim payments shall not exceed 90% (ninety percent) of the amount specified in the Voucher, at the same time not exceeding 90% of the amount of the service agreement.
5. **VPR assessment and payment procedure**
	1. The Agency shall perform evaluation of the VPR and the documents attached thereto within 15 working days. If the VPR and the documents attached thereto comply with the VPR payment criteria specified in these Conditions and the Internal Rules, the Agency shall inform the Service Provider and the Beneficiary of that electronically and shall pay the VPR.
	2. If the Agency, when evaluating the VPR, finds that:
		1. the deliverable or the content report on the performance of the service specified in the service agreement does not comply with the subject specified in the wording of the service agreement on the basis of which the Voucher was activated, or signs of fraud are found, the Agency shall suspend the VPR payment and send a letter to the Beneficiary regarding suspension of the VPR payment;
		2. VPR does not meet other VPR payment criteria specified in the Internal Rules and these Conditions or there is insufficient information to assess the compliance of VPR with them, the Agency shall request the Service Provider to submit additional information by sending a relevant request to the e-mail of the Service Provider specified in the VPR;
		3. law enforcement authorities have initiated a departmental inspection or criminal proceedings against the responsible persons of the Beneficiary or the Service Provider in relation to the Agreement or performance of the service, the Agency shall defer payment of the VPR until a decision is made to terminate the departmental inspection or criminal proceedings accordingly, not later than by 31 January 2024. If the departmental inspection is not terminated or the decision on termination of the criminal proceedings has not been adopted and has entered into force by 31 January 2024, the Agency shall not perform payment of the VPR.
	3. If, after receiving additional information (including if no additional information is submitted within the deadline set by the Agency), the Agency finds that the VPR does not meet the VPR payment criteria specified in these Conditions and Internal Rules, the Agency shall inform the Service Provider and the Beneficiary about the established improperly made expenses, specifying the expenses that are not eligible and a justification for the requested reduction of the amount of the Voucher or rejecting of the VPR.
	4. The Agency shall pay the VPR in the form of non-cash payments to the bank account of the Service Provider specified in the VPR within 5 (five) working days after the approval of the VPR.

After payment of the VPR, the current information about the payment of the Voucher is entered in the List of Vouchers.