Norwegian Financial Mechanism 2014-2021

PROGRAMME AGREEMENT

between

The Norwegian Ministry of Foreign Affairs

and

The Investment Department, Ministry of Finance,
hereinafter referred to as the "National Focal Point",
representing Lithuania,
hereinafter referred to as the "Beneficiary State"

together hereinafter referred to as the "Parties"

for the financing of the Programme "Environment, Energy, Climate Change"

hereinafter referred to as the "Programme"

Chapter 1
Scope, Legal Framework, and Definitions

Article 1.1
Scope

This programme agreement between the Norwegian Ministry of Foreign Affairs (hereinafter referred to as the NMFA) and the National Focal Point lays down the rights and obligations of the Parties regarding the implementation of the Programme and the financial contribution from the Norwegian Financial Mechanism 2014-2021 to the Programme.

Article 1.2
Legal Framework

1. This programme agreement shall be read in conjunction with the following documents which, together with this programme agreement, constitute the legal framework of the Norwegian Financial Mechanism 2014-2021:

(a) Agreement between the Kingdom of Norway and the European Union on the Norwegian Financial Mechanism 2014-2021 (hereinafter referred to as the Agreement);(b) the Regulation on the implementation of the Norwegian Financial Mechanism 2014-2021 (hereinafter referred to as the "Regulation") issued by Norway in accordance with Article 10(5) of the Agreement;

(c) the Memorandum of Understanding on the Implementation of the Norwegian Financial Mechanism 2014-2021 (hereinafter referred to as the "MoU"), entered into between Norway and the Beneficiary State; and

(d) any guidelines adopted by the NMFA in accordance with the Regulation.

2. In case of an inconsistency between this programme agreement and the Regulation, the Regulation shall prevail.

3. The legal framework is binding for the Parties. An act or omission by a Party to this programme agreement that is incompatible with the legal framework constitutes a breach of this programme agreement by that Party.

Article 1.3
Definitions

Terms used and institutions and documents referred to in this programme agreement shall be understood in accordance with the Regulation, in particular Article 1.6 thereof, and the legal framework referred to in Article 1.2 of this programme agreement.

Article 1.4
Annexes and hierarchy of documents

1. Annexes attached hereto form an integral part of this programme agreement. Any reference to this programme agreement includes a reference to its annexes unless otherwise stated or clear from the context.

2. The provisions of the annexes shall be interpreted in a manner consistent with this programme agreement. Should the meaning of any provision of the said annexes, so interpreted, remain inconsistent with this programme agreement, the provisions of the annexes shall prevail, provided that these provisions are compatible with the Regulation.

3. Commitments, statements and guarantees, explicit as well as implicit, made in the preparation of the programme are binding for the National Focal Point and the Programme Operator unless otherwise explicitly stipulated in the annexes to this programme agreement.

Chapter 2
The Programme

Article 2.1
Co-operation

1. The Parties shall take all appropriate and necessary measures to ensure fulfilment of the obligations and objectives arising out of this programme agreement.

2. The Parties agree to provide all information necessary for the good functioning of this programme agreement and to apply the principles of implementation as set out in the Regulation.

3. The Parties shall promptly inform each other of any circumstances that interfere or threaten to interfere with the successful implementation of the Programme.

4. In executing this programme agreement the Parties declare to counteract corrupt practices. Further, they declare not to accept, either directly or indirectly, any kind of offer, gift, payments or benefits which would or could be construed as illegal or corrupt practice. The Parties shall immediately inform each other of any indication of corruption or misuse of resources related to this programme agreement.

Article 2.2
Main responsibilities of the Parties

1. The National Focal Point is responsible and accountable for the overall management of the Norwegian Financial Mechanism 2014-2021 in the Beneficiary State and for the full and correct

implementation of this programme agreement. In particular, the National Focal Point undertakes to:

(a) comply with its obligations stipulated in the Regulation and this programme agreement;

(b) ensure that the Certifying Authority, the Audit Authority, the Irregularities Authority and the Programme Operator properly perform the tasks assigned to them in the Regulation, this programme agreement and the programme implementation agreement;

(c) take all necessary steps to ensure that the Programme Operator is fully committed and able to implement and manage the Programme;

(d) take the necessary measures to remedy irregularities in the implementation of the Programme and ensure that the Programme Operator takes appropriate measures to remedy irregularities in Projects within the Programme, including measures to recover misspent funds;

(e) make all the necessary and appropriate arrangements in order to strengthen or change the way the Programme is managed.

2. The NMFA shall, subject to the rules stipulated in the legal framework referred to in Article 1.2 of this programme agreement, make available to the Beneficiary State a financial contribution (hereinafter referred to as "the programme grant") to be used exclusively to finance the eligible cost of the Programme.

Article 2.3
Objective and outcomes of the Programme

1. This programme agreement sets out the objective, outcome(s), outputs, indicators and targets for the Programme.

2. The National Focal Point shall ensure that the Programme Operator implements and completes the Programme in accordance with the objective, outcome(s), outputs, indicators and targets set for the Programme.

Article 2.4
Programme grant

1. The maximum amount of the programme grant, the programme grant rate, and the estimated eligible cost of the Programme shall be as specified in this programme agreement.

2. In case the Programme is also supported by the EEA Financial Mechanism, this programme agreement shall be interpreted in conjunction with the agreement regulating that support.

3. The financial plan annexed to this programme agreement shall:

(a) contain a breakdown between the Programme's budget headings;

(b) indicate the agreed advance payment, if any.

4. The management cost of the Programme Operator shall not exceed the amount specified in this programme agreement.

Article 2.5
Special conditions and programme specific rules

1. This programme agreement shall list any conditions set by the NMFA with reference to paragraph 2 of Article 6.3 of the Regulation. The National Focal Point shall ensure compliance with these conditions and take the necessary steps to ensure their fulfilment.

2. The National Focal Point shall ensure compliance with any other programme specific rules laid down in this programme agreement.

Article 2.6
Programme implementation agreement

With reference to Article 6.8 of the Regulation and without prejudice to paragraph 2 thereof, the National Focal Point shall, before any payment is made to the Programme, sign a programme implementation agreement with the Programme Operator. The National Focal Point shall notify the NMFA of such signing.

Article 2.7
Reporting

The National Focal Point shall ensure that the Programme Operator provides financial reports, annual programme reports and a final programme report in accordance with Chapter 9 and Articles 6.11 and 6.12 of the Regulation as well as statistical reporting in accordance with guidelines adopted by the NMFA.

Article 2.8
External monitoring

The external monitoring and audit referred to in Articles 11.1, 11.2, 11.3 and 11.4 of the Regulation shall not in any way relieve the National Focal Point or the Programme Operator of their obligations under the legal framework regarding monitoring of

the Programme and/or its projects, financial control and audit.

Article 2.9
Modification of the Programme

1. Unless otherwise explicitly stipulated in this programme agreement, any modification of the Programme is subject to prior approval by the NMFA.

2. Programme specific exceptions from paragraph 1, if any, are set in the annexes to this programme agreement.

3. Expenditures incurred in breach of this article are not eligible.

4. Should there be a doubt as to whether the proposed modifications require approval by the NMFA, the National Focal Point shall consult the NMFA before such modifications take effect.

5. Requests for modifications shall be submitted and assessed in accordance with Article 6.9 of the Regulation.

Article 2.10
Communication

1. All communication to the NMFA regarding this programme agreement shall take place in English and be directed to the Financial Mechanism Office (hereinafter referred to as the FMO), which represents the NMFA towards the National Focal Point and the Programme Operator in relation to the implementation of the Programme.

2. To the extent that original documents are not available in the English language, the documents shall be accompanied by full and accurate translations into English. The National Focal Point shall bear the responsibility for the accuracy of the translation that it provides and the possible consequences that might arise from any inaccurate translations.

Article 2.11
Contact information

1. The contact information of the Programme Operator is as specified in this programme agreement.

2. The contact information for the NMFA and the Financial Mechanism Office are:

Financial Mechanism Office
Att: Director
EFTA Secretariat
Rue Joseph II, 12-16
1000 Brussels
Telephone: +32 (0)2 286 1701
Telefax (general): +32 (0)2 211 1889
E-mail: fmo@efta.int

3. Changes of or corrections to the contact information referred to in this article shall be given in writing without undue delay by the Parties to this programme agreement.

Article 2.12
Representations and Warranties

1. This programme agreement and the awarding of the programme grant is based on information provided by, through, or on behalf of the National Focal Point to the NMFA prior to the signing of this programme agreement.

2. The National Focal Point represents and warrants that the information provided by, through, or on behalf of the National Focal Point, in connection with the implementation or conclusion of this programme agreement are authentic, accurate and complete.

Chapter 3
Projects

Article 3.1
Selection of projects and award of grants

1. The National Focal Point shall ensure that the Programme Operator selects projects in accordance with Chapter 7 of the Regulation and this programme agreement.

2. Eligibility of project promoters and project partners is stipulated in Article 7.2 of the Regulation and, in accordance with paragraph 4 thereof, subject only to the limitations stipulated in this programme agreement.

3. Pre-defined projects shall be outlined in this programme agreement.

4. The National Focal Point shall take proactive steps to ensure that the Programme Operator complies fully with Article 7.5 of the Regulation.

Article 3.2
Project contract

1. For each approved project a project contract shall be concluded between the Programme Operator and the Project Promoter.

2. In cases where a project contract cannot, due to provisions in the national legislation, be made between the Programme Operator and the Project Promoter, the Beneficiary State may instead issue a legislative or administrative act of similar effect and content.

3. The content and form or the project contract shall comply with Article 7.6 of the Regulation.

4. The National Focal Point shall ensure that the obligations of the Project Promoter under the project contract are valid and enforceable under the applicable law of the Beneficiary State.

Article 3.3
Project partners and partnership agreements

1. A project may be implemented in a partnership between the Project Promoter and project partners as defined in paragraph 1(w) of Article 1.6 of the Regulation. If a project is implemented in such a partnership, the Project Promoter shall sign a partnership agreement with the project partners with the content and in the form stipulated in Article 7.7 of the Regulation.

2. The partnership agreement shall be in English if one of the parties to the agreement is an entity from Norway.

3. The eligibility of expenditures incurred by a project partner is subject to the same limitations as would apply if the expenditures were incurred by the Project Promoter.

4. The creation and implementation of the relationship between the Project Promoter and the project partner shall comply with the applicable national and European Union law on public procurement as well as Article 8.15 of the Regulation.

5. The National Focal Point shall ensure that the Programme Operator verifies that the partnership agreement complies with this article. A draft partnership agreement or letter of intent shall be submitted to the Programme Operator before the signing of the project contract.

Chapter 4
Finance

Article 4.1
Eligible expenditures

1. Subject to Article 8.7 of the Regulation, eligible expenditures of this Programme are:

(a) management costs of the Programme Operator in accordance with the detailed budget in the financial plan;

(b) payments to projects within this Programme in accordance with the Regulation, this programme agreement and the project contract.

2. Eligible expenditures of projects are those actually incurred by the Project Promoter or project partners, meet the criteria set in Article 8.2 of the Regulation and fall within the categories and fulfil the conditions of direct eligible expenditure set in Article 8.3 of the Regulation, the conditions regarding the use of standard scales of unit costs set in Article 8.4 of the Regulation as well as indirect costs in accordance with Article 8.5 of the Regulation.

4. The first date of eligibility of expenditures in projects shall be set in the project contract in accordance with Article 8.13 of the Regulation. The first date of eligibility of any pre-defined projects shall be no earlier than the date on which the National Focal Point notifies the NMFA of a positive appraisal of the pre-defined projects by the Programme Operator in accordance with paragraph 3 of Article 6.5 of the Regulation.

5. The maximum eligible costs of the categories referred to in paragraph 1 are set in this programme agreement. Programme specific rules on the eligibility of expenditure set in this programme agreement shall be complied with.

Article 4.2
Proof of expenditure

Costs incurred by Programme Operators, Project Promoters and project partners shall be supported by documentary evidence as required in Article 8.12 of the Regulation.

Article 4.3
Payments

1. Payments to the Programme shall be made when all relevant conditions for payments stipulated in this programme agreement and the Regulation have been fulfilled.

2. Payments to the Programme shall take the form of an advance payment, interim payments and payment of the final balance and shall be made in accordance with Articles 9.2, 9.3 and 9.4 of the Regulation.

3. Payments of the project grant to the Project Promoters may take the form of advance payments, interim payments and payments of the final balance. The level of advance payments and their off-set mechanism is set in this programme agreement.

4. The National Focal Point shall ensure that payments are transferred in accordance with paragraph 2 of Article 9.1 of the Regulation.

5. Chapter 9 of the Regulation shall apply to all aspects related to payments, including currency exchange rules and handling of interests on bank accounts.

Article 4.4
Transparency and availability of documents

The National Focal Point shall ensure an audit trail for financial contributions from the Norwegian Financial Mechanism 2014-2021 to the Programme in accordance with Article 9.8 of the Regulation.

Article 4.5
Irregularities, suspension and reimbursements

The NMFA has the right to make use of the remedies provided in the Regulation, in particular Chapter 13 thereof. The National Focal Point has a duty to take all necessary measures to ensure that the provisions in Chapter 12 and 13 of the Regulation regarding irregularities, suspension of payments, financial corrections and reimbursement are complied with.

Chapter 5
Final provisions

Article 5.1
Dispute settlement

1. The Parties waive their rights to bring any dispute related to the programme agreement before any national or international court, and agree to settle such a dispute in an amicable manner.

2. If a demand for reimbursement to the NMFA is not complied with by the Beneficiary State, or a dispute related to a demand for reimbursement arises that cannot be solved in accordance with paragraph 1, the Parties may bring the dispute before Oslo Tingrett.

Article 5.2
Termination

1. The NMFA may, after consultation with the National Focal Point, terminate this programme agreement if:

(a) a general suspension decision according to Article 13.6 of the Regulation or a decision to suspend payments according to paragraph 1(h) of Article 13.1 of the Regulation has not been lifted within 6 months of such a decision;

(b) a suspension of payments according to Article 13.1 of the Regulation, other than under paragraph 1(h), has not been lifted within one year of such a decision;

(c) a request for reimbursement according to Article 13.2 of the Regulation has not been complied with within one year from such a decision;

(d) the Programme Operator becomes bankrupt, is deemed to be insolvent, or declares that it does not have the financial capacity to continue with the implementation of the Programme; or

(e) the Programme Operator has, in the opinion of the NMFA, been engaged in corruption, fraud or similar activities or has not taken the appropriate measures to detect or prevent such activities or, if they have occurred, nullify their effects.

2. This programme agreement can be terminated by mutual agreement between the Parties.

3. Termination does not affect the right of the Parties to make use of the dispute settlement mechanism referred to in Article 5.1 or the right of the NMFA to make use of the remedies provided in Chapter 13 of the Regulation.

Article 5.3
Waiver of responsibility

1. Any appraisal of the Programme undertaken before or after its approval by the NMFA, does not in any way diminish the responsibility of the National Focal Point and the Programme Operator to verify and confirm the correctness of the documents and information forming the basis of the programme agreement.

2. Nothing contained in the programme agreement shall be construed as imposing upon the NMFA or the FMO any responsibility of any kind for the supervision, execution, completion, or operation of the Programme or its projects.

3. The NMFA does not assume any risk or responsibility whatsoever for any damages, injuries, or other possible adverse effects caused by the Programme or its projects including, but not limited to inconsistencies in the planning of the Programme or its projects, other project(s) that might affect it or that it might affect, or public discontent. It is the full and sole responsibility of the National Focal Point and the Programme Operator to satisfactorily address such issues.

4. Neither the National Focal Point, the Programme Operator, entities involved in the implementation of projects, nor any other party shall have recourse to the NMFA for further financial support or assistance to the Programme in whatsoever form over and above what has been provided for in the programme agreement.

5. Neither the European Free Trade Association, its Secretariat, including the FMO, its officials or employees, nor the NMFA, its officials or employees, can be held liable for any damages or injuries of whatever nature sustained by the National Focal Point or the Beneficiary State, the Programme Operator, Project Promoters or any other third

person, in connection, be it direct or indirect, with this programme agreement.

6. Nothing in this programme agreement shall be construed as a waiver of diplomatic immunities and privileges awarded to the European Free Trade Association, its assets, officials or employees.

Article 5.4
Entry into force and duration

1. This programme agreement shall enter into force on the date of the last signature of the Parties.

2. This programme agreement shall remain in force until five years have elapsed after the date of the acceptance of the final programme report.

****

This programme agreement is drawn up in two originals in the English language.

For the Donors

Signed in Oslo on 31/01/2020

.....
Niels Engelschøn

For the National Focal Point

Signed in ..... on 11/02/2020

.....
Rūta Dapkutė-Stankevičienė

Annex I to the Programme Agreement

Programme Operators and Partners	
Programme Operator:	Central Project Management Agency (CPMA)
Donor Programme Partner:	-
IPO:	-
Other Programme Partner(s):	Lithuanian Ministry of Interior Ministry of Environment of the Republic of Lithuania Ministry of Energy of the Republic of Lithuania

Programme Objective	Improved environmental status in ecosystems and reduced adverse effects of pollution and other human activities

PA	Outcome/Output	Expected programme results	Indicator	Disaggregation	Unit of measurement	Source of verification	Frequency of reporting	Baseline values	Baseline year	Target value
PA11	Outcome 1	Enhanced capacity to assess, monitor and manage environmental status in ecosystems	Studies and evaluations carried out to strengthen the National Monitoring Program	N/A	Binary	Studies and evaluations reports	Annually (APR)	No	N/A	Yes
			Share of staff self-reporting improved skills/competences in identification of hazardous waste	N/A	Percentage	Survey results	Annually (APR)	N/A	N/A	75 %
			Percentage of monitored lakes and reservoirs listed in Cadastre of the Rivers, Lakes and Reservoirs monitored every year	N/A	Percentage	Project Promoter's records	Annually (APR)	24 %	2019	70 %
			Frequency of land use change assessments (in years)	N/A	Cumulative number	Project Promoter's records	Annually (APR)	6	2019	1

	Output 1.1	Methodologies to identify, monitor and manage environmental pollution developed	Number of methodologies developed[1]	N/A	Cumulative number	Project Promoter's records	Annually (APR)	0	N/A	4
			Study on main sources of hazardous waste and treatment options developed	N/A	Binary	Study report	Annually (APR)	No	N/A	Yes
	Output 1.2	Marine litter management planning initated	Number of marine litter emission pathways surveyed	N/A	Cumulative number	Surveys reports	Annually (APR)	0	N/A	7
			Baseline data on macro- and micro-litter emission to the Baltic Sea from Lithuanian sources collected	N/A	Binary	Project Promoter's records	Annually (APR)	No	N/A	Yes
	Output 1.3	Specific measures under the Action Plan of the Programme for the Development of the Water Area 2017-2023 supported	Number of supported measures	N/A	Cumulative number	Project Promoter's records	Annually (APR)	0	N/A	1[2]
	Output 1.4	Library of tools for environmental assessment products and post-processing of results from remote sensing data	Library (set of applications) established	N/A	Binary	Project Promoter's records	Annually (APR)	No	N/A	Yes
	Output 1.5	Industry representatives	Number of professional staff trained[3]	Gender	Cumulative number	Project Promoters'	Semi-annually	0	N/A	30

[1] Three methodologies for identification of sources, quantification and monitoring of litter in marine environment, including microplastics; 1 methodology for identification of hazardous waste to be used both by the industry and the authorities.
[2] Specifically measures under the goal "To achieve and / or maintain good environmental status of the Baltic Sea".
[3] Number of people (industry representatives and environmental authorities) trained to use the Methodology for identification of hazardous waste.

		and staff of environmental authorities trained				records, Attendance sheets	(APR and September IFR)			
PA11	Outcome 2	Nuclear energy decommissioning system strengthened	Improved conditions for the safe management of radioactive waste	N/A	Binary	Project Promoter's records	Annually (APR)	No	N/A	Yes
			Number of concept solutions created for spent nuclear fuel, long lived radioactive and conditional clearance levels industrial waste disposal / storages	N/A	Cumulative number	Project Promoter's records	Annually (APR)	0	N/A	3
	Output 2.1	Concept of spent nuclear fuel and radioactive waste final disposal in Lithuanian territory developed	Number of reports for selection of potential region for Deep Geological Repository	N/A	Cumulative number	Relevant reports	Annually (APR)	0	N/A	5
	Output 2.2	Radioactive waste management, decommissioning process improved	Safety justification report developed[4]	N/A	Binary	Relevant report	Annually (APR)	No	N/A	Yes
			Number of safety assessment review reports[5]	N/A	Cumulative number	Relevant reports	Annually (APR)	0	N/A	2
			Number of professional staff trained[6]	Gender	Cumulative number	Project Promoters' records, Attendance sheets	Semi-annually (APR and September IFR)	0	N/A	24
			Number of professional staff participated in technical visits[7]	N/A	Cumulative number	Project Promoters' records,	Annually (APR)	0	N/A	124

[4] Safety justification report for Conditional free release clearance values for industrial waste storage site (Poligon).
[5] Safety assessment of the Concept of transformation of Bituminized Waste Storage Facility into the repository and Site evaluation are performed.
[6] The staff of INPP and VATESI.
[7] The staff of INPP and VATESI.

						Attendance sheets				
PA12	Outcome 3	Improved Energy Efficiency	Share of staff self-reporting improved knowledge on energy efficiency	N/A	Percentage	Survey results	Annually (APR)	N/A	N/A	75 %
			Dataset created for better policy making and planning regarding energy efficiency	N/A	Binary	Dataset report	Annually (APR)	No	N/A	Yes
	Output 3.1	Database on final energy users established	Database fully operational	N/A	Binary	Certificate of completed services agreement of database creation	Annually (APR)	No	N/A	Yes
			Number of registered users of the database	N/A	Cumulative number	Project Promoter's records	Annually (APR)	N/A	N/A	410[8]
	Output 3.2	Competencies on effective energy usage and alternative energy sources created	Internet portal with data visualization tool and comprehensive solutions for users established	N/A	Binary	Certificate of completed services agreement of internet portal creation	Annually (APR)	No	N/A	Yes
			Number of professionals trained[9]	Gender	Cumulative number	Project Promoters' records, Attendance sheets	Semi-annually (APR and September IFR)	0	N/A	400
			Number of awareness raising campaigns carried out	N/A	Cumulative number	Project Promoters' records	Semi-annually (APR and September IFR)	0	N/A	15

[8] Staff of the Ministry of Energy and the Energy Agency. Staff of municipalities.
[9] Staff from institutions responsible for heating and cooling development, employees of ministries and municipalities, private companies, heating and cooling system supervisors.

PA13	Outcome 4	Local authorities' planning for adaptation to climate change strengthened	Share of municipal staff self-reporting increased skills/competences in climate change adaptation planning	N/A	Percentage	Survey results	Annually (APR)	N/A	N/A	75 %
			Number of people in the targeted areas benefitting from developed adaptation plans	N/A	Cumulative number	Project Promoters' records, statistical data related to popultation covered	Annually (APR)	0	N/A	200,000
	Output 4.1	Local authorities planning for adaptation to climate change supported	Number of municipal climate change adaptation plans developed	N/A	Cumulative number	Prepared plans	Annually (APR)	0	N/A	6
			Number of municipal emergency situation management plans that received recommendations for updating	N/A	Cumulative number	Updated municipal plans	Annually (APR)	0	N/A	6
			Climate vulnerability and risk assessment study developed	N/A	Binary	Study report	Annually (APR)	No	N/A	Yes
			Number of professional staff trained[10]	Gender	Cumulative number	Project Promoters' records, Attendance sheets	Semi-annually (APR and September IFR)	0	N/A	30
PA23	Outcome 5	Early warning nuclear emergency system strengthened	Number of beneficiaries of services provided or improved	N/A	Cumulative number	Project Promoters' records, statistical data	Semi-annually (APR and September IFR)	0	N/A	700,000
			Share of population warned using siren network	N/A	Percentage	Project Promoters' records, statistical data	Annually (APR)	11 %	2018	75 %

[10] Number of municipal staff trained on climate change adaptation planning and use the knowledge obtained in their routine work.

			National siren warning system about dangers of emergencies modernized	N/A	Binary	Project Promoters' records	Annually (APR)	No	N/A	Yes
	Output 5.1	VATESI's emergency preparedness capabilities enhanced	Computer code license applicable for determination of source term (Perpetual, unlimited number of computers within VATESI)	N/A	Binary	License document	Annually (APR)	No	N/A	Yes
			Generic model for the computer code developed (preferred for VVER 1200 type reactor)	N/A	Binary	Developed computer code report	Annually (APR)	No	N/A	Yes
			Detailed user manual and description of generic model prepared	N/A	Binary	User manual and description of generic model document	Annually (APR)	No	N/A	Yes
			Training material in English developed	N/A	Binary	Training material documents	Annually (APR)	No	N/A	Yes
			Number of VATESI and DSA staff trained to use generic model to evaluate source terms	Gender	Cumulative number	Project Promoters' records, Attendance sheets	Semi-annually (APR and September IFR)	0	N/A	6
	Output 5.2	Single emergency management system established	Number of sirens installed in potentially dangerous nuclear accident zone	N/A	Cumulative number	Project Promoters' records, Certificate of completed services agreement of sirens installing	Annually (APR)	18	N/A	315
	Output 5.3	Capacity building supported	Number of residents living in the potentially dangerous zone trained	Gender, Roma	Cumulative number	Project Promoters' records	Semi-annually (APR and	0	N/A	100,000

							September IFR)			
			Exercise organized for civil protection forces in order to assess human capabilities and material resources	N/A	Binary	Project Promoters' records	Annually (APR)	No	N/A	Yes
PA11	Bilateral Outcome	Enhanced cooperation between Donor country and beneficiary country entities in the Programme	Level of trust between cooperating entities in Beneficiary States and Donor States	N/A	Scale 1-7	Survey results	Annually (APR)	6.25[11]	2021[12]	4.5[13]
			Level of satisfaction with the partnership	N/A	Scale 1-7	Survey results	Annually (APR)	5.75[14]	2021[15]	4.5[16]
			Share of cooperating organisations that apply the knowledge acquired from bilateral partnership	N/A	Percentage	Survey results	Annually (APR)	N/A	N/A	50 %
	Bilateral Output 1	Cooperation between Donor States and Beneficiary State entities facilitated	Number of projects involving cooperation with a donor project partner	N/A	Cumulative number	Copies of contracts concluded with Project Promoters, Partnership agreements between Project Promoters and project partners	Semi-annually (APR and September IFR)	N/A	N/A	3
			Number of Lithuanian experts participating in exchange	Donor State, Gender, Type of exchange	Cumulative number	Project Promoter's records	Semi-annually (APR and	0	N/A	20

[11] Based on the survey carried out on behalf of the FMO
[12] Survey carried out on behalf of the FMO
[13] Target is ≥4.5, and an increase on the baseline value.
[14] Based on the survey carried out on behalf of the FMO
[15] survey carried out on behalf of the FMO
[16] Target is ≥4.5, and an increase on the baseline value.

							September IFR)			
			Number of Norwegian experts participating in exchange	Donor State, Gender, Type of exchange	Cumulative number	Project Promoter's records	Semi-annually (APR and September IFR)	0	N/A	10

Conditions

General

1. The National Focal Point shall ensure that the Programme Operator ensures that any residual or extracted material from project activities is reused, recycled, treated and/or deposited in an environmentally sound manner.

2. The Programme Operator shall, in the Final Programme Report, report on the impact that the projects supported will have and have had on the dissemination of knowledge about and further investments through the projects supported.

3. For pre-defined projects no. 3, 5, and 6 (numbering under Section 5.1 of Annex II to the Programme Agreement), the national Programme Partners shall not be involved neither in the appraisal foreseen in Article 6.5.3 of the Regulation nor in the verification of payment claims described in Article 5.6.1 e) of the Regulation, including the verification of the project outputs described in Article 5.6.1 g) of the Regulation. The Programme Operator shall ensure the necessary competences for carrying out the above tasks.

Pre-eligibility

Not applicable

Pre-payment

Not applicable

Pre-completion

Not applicable

Post-completion

Not applicable

Eligibility of costs - period	**First date**	**Final date**
Eligibility of costs	25/04/2018	30/04/2025
Grant rate and co-financing		
Programme eligible expenditure (€)		€ 11,063,396
Programme grant rate (%)		85.00 %
Maximum amount of Programme grant - EEA Financial Mechanism (€)		-
Maximum amount of Programme grant - Norwegian Financial Mechanism (€)		€ 9,403,887
Maximum amount of Programme grant - Total (€)		€ 9,403,887

PA	Budget Heading	Norway Grants	Total grant	Programme grant rate	Programme co-financing	Programme eligible expenditure	Advance payment
PA11	Programme management	€ 1,095,000	€ 1,095,000	85.00 %	€ 193,235	€ 1,288,235	€ 320,235
PA11	Outcome 1 (Norway Grants)	€ 779,801	€ 779,801	85.00 %	€ 137,612	€ 917,413	€ 241,135
PA11	Outcome 2 (Norway Grants)	€ 2,443,060	€ 2,443,060	85.00 %	€ 431,128	€ 2,874,188	€ 771,959
PA12	Outcome 3 (Norway Grants)	€ 685,707	€ 685,707	85.00 %	€ 121,007	€ 806,714	€ 253,646
PA13	Outcome 4 (Norway Grants)	€ 306,885	€ 306,885	85.00 %	€ 54,156	€ 361,041	€ 73,440
PA23	Outcome 5 (Norway Grants)	€ 4,093,434	€ 4,093,434	85.00 %	€ 722,371	€ 4,815,805	€ 1,905,820
Total		**€ 9,403,887**	**€ 9,403,887**	**85.00 %**	**€ 1,659,509**	**€ 11,063,396**	**€ 3,566,235**

Retention of management costs	
Retention of management costs - Percentage of the management costs	10.00 %
Retention of management costs - Planned Euro value	€ 128,824

Environment, Energy, Climate Change

Operational rules (Annex II)

1. Programme summary

This Annex sets out the operational rules for the programme. The programme agreement is based on the MoU, the concept note and comments made by the NMFA. Commitments, statements and guarantees, explicit as well as implicit, made in the concept note, are binding for the National Focal Point and the Programme Operator unless otherwise explicitly stipulated in the annexes to this programme agreement.

The Programme Operator is the Central Project Management Agency (CPMA). The Ministry of Environment of the Republic of Lithuania, the Ministry of Energy of the Republic of Lithuania and the Ministry of Interior of the Republic of Lithuania are the Programme Partners.

The programme objective, "Improved environmental status in ecosystems and reduced adverse effects of pollution and other human activities", will be attained through five outcomes:

- Outcome 1: "Enhanced capacity to assess, monitor and manage environmental status in ecosystems"

The outcome shall be supported through three pre-defined projects (PDPs):
- "Monitoring of marine litter" (PDP no. 1) and
- "Improving mapping and monitoring of the ecological status of marine and inland waters" (PDP no. 2) and
- "HAZ-IDENT" (PDP no. 3).

- Outcome 2: "Nuclear energy decommissioning system strengthened"

The outcome shall be supported by way of pre-defined project "Safety Enhancement of Ignalina NPP Radioactive Waste management" (PDP no. 4)

- Outcome 3: "Improved Energy Efficiency"

The outcome shall be supported by way of pre-defined project "Creation of an interactive platform for efficient and balanced energy generation planning" (PDP no. 5)

- Outcome 4: "Local authorities' planning for adaptation to climate change supported"

The outcome shall be supported by way of pre-defined project "ClimAdapt – LT" (PDP no. 6)

- Outcome 5: "Early warning nuclear emergency system strengthened"

The outcome shall be supported by way of pre-defined project "Development of an early warning system on nuclear emergency of Lithuania" (PDP no. 7)

2. Eligibility

2.1 Eligible applicants:

The rules on eligibility of project promoters and project partners are set in Article 7.2 of the Regulation.

2.2 Special rules on eligibility of costs:

Costs are eligible in accordance with chapter 8 of the Regulation.

3. Bilateral relations

3.1 Bilateral relations

The programme shall contribute to strengthening bilateral relations between Lithuania and Norway.

4. Selection of projects and financial parameters

4.1 Open calls and availability of funds (including number of calls, duration of calls, and estimated size):

Not applicable.

4.2 Selection procedures:
Not applicable.

4.3 Project grant rate:
Grants from the programme may be up to 100% of total eligible expenditure of the project. The project grant rate shall in all cases be set at a level that complies with the State Aid rules in force and takes into account any and all other forms of public support granted to projects. Any remaining costs of the project shall be provided or obtained by the project promoter.

5. Additional mechanisms within the Programme
5.1 Pre-defined projects

1) "PDP #1: Monitoring of marine litter"

Project Promoter:	Environmental Protection Agency of Lithuania
Total maximum eligible costs:	€ 262,733
Project grant rate:	100.00 %
Maximum project grant amount:	€ 262,733
Estimated duration:	24 months

Programme outcome the project contributes to: Outcome 1 - “Enhanced capacity to assess, monitor and manage environmental statues in ecosystems”.

The project forms an important of the Lithuanian government's efforts for compliance with the EU Marine Strategic Framework Directive. The project will contribute to an increased understanding of the ecological consequences of marine littering in Lithuanian waters as well as their sources and location. The objective of the project is to develop methodological guidelines for marine litter, including microlitter, monitoring and carry out evaluations and assessments based on the methodologies prepared through the project. The following main activities will be implemented:

- Activity/work package 1 - Preparation of methodological guidelines for marine litter, including microlitter, monitoring.
- Activity/work package 2 - Monitoring activities based on prepared methodologies.
- Activity/work package 3 - Data analysis

2) "PDP #2: Improved mapping and monitoring of the ecological status of marine and inland waters"

Project Promoter:	Environmental Protection Agency of Lithuania
Total maximum eligible costs:	€ 460,832
Project grant rate:	100.00 %
Maximum project grant amount:	€ 460,832
Estimated duration:	28 months

Programme outcome the project contributes to: Outcome 1 - “Enhanced capacity to assess, monitor and manage environmental statues in ecosystems”.

The project forms an important of the Lithuanian government's efforts to ensure good ecological status of Lithuanian water resources, inland and marine, in order to comply with the EU Marine Strategic Framework Directive and Water Framework Directive.

The project will contribute to the ability of Lithuanian environmental authorities to roughly assess the water status of lakes and reservoirs in spatial and temporal coverage. Moreover, authorities will possess tools and capacities to assess yearly land use change. Additionally, a broader set of tools and methods of remote data processing system will be developed through the project.

The objective of the project is to to create a remote data processing system for improved mapping and monitoring of the ecological status of marine and inland waters. The following main activities will be implemented:

- Activity/work package 1 - Creation of a remote data processing system
- Activity/work package 2 - Study visits to respective institutions of the selected EU and/or EEA countries to exchange experience in the application of remote sensing methods for practical uses in the area of water status assessment and land use detection

3) "PDP #3: HAZ-IDENT"

Project Promoter:	Ministry of Environment of the Republic of Lithuania
Other project partner(s):	Environmental Protection Agency of Lithuania Environmental Protection Department of Lithuania
Total maximum eligible costs:	€ 193,848
Project grant rate:	100.00 %
Maximum project grant amount:	€ 193,848
Estimated duration:	24 months

Programme outcome the project contributes to: Outcome 1 - “Enhanced capacity to assess, monitor and manage environmental statues in ecosystems”.

The objective of the project is to improve the capacity of Lithuania's environmental authorities and other public and private stakeholders to identify and classify hazardous waste properly in line with the EU Framework Directive on Waste .

Specifically, the project will contribute to improved skills and capacity to treat hazardous waste according to unified principles. The following main activities will be implemented:

- Activity/work package 1: a) Analysis on the main sources of hazardous waste and treatment options; b) development of a unified methodology for identification of hazardous waste
- Activity/work package 2: Development of video lectures for online learning
- Activity/work package 3: Training workshops
- Activity/work package 4: Study visits to Norway for staff of Lithuania's environmental authorities

4) "PDP #4: Safety Enhancement of Ignalina NPP Radioactive Waste management"

Project Promoter:	Ignalina Nuclear Power Plant (INPP)
Donor project partner(s):	Norwegian Radiation and Nuclear Safety Authority (DSA)
Other project partner(s):	State Nuclear Power Safety Inspectorate (VATESI)
Total maximum eligible costs:	€ 2,874,188
Project grant rate:	100.00 %
Maximum project grant amount:	€ 2,874,188
Estimated duration:	43 months

Programme outcome the project contributes to: Outcome 2 - “Nuclear energy decommissioning system strengthened”.

The objective of the project is to improve management, control and prevention of negative impact of radioactive materials stored at Ignalina Nuclear Power Plant (INPP) on the environment and the population. This project will contribute to the safe management of radioactive waste.

Specifically, the project will allow Lithuania to start the initial stages of a Deep Geological Repository (DGR) project, which is necessary for the long-term storage of radioactive waste and required safety assessments for storage of industrial waste from INPP and assessments for a third waste stream - bituminised waste. The project will also conduct training and capacity building exercises, including experience sharing between Lithuania and Norway through the partnership with the Norwegian Radiation and Nuclear Safety Authority .

- Activity/work package 1: Social and economic evaluation and criteria for selection of potential region for Deep Geological Repository.
- Activity/work package 2: Geophysical (seismic) survey programme.
- Activity/work package 3: Geophysical (seismic) investigations.
- Activity/work package 4: Site descriptive model for deep borehole.
- Activity/work package 5: Development of concept for spent nuclear fuel (SNF) and radioactive waste (RW) final disposal in clay.
- Activity/work package 6: Establishment of conditional radiological clearance levels for industrial waste storage site
- Activity/work package 7: Review and evaluation of bituminized waste storage facility transformation into a repository concept and safety analysis report review.
- Activity/work package 8: Final review report on bituminized waste storage facility transformation into a repository site assessment report.
- Activity/work package 9: Training of professional employees.
- Activity/work package 10: Technical meetings for professional employees.

5) "PDP# 5: Creation of an interactive platform for efficient and balanced energy generation planning"

Project Promoter:	Ministry of Energy of the Republic of Lithuania
Other project partner(s):	Lithuanian Energy Agency
Total maximum eligible costs:	€ 806,714
Project grant rate:	100.00 %
Maximum project grant amount:	€ 806,714
Estimated duration:	36 months

Programme outcome the project contributes to: Outcome 3 - “Improved Energy Efficiency”.

The project will contribute to the Lithuanian government's compliance with the EU Energy Efficiency Directive by providing better knowledge about the needs for future investments in the energy sector.

The aim of the project is to fulfil the obligation stemming from the Directive to develop an assessment study of the national heating and cooling potential, a database and an interactive map. The results will provide better tools for public and private entities in planning future investments in energy infrastructure; increase skills and competence of staff and contribute to improved awareness among end-users about energy investment needs.

- Activity/work package 1: a) Collection of statistical information; b) estimation of heat and cooling potential, c) creation of database and interactive data platform.

- Activity/work package 2: Creation of an Online Portal
- Activity/work package 3: Implementation of educational tools to build expertise for experts, practitioners and the public who will manage and use the interactive data platform.

6) "PDP# 6: "ClimAdapt-LT""

Project Promoter:	Ministry of Environment of the Republic of Lithuania
Donor project partner(s):	Norwegian Association of Local and Regional Authorities (KS)
Other project partner(s):	Association of Local Authorities in Lithuania
Total maximum eligible costs:	€ 361,041
Project grant rate:	100.00 %
Maximum project grant amount:	€ 361,041
Estimated duration:	45 months

Programme outcome the project contributes to: Outcome 4 - “Local authorities’ planning for adaptation to climate change supported”.

The project will contribute to the implementation of the Lithuanian National strategy for climate change management, in particular the necessity to reduce regions and municipalities vulnerability to climate change.

The aim of the project is to increase the capacity and skills of Lithuanian municipalities to develop and implement climate change adaptation plans. Specifically, the project will improve the information available and required for planners to perform the necessary analyses. Through cooperation with the Norwegian Association of Local and Regional Authorities Municipalities, experiences and practices will be shared on how climate change issues are being handled on the regional and local levels in both Lithuania and Norway.

- Activity/work package 1: a) Analysis of different climate change scenarios, effects, vulnerability and risk assessments; b) assessment of the most vulnerable sectors and social groups for all municipalities of Lithuania; c) development of municipal climate change adaptation plans and recommendations for updating the municipal emergency management plans; d) training workshops for all Lithuanian municipalities to prepare adaptation plans in their municipalities.
- Activity/work package 2: Study visits to Norway for staff of Lithuanian environmental and municipal authorities .

7) "PDP# 7: Development of an early warning system on nuclear emergency of Lithuania"

Project Promoter:	State Fire and Rescue Service of the Republic of Lithuania
Donor project partner(s):	Norwegian Radiation and Nuclear Safety Authority (DSA)
Other project partner(s):	State Nuclear Power Safety Inspectorate (VATESI)
Total maximum eligible costs:	€ 4,815,805
Project grant rate:	100.00 %
Maximum project grant amount:	€ 4,815,805
Estimated duration:	43 months

Programme outcome the project contributes to: Outcome 5 - “Early warning nuclear emergency system strengthened”.

The aim of the project is to ensure better systems for securing the Lithuanian population in the event of catastrophic events. Specifically, the project aims to enhance the capabilities of Lithuanian authorities to plan for and warn inhabitants so in order to reduce the risks should such events occur.

The objective of the project is to create a high-quality technical and organisational conditions for nuclear emergency preparedness. This will be done by purchasing early warning sirens and creating a sirens' management system for early warning of nuclear and/or radiological emergencies in Lithuania.

- Activity/work package 1: Enhancement of VATESI's emergency preparedness capabilities.
- Activity/work package 2: Purchase of early warning sirens.
- Activity/work package 3: Organisation of a complex civil protection exercise.
- Activity/work package 4: Preparation of a training and education programme for residents.

5.2 Financial Instruments
Not applicable.

6. Programme Management
6.1 Payment flows
The Programme Operator shall ensure that payments to projects are made in a timely manner.

The Project Promoters have the possibility to request an advance payment not exceeding 30% of the total grant amount. The level of advance payment and the off-set mechanism will be specified in the Project Contract. A guarantee concerning an advance payment will be requested from Project Promoters considering the legal status of the project promoter and the amount of an advance payment.

The interim payments will be based on pre-financing or reimbursement of expenditure. The Programme Operator has the possibility to withhold up to 10% of the total grant for the final balance.

Additional information on the advance payment conditions and related guarantee, the off-set mechanism, the periodicity of reporting periods and deadlines for reporting shall be further outlined in the description of the Programme Operator's Management and Control Systems.

6.2 Verification of payment claims
Project promoters shall submit interim and final project reports containing information on project progress and incurred expenditure.

In line with point i) of Article 5.6.2 of the Regulations incurred expenditure reported shall be subject to administrative verifications before the report is approved. Verifications to be carried out shall cover administrative, financial, technical and physical aspects of projects, as appropriate, and be in accordance with the principle of proportionality.

Additionally, in line with point ii) of Article 5.6.2 of the Regulations on–the-spot verifications of projects, which may be carried out on a sample basis, shall be carried out.

The detailed procedure for verification will be further detailed in the description of the Programme Operator’s management and control systems.

6.3 Monitoring and reporting
The Programme Operator shall monitor, record and report on progress towards the programme’s outcomes in accordance with the provisions contained in the legal framework. The Programme Operator shall ensure that suitable and sufficient monitoring and reporting arrangements are made with the project promoters in order to enable the Programme Operator and the National Focal Point to meet its obligations to Norway. In particular, the final project report from the project promoter shall comprise a

final technical report, containing: i) an overview of the results and their exploitation and dissemination; ii) the conclusions on the project; iii) a report covering the wider societal implications of the project.

When reporting on progress achieved in Annual and Final Programme Reports, the Programme Operator shall disaggregate results achieved as appropriate and in accordance with instructions received from the FMO.

6.4 Programme administrative structures
Not applicable

7. Communication
7.1 Communication

The Programme Operator shall comply with Article 3.3 of the Regulation, the Information and Communication Requirements in Annex 3 of the Regulation and the Communication plan for the programme.

8. Miscellaneous
Not applicable