

APPROVED
by Utena District Municipal Council
31 August, 2017 Decision No. TS-206

DESCRIPTION OF THE PROCEDURE FOR THE USE OF FUNDS OF THE UTENA DISTRICT MUNICIPALITY SMALL AND MEDIUM BUSINESS ENTITIES SUPPORT PROGRAM

CHAPTER I GENERAL PROVISIONS

1. The Description of the Procedure for the Use of Funds of the Utena District Municipality Small and Medium Business Entity Support Program (hereinafter - Description) regulates the goal and objectives of the Small and Medium Business Entity Support Program, project coordination, financing, responsibilities and control arrangements.

2. The main goal of the Small and Medium Business Entity Support Program is to promote the creation and development of small and medium business entities , improvement of the business environment, investment attraction, employment and investment in human resources in Utena city and district.

3. Program objectives:

3.1. to create legal, financial and management conditions for the implementation of the Utena District Municipality (hereinafter - the Municipality) policy in the areas of business support;

3.2. to encourage small and medium-sized enterprises to actively participate in project activities.

4. Funds for the implementation of the support program for small and medium-sized enterprises are provided in the budget of the Municipality .

5. Funds must be used only for the implementation of the specified project in accordance with the Law on Public Procurement of the Republic of Lithuania, other laws and legal acts.

6. Project financing tenders shall be organized by the Department of the Municipal Administration responsible for the coordination of the implementation of the support program for small and medium-sized enterprises.

7. Information on the project financing tender shall be published in March of the current year. If all the funds provided for in measure 02.1.1.10 of the Operational Program for Economic Promotion and Tourism Development for Small and Medium-sized Enterprises are not allocated, additional tenders may be announced. The tender is announced in the press, on the Municipality's website www.utenal.lt , on the Facebook account of the Municipality's social network, at least 20 calendar days before the last day for submission of applications.

Item changes:

No. [TS-34](#) , 2019-02-21, published in TAR on 2019-02-25, code 2019-03014

CHAPTER II DEFINITIONS

8. Definitions used in this Description:

8.1. **A project** is a one-off task that pursues a clearly defined goal;

8.2. **Expert Commission** - a project evaluation commission formed by the order of the Director of the Municipal Administration ;

8.3. **Evaluation criteria** are indicators that provide information about projects and their implementation results;

9. Other terms used in this Description are defined in the Law on Small and Medium Business Development of the Republic of Lithuania and other legal acts.

CHAPTER III PROJECT APPLICATION PROCEDURE

10. Completed project applications and additional documents are submitted and registered in the Municipal administration or sent by e-mail info@utena.lt.

11. A small and medium-sized business entity may submit only one project application for financing of one project in the current calendar year.

12. Adjustment, completion or submission of additional documents of registered applications is possible at the initiative of the applicants until the last day of submission of applications.

13. Small and medium-sized business entities may submit applications for project financing:

13.1. Non- tax arrears to the State budget of the Republic of Lithuania or municipal budgets and funds to which taxes are administered by the State Tax Inspectorate under the Ministry of Finance of the Republic of Lithuania (hereinafter - the State Tax Inspectorate) (except in cases tax dispute, interest, fines) or not owed to the State Social Insurance Fund budget;

13.2. working under business licenses issued for a period of at least 6 months and working/planning to work for at least 96 days per calendar year;

13.3. carrying out commercial economic activity in the territory of the Municipality for no longer than 5 years. Having received project financing from the Municipal budget under this or another financing instrument 2 or more years ago (if the activity has been carried out for more than 2 years) from the date of signing the Agreement for the use of funds and fulfilling all Agreemental obligations;

14. The following are not financed:

14.1 . activities related to the production, trade, consumption of alcoholic beverages, production of tobacco, trade, consumption, trade in arms, organization of gambling and betting, hunting, pawnshops, insurance, brokerage;

Sub-entry changes:

No. [TS-34](#), 2019-02-21, published in TAR on 2019-02-25, code 2019-03014

14.2. the activities of bankrupt, liquidated or restructured applicants;

14.3. an additional activity is recorded in the individual activity certificate when no new employment Agreement is concluded and/or a business license is issued by the same person for the performance of another economic activity .

Added Sub-entry:

No. [TS-34](#), 2019-02-21, published in TAR on 2019-02-25, code 2019-03014

15. The following documents must be submitted with the project application (Annex 1):

15.1. a copy of the articles of association or regulations of the legal person; for a natural person - a copy of a document confirming the right to engage in activity (copies of an individual activity certificate or a business certificate);

Sub-entry changes:

No. [TS-34](#), 2019-02-21, published in TAR on 2019-02-25, code 2019-03014

15.2. notes that the small and medium-sized business entity has no tax arrears to the state budget of the Republic of Lithuania or municipal budgets and funds to which taxes are administered by the State Tax Inspectorate (except in cases where payment of taxes, interest, fines taxes, interest, fines, a tax dispute is pending), or is not owed to the budget of the State Social Insurance Fund. Certificates must be issued no earlier than 30 calendar days before the date of application;

15.3. the documents listed in Sub-entry 17.1 - 17.8 of the Description, taking into account the types of financed costs;

Sub-entry changes:

No. [TS-307](#), 21/12/2017, published in TAR on 2017-12-22, code 2017-20956

15.4. other additional documents related to the project implementation.

16. The documents specified in Sub-entry 15.2 of the Description must be submitted only by small and medium-sized enterprises operating on the basis of individual activity certificates, business certificates or farmers who have registered the farmer's farm.

17. Small and medium-sized enterprises that meet the requirements specified in this Description may apply for project financing for a maximum of two types of costs:

17.1. up to 80%, but not more than EUR 150, of the costs related to the establishment of the company (fees may be reimbursed to a notary, a state-owned company, the Center of Registers, costs incurred in the production of the company's seal). The achievement of the company's establishment costs of compensation to the Applicant for the formation of a company related costs payment proof copies;

17.2. job creation costs, if the job was created in the same calendar year and/or in March - December of the previous year, when the project application is submitted. In order to reimburse the costs of acquiring new job creation equipment, the application shall be accompanied by a copy of the newly concluded employment Agreement or a copy of the newly withdrawn individual activity certificate and/or a business certificate stating the date of commercial activity, except for motor vehicles. instruments) (proof of commercial offers of at least 1 unit), prepayment invoices:

Sub-entry changes:

No. [TS-34](#), 2019-02-21, published in TAR on 2019-02-25, code 2019-03014

17.2.1. up to EUR 1,200 for job creation measures (except for up to EUR 600 when computer equipment is purchased for job creation). When more than one job is created, each purchase of tools for another job created is funded up to EUR 500. The maximum amount of funding for the purchase of work equipment is EUR 2,200;

17.2.2. up to EUR 2,000 for job creation measures (except for up to EUR 600 when computer equipment is purchased for the creation of a new job) when the job is created by a young person meeting the definition specified in Item 1 of Article 2 of the Law on the Framework of Youth Policy of the Republic of Lithuania. When more than one job is created , each purchase of tools for another job created is funded up to EUR 500. The maximum amount of funding for the purchase of work equipment is EUR 3,000.

Sub-entry changes:

No. [TS-307](#), 21/12/2017, published in TAR on 2017-12-22, code 2017-20956

17.3. *Expired from 02/26/2019*

Deletion of Sub-entry:

No. [TS-34](#), 2019-02-21, published in TAR on 2019-02-25, code 2019-03014

17.4. advertising costs, except for the local fee for the issuance of a permit to install outdoor advertising in the territory of the Municipality, but not more than EUR 150 per calendar year. Those seeking reimbursement of advertising costs shall submit commercial offers or advance invoices with the application;

Sub-entry changes:

No. [TS-307](#), 2017-12-21, published in TAR on 2017-12-22, code 2017-20956

17.5. up to 50 percent the costs incurred for participation in exhibitions presenting products or services, but not exceeding EUR 900 per calendar year in the first year of operation; in the second year of operation - up to 50%, but not more than EUR 450 per calendar year. The first year of operation of a small and medium-sized business entity that has registered its enterprise, which has issued an individual activity certificate or business license in March-December of the previous year shall be calculated from the date of registration of the activity. Those seeking reimbursement of the costs of participating in exhibitions shall attach information about their participation in the exhibition to the application. Reimbursable costs related to participation in the exhibition (registration fee, payments for rent of exhibition space and/or rent of stand equipment);

Sub-entry changes:

No. [TS-34](#), 2019-02-21, published in TAR on 2019-02-25, code 2019-03014

17.6. up to EUR 1,200 per calendar year in the first year of operation, the cost of renting premises or residency services; in the second year of operation, a maximum of EUR 600 per calendar year. The first year of operation of a small and medium-sized business entity that has registered its enterprise, which has issued an individual activity certificate or business license in March-December of the previous year, shall be calculated from the date of registration of the activity. Those seeking compensation for the costs of renting the premises shall attach to the application a copy of the lease Agreement of the premises or a document confirming the registration of the lease Agreement in the public register; when reimbursing residence expenses - a copy of the residence service Agreement;

Sub-entry changes:

No. [TS-34](#), 2019-02-21, published in TAR on 2019-02-25, code 2019-03014

17.7. up to 50 percent the costs incurred in upgrading or acquiring the qualification, but not exceeding EUR 150 per calendar year. Funding is provided for short-term (up to one month) training of employees in order to provide and/or improve their professional knowledge and skills. The application must be accompanied by a commercial offer, description or other documents providing information on the training;

17.8. up to EUR 1,000 per calendar year in the first year of operation, rental costs of private land located in Utena district; in the second year of operation, a maximum of EUR 500 per calendar year. The first year of operation of a small and medium-sized business entity that has registered its enterprise, issued an individual activity certificate or business license in March-December of the previous year shall be calculated from the date of registration of the activity. Those seeking compensation for land lease costs shall attach to the application a copy of the land lease Agreement and a document confirming the registration of the lease Agreement in the public register.

Added Sub-entry:

No. [TS-307](#), 2019-02-21, published in TAR on 2017-12-22, code 2017-20956

Sub-entry changes:

No. [TS-34](#), 2019-02-21, published in TAR on 2019-02-25, code 2019-03014

CHAPTER IV EVALUATION OF PROJECT APPLICATIONS

18. The submitted applications are evaluated in two stages:

18.1. administrative compliance assessment (project application duly completed, mandatory documents submitted);

18.2. assessment of eligibility (project relevance, organization, budget justification, efficiency of use).

19. Assessments of administrative compliance and eligibility for funding shall be performed by an expert commission formed by the order of the Director of the Municipal Administration (hereinafter - the Commission) within 10 working days from the day of the deadline for submission of applications specified in the call.

20. The procedure of the Commission shall be regulated by the Rules of Procedure of the Commission approved by an order of the Director of the Municipal Administration.

21. The Commission shall consist of at least 5 members: the Chairman of the Commission, the Vice-Chairman of the Commission, the members of the Commission and the Secretary of the meeting of the Commission. The Secretary of the Commission meeting is not a member of the Commission.

22. The composition of the Commission shall be updated at least 2/5 of the members of the Commission every 2 years. A person may serve as a member of the Commission for a maximum of 4 consecutive years.

23. The Commission shall be composed of:

- 23.1. a representative of a non-governmental organization or community of settlements;
- 23.2. Member of the Municipal Council;
- 23.3. a representative of an organization promoting entrepreneurship, a representative of associated business structures or a small and medium-sized business entity;
- 23.4. Municipal administration specialists.

24. The members of the Commission, the secretary of the meeting of the Commission must inform the other members of the Commission about the existing conflict of interests, withdraw from participation and not participate in any form in the discussion, evaluation and decision-making related to the project.

25. The Commission shall assess the administrative compliance of the application. If the assessment of the administrative compliance of the application reveals that the application is incorrect, incomplete, additional information is missing, required documents are not submitted, the applicant shall be informed in writing about the possibility to correct the information and submit the missing documents within 3 working days. If the deficiencies are not remedied within the prescribed period, the application shall not be further evaluated.

26. The members of the Commission shall carry out the assessment of eligibility after carrying out the assessment of administrative compliance and establishing that the application has been duly completed, the required documents have been submitted (Annex 2).

27. The assessment of eligibility consists of two parts. The maximum number of points that can be awarded by a commission member is 34 points. If the first part of the eligibility assessment scores lower than 3, it is proposed not to fund the project.

28. The Commission, having evaluated the applications and determined that the total value of eligible projects is higher than the allocated funding in the Municipal budget, proposes to the Director of the Municipal Administration to finance the projects with the highest number of points.

29. The Commission, having assessed the applications and determined that the total value of eligible projects is lower than the allocated funding in the Municipal budget, proposes to the Director of the Municipal Administration to finance projects that meet the requirements of this Description and to launch an additional funding tender.

30. After evaluating the applications, the Secretary of the meeting of the Commission calculates the averages of the marks awarded by the members of the Commission and provides a summary of the evaluation of project applications (Annex 3).

31. The Chairman of the Commission, taking into account the evaluation summary of project applications, shall submit a proposal to the Director of the Municipal Administration to finance/not to finance the projects. The offer must be motivated.

32. Priority shall be given to project finance for small and medium-sized enterprises operating in their first or second year of operation; creating new jobs in rural areas; creating social business enterprises; small and medium-sized enterprises engaged in services or production; projects during which it is planned to implement innovative business ideas; business entities that have created at least 3 jobs; for young people (the project applicant complies with the definition specified in Item 1 of Article 2 of the Law on the Framework of Youth of the Republic of Lithuania); young artists; persons (project applicant) with disabilities.

33. Small and medium-sized business entities shall be informed in writing about the decision made regarding the financing of the project within 5 working days from the adoption of the order of the Director of the Municipal Administration.

CHAPTER V PROJECT FINANCING

34. Projects shall be financed by way of reimbursement of expenses, upon submission of documents substantiating the expenses incurred during the implementation of the project in a calendar year and/or reimbursement of expenses incurred during the implementation of the project.

35. Funds intended for financing projects shall be distributed by the order of the Director of the Municipal Administration, taking into account the proposal of the Commission. The Agreement on the use of funds (Annex 4) with the small and medium-sized business entities that have received funding shall be signed by the Director of the Municipal Administration within 5 working days from the adoption of the decision.

36. After the implementation of the objectives provided for in the project, the Municipality shall be accounted for the activities for the financing of which the funds are allocated and the fulfillment of the evaluation criteria by submitting the following reports:

36.1. a summary of accounting documents substantiating the use of funds (Annex 5);

36.2. a report on the performance of the activity and the fulfillment of the evaluation criteria (Annex 6);

36.3. for each quarter (for which funding is provided) no later than the 5th day of the first month of the following quarter, a report on the implementation of the budget expenditure estimate, drawn up in accordance with Form 2, approved by the Minister of Finance of the Republic of Lithuania in 2008 Dec 31 by order No. 1K-465 "On Approval of the Rules and Forms for Compiling Lower-Level Budget Execution Reports of State and Municipal Budgetary Institutions and Other Entities".

37. At the end of the calendar year, information on the projects of small and medium-sized business entities financed by the Municipality shall be published on the website of the Municipality www.utena.lt in the section "Support for Small and Medium-Sized Business".

CHAPTER VI RESPONSIBILITY AND CONTROL

38. Project promoters shall ensure the implementation of project goals and objectives, use of funds in accordance with the intended purpose and undertake to carry out the activities specified in the project for at least one year after project implementation and not change the chosen business form for at least one year.

Item changes:

No. [TS-34](#), 2019-02-21, published in TAR on 2019-02-25, code 2019-03014

39. The implementation of projects shall be controlled by a specialist of the Municipal Administration responsible for the performance of the Agreement in accordance with his/her competence.

40. The specialist performs the control in two stages:

40.1. 2 times a year, usually by 30 January and 30 June, verifies the information on the Small and Medium-sized Business Entity that has received funding in the register of taxpayers;

40.2. 2 times a year, usually by 30 January and 30 June, verifies whether the Small and Medium-sized Business Entity carries out the activities envisaged in the project by carrying out an on-site inspection of the project activities. A specialist of the Municipal administration may ask the project executors to provide additional information and documents about the project activities, inspect the executors' workplaces, etc.

41. A specialist of the Municipal administration, having performed the control and established the non-fulfillment of obligations, shall submit a control report on the non-fulfillment of the obligations of the activities specified in the projects to the director of the municipal administration not later than within 10 working days.

42. Project promoters who have not fulfilled the requirements provided for in Item 36 of the Description shall, within 20 working days after the written notice of non-fulfillment of obligations, return all funds paid to them to the Municipal budget account.

43. If the funds are not returned on time, the funds shall be recovered in accordance with the procedure established by the laws of the Republic of Lithuania.

44. Financial and operational control over the use of funds of the support program for small and medium-sized enterprises shall be performed in accordance with the procedure established by laws and other legal acts of the Republic of Lithuania.

CHAPTER VII¹

PROVISION OF FINANCIAL SUPPORT FOR SMALL AND MEDIUM-SIZED BUSINESSES WHICH ARE FACING DIFFICULTIES DUE TO THE QUARANTINE REGIME

45. During the period of the quarantine regime announced in the Republic of Lithuania, in order to mitigate the consequences of the established restrictions and prohibitions for the performance of economic activities, to maintain the continuity of economic activities, to preserve the created jobs, free financial support is provided.

46. Support shall be provided to small and medium-sized enterprises:

46.1. Registered in the Register of Legal Entities (legal entities) or started (self-employed) no later than 16 March, 2020 and carrying out commercial economic activities in the territory of the Municipality;

46.2. Entering companies whose activities have been directly prohibited or restricted due to quarantine in accordance with the Government of the Republic of Lithuania Regulation of 14 March, 2020 Resolution No. 207 "On the Announcement of Quarantine in the Territory of the Republic of Lithuania";

46.3. Self-employed persons (owners of sole proprietorships, full members of small partnerships, partnerships and limited partnerships, self-employed persons, including business certificates) whose economic activities are included in the list of victims of COVID-19 activities and have not been deregistered until the date of quarantine announced by the Government of the Republic of Lithuania.

46.4. For legal entities that do not have the status of a company undergoing restructuring, liquidation or bankruptcy.

46.5. For those who do not carry out e-commerce, specialized retail sale of arms and ammunition, organization of gambling or other gambling activities, activities of financial institutions as the main activities.

47. Small and medium-sized enterprises, legal entities meeting the requirements of Sub-entries 45.1, 45.2, 45.4 and 45.5 of the Description and small and medium-sized enterprises operating independently and meeting the requirements of sub-paragraphs 45.1, 45.3 and 45.5 may submit one application for financial support for premises Reimbursement of the costs of rental or residence services (excluding value added tax (hereinafter 'VAT'), except where small and medium-sized enterprises are not subject to VAT). The amount of financial support provided shall be based on supporting documents for actual expenditure, but shall not exceed 20% monthly expenses for renting premises or residency services. Financial support is paid for the period from 16 March, 2020 until the end of quarantine in the territory of the Republic of Lithuania, including the month of expiry of quarantine .

48. In order to receive financing, a small and medium-sized enterprise must submit an Application for financial support (Annex 7).

49. A small and medium-sized business entity that has received partial rent compensation for premises in accordance with the description of the state aid scheme and conditions of the measure "Partial rent compensation for companies most affected by COVID-19" approved by the Minister of Economy and Innovation of the Republic of Lithuania in 3 May, 2020 by order No. 4-275 "Approval of the State Aid Scheme and Conditions of the Measure" Partial Rent Compensation for

the Companies Most Affected by COVID-19, together with the Application, submit the following documents:

49.1. A copy of the Agreement signed with the Joint Stock Company Investment and Business Guarantees (hereinafter - INVEGA) on partial rent reimbursement.

49.2. Copies of VAT invoices for the rental services provided, on the basis of which the compensation will be calculated, and copies of documents proving payment (if the invoices have been paid).

50. A small and medium-sized business entity that has not applied to INVEGA for partial reimbursement of the rent for the premises shall submit the following documents together with the Application:

50.1. Self-employed - a copy of a document confirming the right to operate (a copy of an individual activity certificate or a business certificate);

50.2. Premises lease Agreements signed no later than 15 March, 2020 and a copy of the document valid at the time of submission of the Application and a document confirming the registration of the lease Agreement in the public register; for the reimbursement of residency services, a residency service Agreement signed no later than 15 March, 2020 and a copy valid at the time of the Application;

50.3. Copies of VAT invoices for the rental or residence services provided, on the basis of which the compensation will be calculated, and documents proving the payment of VAT invoices (if the invoices have been paid).

51. The Municipal administration shall, within a maximum of 5 working days, verify whether the small and medium-sized business entity complies with the requirements specified in Paragraph 45 of this Description, the received Application and the documents attached thereto.

52. During the assessment of the application, the Municipal Administration has the right to request the small and medium-sized business entity to provide the missing information, except in cases when the missing information can be checked in the public registers and information systems of state institutions of the Republic of Lithuania. The small and medium-sized business entity must submit this information and/or documents by e-mail or in writing within the deadline set by the Municipal Administration, which may not be shorter than 5 calendar days.

53. The application shall be rejected if the small and medium-sized business entity does not comply with the requirements set out in items 46, 49 or 50 of the Description.

54. Financial support is granted by the order of the Director of the Municipal Administration. The small and medium-sized business entity shall be informed about the granted financial support within 3 working days.

55. After granting financial support, a Agreement for the use of budget funds is signed with the small and medium-sized enterprise (Annex 4).

56. The Municipal administration shall transfer the calculated financial support to the small and medium-sized enterprise to the account specified in the Application.

57. A small and medium-sized business entity, having received financial support, shall pay the rent to the lessor or the residence service fee to the residence service provider (applicable if the invoice has not been paid) within 5 working days and provide the Municipal Administration with copies of documents proving payment (bank or other credit institution account statements). The amount paid may not be less than calculated in accordance with Item 47 of the Description.

58. Municipal Administration data on aid granted state aid and insignificant (*de minimis*) provides assistance to the Register, in accordance with state aid granted and insignificant (*de minimis*) aid Registry Regulations approved by the Government of the Republic of Lithuania in 19 January, 2005 by resolution No. 35, because of the state aid and insignificant (*de minimis*) by register regulations, and granted state aid and insignificant (*de minimis*) aid for processing rules, approved by the Tender Council of the Republic of Lithuania in 2015. November 13 by resolution No. 1S-120/2015 "On approval of data processing rules for granted state aid and *de minimis* aid".

59. The list of small and medium-sized business entities that have received financial support, indicating the amounts of financial support paid, is published on the Municipality's website www.utena.lt in the section "Small and Medium Business Support Program" of the Business section.

60. After the granting of financial support, if it is established that the small and medium-sized business entity has submitted incorrect documents and as a result financial support has been unreasonably allocated, the unreasonably received funds shall be returned to the Municipal Administration within 5 working days from the date of receipt of the request.

61. A small and medium-sized business entity shall be liable for non-repayment of unreasonably received financial support in accordance with the procedure established by laws and other legal acts of the Republic of Lithuania.

Sub-entry changes:

No. [TS-138](#), 28-05-2020, published in TAR on 2020-05-29, code 2020-11491

CHAPTER VII FINAL PROVISIONS

62. Project applications and reports shall be kept for three years in accordance with the procedure established by legal acts.

Item numbering change:

No. [TS-99](#), 30/04/2020, published in TAR on 2020-05-04, code 2020-09353

No. [TS-138](#), 28-05-2020, published in TAR on 2020-05-29, code 2020-11491

63. The description is amended or canceled by the Municipal Council.

Item numbering change:

No. [TS-99](#), 30/04/2020, published in TAR on 2020-05-04, code 2020-09353

No. [TS-138](#), 28-05-2020, published in TAR on 2020-05-29, code 2020-11491

(Sample project application)
Utena district municipality administration
PROJECT APPLICATION

_____ (date)

Name of the project

(The name of the project must be short, specific and clear, describing the essence of the project)

| | |
|---|--|
| Amount (EUR) required for the implementation of the project | |
| Amount (EUR) requested from Utena district municipality budget | |
| Applicant 's financial contribution | |
| Financial contribution of the applicant ' s partner (s) | |

1. INFORMATION ABOUT THE SMALL AND MEDIUM-SIZED BUSINESS ENTITY

| | | | |
|---|--------------------------|-------------------------------------|--------------------------|
| Name, code, name and surname of the legal entity | | | |
| Name, surname of a natural person | | | |
| | Business Certificate No. | Individual activity certificate No. | Farmer's certificate No. |
| Start of activity : | | | |
| Registration adress | | | |
| Business address | | | |
| Contact details (phone, e-mail) | | | |
| Current account details | | | |

2. INFORMATION ABOUT THE SUPPORT RECEIVED:

| | | |
|--|------------------------------|-----------------------------|
| Have you received support from Utena District Municipality small and medium business support funds? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| | Date, amount: | |
| Have you received support from Utena District Municipality under another financing instrument? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| | Date, amount: | |

3. BRIEF INFORMATION ABOUT THE PROJECT

(Exact and clear presentation of the activity-idea)

4. DETAILED PROJECT DESCRIPTION

The project is being implemented

| | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|-------------|---|---|--|--|---|--|--|---|--|--|--|--|--|--|-----------|---|---|--|--|---|--|--|---|--|--|--|--|--|
| From | 2 | 0 | | | - | | | - | | | | | | | to | 2 | 0 | | | - | | | - | | | | | |
|-------------|---|---|--|--|---|--|--|---|--|--|--|--|--|--|-----------|---|---|--|--|---|--|--|---|--|--|--|--|--|

The Aim of the project

(The project must not have more than one objective. It must be clear and specific, defining the final result, which should be specific, measurable)

Project Objectives

| <i>(To achieve the goal of the project, there are tasks that must answer the question of what needs to be done to achieve the goal . Tasks must help to achieve the set goal, be specific, measurable, realistic, time-bound)</i> | Date |
|--|-------------|
| | |
| | |
| | |
| | |

Expected results

| <i>(Planned works must be completed with concrete results)</i> | Date |
|--|-------------|
| | |
| | |
| | |
| | |

Project continuity

(The project must be continued for at least one year after the implementation of the project)

5. BUDGET

| | Purpose of expenditure | Expenditure breakdown | Needed amount for project implementation (EUR) | Amount requested for the project (EUR) |
|----|---|---|---|---|
| 1. | Expenditure on renting or residing premises | <i>(Write when the premises rental/residence service Agreement was signed, what is the monthly fee)</i> | | |

| | | | | |
|---------------|---|--|--|--|
| 2. | New job creation costs | <i>(List which job creation tools will be purchased/are purchased)</i> | | |
| 3. | Advertising costs | <i>(List the estimated advertising costs you intend to do)</i> | | |
| 4. | Expenditure on setting up a business | <i>(List types of costs)</i> | | |
| 5. | Costs of participation in an exhibition presenting products or services | <i>(List types of costs)</i> | | |
| 6. | Professional development courses, trainings | <i>(Write the planned trainings, date)</i> | | |
| Total: | | | | |

6. ADDITIONAL INFORMATION AND DOCUMENTATION

- 6.1
- 6.2
- 6.3
- 6.4
- 6.5

I certify that the information provided in the application is accurate and correct.

(Signature, name, surname)

*Amendments to the Annex:
No. [TS-34](#), 2019-02-21, published in TAR on 2019-02-25, code 2019-03014*

(Project application eligibility assessment form)
PROJECT APPLICATION ELIGIBILITY ASSESSMENT QUESTIONNAIRE

_____ (date)

Applicant, project name: _____

| Project evaluation criteria | Maximum number of possible points | Evaluation |
|---|-----------------------------------|------------|
| PART I. | | |
| Relevance of the project | | |
| The project is in line with the main objective of the Small and Medium Business Support Program | 1 | |
| The goals, objectives and expected results of the project are clear, specific, realistic | 1 | |
| Project organization | | |
| A clear, detailed and consistent project implementation plan is provided | 1 | |
| Budget justification, efficiency of use | | |
| The activities envisaged in the project and the related costs are reasonable, realistic and necessary | 1 | |
| AMOUNT OF SCORES FOR PART I: | 4 | |
| PART II. | | |
| Priority for project funding | | |
| For those operating in the first or second year of operation | 2 | |
| Activity - services or production | 2 | |
| Creating a new job (s) in a rural area, a social business enterprise | 1 | |
| Implementing innovative business ideas | 1 | |
| Creating at least 3 employment positions | 1 | |
| For young entrepreneurs (under 29 years of age), young artists | 1 | |
| For people with disabilities | 1 | |
| AMOUNT OF SCORES FOR PART II SCORES: | 9 | |
| (TOTAL SCORE OF PART I * 4) + (TOTAL SCORE OF PART II * 2) | 34 | |

Assessment/conclusion of the Commissioner

Signature, name, surname of the Commissioner

(Project application evaluation summary form)

EVALUATION SUMMARY OF PROJECT APPLICATIONS

| No. | Project applicant | Project title | ADMINISTRATIVE COMPLIANCE ASSESSMENT | | AVERAGE ELIGIBILITY ASSESSMENT | | |
|-----|-------------------|---------------|--|----|--------------------------------|---------------------------|-----------------------|
| | | | The application is duly completed and all required documents have been submitted | | Average of Part I evaluation | Average score for Part II | Overall average score |
| | | | Yes | No | | | |
| 1. | | | | | | | |
| 2. | | | | | | | |
| 3. | | | | | | | |
| 4. | | | | | | | |
| 5. | | | | | | | |
| 6. | | | | | | | |

Chairman of the Commission (signature, name, surname)

Secretary of the Commission (signature, name, surname)

(Model use Agreement)

AGREEMENT ON THE USE OF MUNICIPAL BUDGET FUNDS
(Agreement form)

Date _____ No. _____

Utena

Utena District Municipality Administration (hereinafter referred to as the Benefactor), represented by [*name of the Municipal Administration*] acting in accordance with the Regulations of the Municipal Administration, and [*name of institution/organization*] (hereinafter referred to as the Beneficiary), represented by [*position, name, surname*], acting in accordance with -----, in accordance with Order No. of [*date*] of the Director of the Utena District Municipality Administration . [*_____*] "] has entered into this Agreement (the " Agreement ").

I. OBJECT OF SUT ARTIES

1. The object of the Agreement is the allocation and use of budget funds for the implementation of the project “ [*name of activity, project*] ” (hereinafter - the project) in accordance with the Utena District Municipality ----- ----- program [*name of program*] No ---- Measure No. of the 20 [__] year strategic action plan . [*instrument code, name*].

II. RIGHTS AND OBLIGATIONS OF THE AGREEMENTING PARTIES

2. The Benefactor undertakes:

2.1. in accordance with the Municipal Budget Cost Estimate (Annex 1), which is an integral part of this Agreement, to allocate - [*amount in figures (amount in words)*] EUR funds to the Beneficiary for the implementation of the [*project, activity*] specified in Clause 1 of the Agreement;

2.2. to set the activity, which is financed with funds assessment criteria (- s):

2.2.1. -----;

2.2.2. -----;

2.2.3. -----.

2.3. in accordance with the Cost Estimate, transfer the funds provided for in Clause 2.1 of the Agreement to the current account of the Beneficiary (code [*legal entity code*]) No. [*account number, bank name*] bank, bank code [_____].

2.4. to provide the Beneficiary with all necessary material and methodological assistance, information related to the implementation of the Project in order to properly fulfill the obligations assumed by the Beneficiary under the Agreement.

3. The Benefactor shall have the right to:

3.1. to control the targeted use of funds allocated under the Agreement;

3.2. to check whether the Beneficiary who has received funding for the implementation of the Project complies with the requirements and obligations set forth in the Agreement, if necessary, to check the implementation of the Project and the use and settlement of the target municipal budget funds transferred to the Beneficiary;

3.3. in the event of reasonable suspicion that the Beneficiary has improperly performed the Agreemental obligations and/or violates the legal acts essential for the performance of the Agreement, inform the Beneficiary thereof in writing and suspend the performance of the Agreement until the circumstances of improper performance disappear. In this case, the Benefactor shall set a reasonable time limit for the Beneficiary to eliminate the violations and fulfill the Agreemental obligations, and the Beneficiary shall inform the Benefactor in writing that it is ready to properly perform the Agreement and/or applicable legislation essential for the performance of the Agreement together with evidence to that effect. The Benefactor, after evaluating the information received from the Beneficiary, may resume the performance of the Agreement. If the Beneficiary fails to eliminate the violations within the set term, it does not inform the Benefactor that it is ready to properly perform the requirements and obligations set forth in the Agreement and/or applicable legal acts relevant to the performance of the Agreement, the Benefactor unilaterally terminates the Agreement;

3.4. to demand that the Beneficiary submit documents and data related to the performance of the Agreement within the term set by the Benefactor;

3.5. to demand that the Beneficiary revise the reports specified in Sub-clause 4.6 of the Agreement, setting a reasonable term for elimination of deficiencies;

3.6. to charge the Beneficiary interest in the amount of 0.02 per cent of the Agreement amount for each day of delay in which the obligations are not fulfilled, but not more than the Agreement amount. At the request of the Benefactor, the Beneficiary must transfer the interest to the Account of the Benefactor (bank account No LT96 7181 1000 0213 0853) within 5 working days from the date of determination of the default, but not later than 31 December of the current year;

3.7. to recover from the Beneficiary the misused funds, including the expenses incurred due to the Beneficiary's improper performance of the obligations set forth in the Agreement.

4. The Beneficiary undertakes:

4.1. to implement the [*project, activity*] referred to in Clause 1 of this Agreement by ----- ;

4.2. to use the received funds of the Municipal budget only in accordance with the intended purpose in accordance with the procedure established in the Agreement, in accordance with the Cost Estimate;

4.3. To link the project costs directly with the activities planned to be implemented in the Project, to ensure that the eligible project costs necessary for the implementation of the Project are based on the progress of the Project implementation, the nature and amount of costs. Expenditure shall be considered eligible if it is incurred before 31 December of the current year;

4.4. to perform cash and non-cash settlements in accordance with Article 6.929 of the Civil Code of the Republic of Lithuania and other legal acts regulating cash and non-cash settlements. The Beneficiary, who is considered a Agreementing authority in accordance with Paragraph 2 of Article 2 of the Law on Public Procurement of the Republic of Lithuania “must follow the Law on Public Procurement of the Republic of Lithuania when performing procurements;

4.5. If the difference between the expenditures approved in the Municipal budget estimate and the planned funds exceeds 10%, in order to revise the Expenditure Estimate, the Beneficiary must submit a reasoned request to the Benefactor to revise the Expenditure Estimate in writing. The cost estimate may be adjusted between future quarters and the economic classification items in the cost estimate. A request for revision of an estimate of expenditure may be made only in respect of expenditure not incurred. A request to revise the cost estimate shall be submitted to the person responsible for concluding the Agreement once a quarter, but not later than 10 (ten) working days before the beginning of the next quarter. Subsequent applications will not be considered;

4.6. to report to the Benefactor on the activities for the financing of which budget funds are allocated, on the fulfillment of its evaluation criteria and on the use of budget funds, by submitting reports:

4.6.1. To the Accounting Department of the Municipal Administration - Report on the implementation of the budget expenditure estimate prepared in accordance with Annex 2 to the Agreement, indicating the expenditure in EUR and EURO cents (Q1 - until 5 April 20__, Q2 - until 5 July 20__, Q3 - until 5 October 20__) and annual (until 7 January 20__);

4.6.2. To person responsible for concluding the Agreement - after carrying out a [*project, activities*] within 10 calendar days - accounting documents justifying the use of the budget report in accordance with the Agreement Annex 3 and the report of activities financed from the Municipal budget, and the criteria for assessing the implementation, prepared in accordance with the Agreement Annex 4. Person responsible for concluding the Agreement, having checked and approved reports specified in 4.6.2 paragraph to the Accounting Department of the Municipal Administration;

4.7. Publicly inform the city public about the ongoing project and the project sponsor - Utena District Municipality. Use the Municipality logo in the project promotional material.

4.8. Upon request of the Benefactor, to provide information on the ongoing [*project, activity*] related to the performance of the Agreement;

4.9. To provide copies of the original documents (invoices, deeds, Agreements, etc.) certified by signature and seal at the request of the Accountability Department or at the request of the Accounting Department;

4.10. After the implementation of [*project, activity*], to return the unused funds to the account specified in the Agreement within 5 working days, but not later than by 27 December of the current budget year.

5. The Beneficiary can submit completed reports specified in paragraph 4.6. through electronic delivery means, signed with a secure electronic signature.

III. RESPONSIBILITY OF THE PARTIES

6. The Benefactor shall be responsible for the transfer of funds on time.

7. The Beneficiary shall be responsible for the specified targeted use of funds.

8. The Beneficiary must immediately notify the Benefactor in writing if it is unable to carry out [*the project, activity*] or if it is not appropriate to continue the [*project, activity*], and return the allocated funds to the Benefactor's account specified in the Agreement.

9. The Parties to the Agreement shall be liable for non-performance or improper performance of Agreemental obligations in accordance with the procedure established by the legal acts of the Republic of Lithuania .

10. Disputes arising from the performance of the Agreement shall be settled by negotiations of the Parties, and in case of failure to reach an Agreement - in accordance with the procedure established by the legal acts of the Republic of Lithuania, in the courts of the Republic of Lithuania.

IV. VALIDITY, AMENDMENT, TERMINATION OF THE AGREEMENT

11. If the Beneficiary does not comply with the conditions provided for in this Agreement, the Benefactor has the right to unilaterally terminate the Agreement by notifying the Beneficiary in writing of the termination of the Agreement 14 days in advance.

12. The Agreement shall enter into force on the day of its signing (the date of signing the Agreement shall be the date when the last party to the Agreement signs the Agreement) and shall remain valid until the reports specified in paragraph 4.6 of the Agreement are submitted to the Benefactor and the unused balance is transferred to the account.

13. Funds allocated to [a project, activity] may not be carried over to the next budget year.

14. If it is envisaged that the Municipal budget revenue plan will not be fulfilled by the end of the year, the Agreement may be amended at the initiative of the Benefactor by notifying the Beneficiary in writing about changes in the terms of the Agreement before 1 October of the current year.

15. The Agreement may be amended or supplemented by written Agreement of the Parties. All amendments and additions to the Agreement are integral parts of the Agreement.

16. The Agreement may be terminated by mutual Agreement of the Parties .

17. The Agreement is made in two copies, which have equal legal force, one copy for each party to the Agreement.

V. DETAILS OF THE AGREEMENTING PARTIES

Benefactor

Utena District Municipality Administration
Utenio square 4, 28503 Utena
Tel. (8 389) 61620
Fax (8389) 61615
E-mail address info@utena.lt
Company code 188710442
AB Šiaulių bankas
Bank code 71811
Bank account LT85 7181 1000 0213 0857

(job title)

(name surname)

(signature)

Place for seal

Beneficiary

Name of Institution/Organization
Address of the Institution/Organization

Tel. _____
Fax _____
E-mail address _____
Institution/organization code _____
_____ Bank
Bank code _____
Bank account _____

(job title)

(name surname)

(signature)

Place for seal

Representative of the Benefactor responsible for concluding the Agreement: (position, name, surname, phone, e-mail address)

Beneficiary's representative responsible for the performance of the Agreement: (position, name, surname, phone, e-mail address)

Amendments to the Annex:

No. [TS-138](#), 28-05-2020, published in TAR on 2020-05-29, code 2020-11491

(Model use estimate form)
Utena district municipality administration
(name of institution)

APPROVED
by the Director of Utena
District Municipality
Administration

(date)

ESTIMATE OF USE OF FUNDS

(date, name, number of the document according to which the funds were allocated)

| | | | |
|---|---|------|-------------|
| Program | Action Program for Economic Promotion and Tourism Development | code | 02 |
| Measure | Small and Medium Business Support Program | code | 02.1.1.10 |
| Classification of state functions | Other economic activities not included in any group | code | 04.09.01.01 |
| Project | | x | x |
| Beneficiary to whom the funds are allocated | | code | |

| Economic classifications code | Expenditure items name | Altogether | I quarter | II quarter | III quarter | IV quarter |
|-------------------------------|------------------------|------------|-----------|------------|-------------|------------|
| | | | | | | |
| | | | | | | |
| | Altogether | | | | | |

(Executor)

(signature)

(Name and surname)

(Chief Financial Officer)

(signature)

(Name and surname)

(Utena district municipality administration representative responsible for project implementation)

(signature)

(Name and surname)

(Summary form of accounting documents supporting the use of funds)

(Name of the executor)

**SUMMARY OF ACCOUNTING DOCUMENTS SUPPORTING THE USE OF FUNDS
Utena district municipality administration**

(date)

| No. | Economic classification of costs | | Entity that has prepared the accounting document | | Accounting document | | | Content of the transaction | Paid | | |
|-------------------|----------------------------------|------|--|--------------|---------------------|--------|--------------|----------------------------|--------------|------|--------------|
| | Article | Name | Name | Company code | Date | Number | Amount (EUR) | | Order number | Date | Amount (EUR) |
| | | | | | | | | | | | |
| | | | | | | | | | | | |
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| | | | | | | | | | | | |
| | | | | | | | | | | | |
| In total : | | | | | | | | | | | |

* To be completed as indicated in the estimate attached to the document allocating the funds (order, Agreement).

We certify that the amounts of expenditure indicated in this report correspond to the documents justifying the expenditure and to the data specified in the reports on the use of funds.

Executor/manager

_____ (signature) _____ (Name and surname)

Chief Financial Officer

_____ (signature) _____ (Name and surname)

Person who completed the report _____

(name, surname, phone, e-mail)

(Report form on performance and evaluation criteria)
**PERFORMANCE OF ACTIVITIES AND EVALUATION CRITERIA REPORT ON ITS
IMPLEMENTATION**

(date)

| | |
|--|--|
| The business entity that carried out the project | |
| Executor's data (address, telephone, e-mail) | |
| Name of the project | |

| Project performance evaluation criteria | Planned project result | Achieved project result | Justification of the achieved project result * |
|---|------------------------|-------------------------|--|
| 1. | | | |
| 2. | | | |

* visual material is added

(Executor)

(signature)

(Name and surname)

(Utena district municipality
administration representative
responsible for project
implementation)

(signature)

(date)

**REQUEST
TO PROVIDE FINANCIAL SUPPORT FROM UTENA DISTRICT MUNICIPAL
BUDGET FUNDS FOR SUPPORT OF SMALL AND MEDIUM-SIZED BUSINESSES**

Utena District administrative her

(date)
Utena

| | | | |
|---|--------------------------|-------------------------------------|--------------------------|
| Name, code, name and surname of the legal entity | | | |
| Name, surname of a natural person | | | |
| | Business Certificate No. | Individual activity certificate no. | Farmer's certificate no. |
| VAT code | | | |
| Economic activity code (NACE) | | | |
| Registration adress | | | |
| Business address | | | |
| Contact details (phone, e-mail) | | | |
| Current account details | | | |
| <p style="text-align: center;">Please _____ allocate</p> <p style="text-align: center;">_____ EUR</p> <p style="text-align: center;"><small>(amount in numbers and words)</small></p> <p>financial support from Utena district municipality budget funds intended to support small and medium business (mark the type of expenditure):</p> <p><input type="checkbox"/> to reimburse the costs of renting the premises .</p> <p><input type="checkbox"/> to cover the costs of residence services.</p> | | | |

ADDED:

1. _____
2. _____
3. _____
4. _____
5. _____
6. _____

I certify that the information provided in this application and the accompanying documents is correct.

(position) (signature) (name, surname)

Added annexes:

No. [TS-99](#), 2020-04-30, published in TAR on 2020-05-04, code 2020-09353

Amendments to the Annex:

No. [TS-138](#), 28-05-2020, published in TAR on 2020-05-29, code 2020-11491

Amendments:

1.

Utena District Municipal Council, Decision

No. [TS-307](#), 2017-12-21, published in TAR on 2017-12-22, code 2017-20956

Regarding the Utena District Municipal Council in 2017. August 31 Decision No Amendment to TS-206 “On Approval of the Description of the Procedure for the Use of Funds of the Utena District Municipality Small and Medium Business Entities Support Program”

2.

Utena District Municipal Council, Decision

No. [TS-34](#), 2019-02-21, published in TAR on 2019-02-25, code 2019-03014

Regarding the Utena District Municipal Council in 2017. August 31 Decision No TS-206 “On the Description of the Procedure for the Use of Funds of the Utena District Municipality Support Program for Small and Medium-Sized Business Entities”

3.

Utena District Municipal Council, Decision

No. [TS-99](#), 2020-04-30, published in TAR on 2020-05-04, code 2020-09353

Regarding the Utena District Municipal Council in 2017. August 31 Decision No Amendment to TS-206 “On Approval of the Description of the Procedure for the Use of the Funds of the Utena District Municipality Support Program for Small and Medium-Sized Business Entities”

4.

Utena District Municipal Council, Decision

No. [TS-138](#), 28-05-2020, published in TAR on 2020-05-29, code 2020-11491

Regarding the Utena District Municipal Council in 2017. August 31 Decision No Amendment to TS-206 “On the Approval of the Description of the Procedure for the Use of the Funds of the Utena District Municipality Support Program for Small and Medium-Sized Business Entities”