

GUIDANCE DOCUMENT FOR PROJECTS FINANCED UNDER THE CALL

1. This document provides guidance for applicants, project promoters and projects partners on setting target values and methods of calculation for outcome indicators, compulsory under The call for proposals under ICT focus area of the Norwegian Financial Mechanism 2014-2021 programme "Business Development, Innovation and SMEs" (hereafter referred to as the "Call").

2. A guide on setting target values and method of calculation for outcome indicator "Estimated annual growth in turnover" is presented in a Table 1.

Table 1. Outcome indicator LT07-1-R3 "Estimated annual growth in turnover"

No.	Name of a row	Description
1.	Definition	Turnover represents the total income of the business during a set period of time. Under the Call, turnover is to be understood as the annual sales volume net of all discounts and sales taxes.
2.	Unit of measurement	Percentage
3.	Source of verification	3.1. Financial reports. 3.2. Other financial documents.
4.	Frequency of reporting	4.1. Quarterly with payment claims / interim reports. 4.2. Final project implementation report. 4.3. Annually after completion of the Project with the project post implementation report for the duration of 3 years.
5.	Method of calculating the indicator values	
5.1.	Method of calculating the baseline value	5.1.1. Baseline value – the turnover before the implementation of a project, stated in the last approved annual financial statement. If an entity is established less than a year ago, the baseline shall be established based on a semi-annual financial statement. 5.1.2. The baseline value and the justification shall be provided in the of the target section. During the assessment of an application, an applicant might be asked to provide supporting documents for the baseline values.
5.2.	Method of calculating the target value	5.2.1. Target value – forecasted growth in annual turnover (expressed in percentage) 3 years after completion of the project, achieved as a direct result of the support under the Call. The target value and the justification shall be presented in an application.
5.3.	Method of calculating the achievements	Achievements data (F) is reported as ratio (expressed as a percentage) calculated according to the following formula:

No.	Name of a row	Description
		<p>$F = (B-A)/A * 100\%$, when</p> <p>A - turnover before the implementation of a project;</p> <p>B - the reporting year annual turnover according to the last approved financial statement.</p> <p>The A and B values and the justification shall be provided in the achievements section. During the assessment of a project post implementation report, an applicant will be asked to provide supporting documents for the A and B values.</p> <p>Achievement values should be amended and submitted to MITA annually after a financial statement for the previous financial year is approved.</p>

3. A guide on setting target values and method of calculation for outcome indicator "Estimated annual growth in net operational profit" is presented in a Table 2.

Table 2. Outcome indicator LT07-1-R4 "Estimated annual growth in net operational profit"

No.	Name of a row	Description
1.	Definition	Net operating profit (NOP) is the profit a company is left with after subtracting for cost of goods sold, operating expenses, interest and taxes. It is calculated on the profit and loss statement.
2.	Unit of measurement	Percentage
3.	Source of verification	3.1. Financial reports. 3.2. Other financial documents.
4.	Frequency of reporting	4.1. Quarterly with payment claims / interim reports. 4.2. Final project implementation report. 4.3. Annually after completion of the Project with the project post implementation report for the duration of 3 years.
5.	Method of calculating the indicator values	
5.1.	Method of calculating the baseline value	5.1.1. Baseline value – NOP before the implementation of a project, stated in the last approved annual financial statement. If an entity is established less than a year ago, the baseline shall be established based on a semi-annual financial statement. 5.1.2. The baseline value and the justification shall be provided in the of the target section. During the assessment of an application, an applicant might be asked to provide supporting documents for the baseline values.
5.2.	Method of calculating the target value	5.2.1. Target value – forecasted growth of annual NOP (expressed in percentage) 3 years after the completion of a project, due to the support under the Call. <u>The</u>

No.	Name of a row	Description
		<u>target value</u> and the justification <u>shall be presented in an application.</u>
5.3.	Method of calculating the achievements	<p>Achievements data (F) is reported as ratio (expressed as a percentage) calculated according to the following formula:</p> $F = (B-A)/A * 100\%$, when A - NOP before the implementation of a project; B - the reporting year annual NOP according to the last approved financial statement <p>The A and B values and the justification shall be provided in the justification of the achievements section. During the assessment of a post project implementation report, an applicant will be asked to provide prove documents for the A and B values.</p> <p>Achievement values should be amended and submitted to MITA annually after a financial statement for the previous financial year is approved.</p>

4. A guide on setting target values and method of calculation for outcome indicator “Number of new products/technologies applied (new-to-the-enterprise)” is presented in a Table 3.

Table 3. Outcome indicator LT07-1-R9 “Number of new products/technologies applied (new-to-the-enterprise)”

No.	Name of a row	Description
1.	Definition	<p>A new product or technology applied by a project promoter as a result of implementation of the activity - Application of new products/ technologies.</p> <p>Application of new products/ technologies - replicating products/business process already available from/to other firms or organisations, with no or very few additional changes by your firm.</p> <p>A newly applied product or technology should help, for example, to modernize production lines, to reduce CO2 emissions/ energy consumption, encourage zero-waste manufacturing or re-use of waste.</p>
2.	Unit of measurement	Number
3.	Source of verification	3.1. Project Promoters’ records.
4.	Frequency of reporting	4.1. Quarterly with payment claims / interim reports. 4.2. Final project implementation report.
5.	Method of calculating the indicator values	

No.	Name of a row	Description
5.1.	Method of calculating the baseline value	5.1.1. Baseline value is 'N/A'.
5.2.	Method of calculating the target value	5.2.1. Target value is to be established based on the aim of a project, a project or a business plan.
5.3.	Method of calculating the achievements	Achievement data is reported in numbers of a new product or technology applied.

5. This guidance document is drafted in respect of the Norway Grants Regulation, Core indicators guidance¹ and Results Guideline² adopted by the Financial Mechanism Office.

6. All projects shall contribute to the outcome of the Programme: Increased competitiveness of Lithuanian companies within Green Industry Innovation, including bio economy, and ICT focus areas and shall deliver the expected output indicator – Number of professional staff trained.

7. All projects involving Donor State Partners shall contribute to the bilateral outcome of the Programme: Enhanced collaboration between beneficiary and donor state entities involved in the programme and shall take part in the Bilateral Survey administered by the Financial Mechanism Office to report on the project's bilateral outcomes.

¹ <https://eeagrants.org/sites/default/files/resources/Core%20Indicators%20Guidance%20FM14-21%20%281%29.pdf>

² <https://eeagrants.org/sites/default/files/resources/2014-2021%20Results%20guideline.pdf>