Annex 1

*to the Project Application Selection Rules of the Call for Project Proposals*

*of the Small Grant Scheme "Support for Business Ideas in Latgale" of*

*the European Economic Area Financial Mechanism 2014-2021*

*programme “Local Development, Poverty Reduction and Cultural Cooperation”*

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| **PROJECT APPLICATION FORM** |

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| **Title of the programme:** | | The European Economic Area Financial Mechanism 2014-2021 programme “Local Development, Poverty Reduction and Cultural Cooperation” |
| **The name of the Call for Project Proposals for the Small Grant Scheme** | | **“Support for Business Ideas in Latgale”** |
| **Project name:** | |  |
| **Project Applicant:** | |  |
| *Filled in by the Small Grant Scheme Operator* | | |
| Project identification No. |  | |
| Date of Project Application |  | |

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| **SECTION 1 — Project Applicant:** |

**1.1. Information about the Project Applicant:**

|  |  |
| --- | --- |
| Project Applicant (*legal person — name, a natural person — Name, Surname*): |  |
| Registry code (*personal identity number, if applicable*): |  |
| Type of Project Applicant (legal status): |  |
| Legal address (declared address): | *Street, house number (the name of the house)* |
| *City, Municipality* |
| *Country* |
| *Postcode* |
| Actual address: | *Street, house number (the name of the house)* |
| *City, Municipality* |
| *Country* |
| *Postcode* |
| Contact details of the Project Applicant: | *Address:* |
| *Email:* |
| *Website:* |
| Signatory: | *Name :* |
| *Position held:* |
| *Telephone:* |
| *Email:* |
| Contact: | *Name :* |
| *Position held:* |
| *Telephone:* |
| *Email:* |

**1.2. Information about the Project Partner(s) (*information about each Project Partner separately is to be indicated; if the Partners are interrelated, indicate N/A*):**

|  |  |
| --- | --- |
| Project Partner: |  |
| Project Partner type (legal status): |  |
| Contact information of the Project Partner: | *Address:* |
| *Email:* |
| *Website:* |
| Contact: | *Name :* |
| *Position held:* |
| *Telephone:* |
| *Email:* |
| Field of the main activity of the Partner in accordance with the NACE redaction 2 statistical classification of economic activities |  |

**1.3. Field of the main activity of the Project Applicant in accordance with the NACE redaction 2 statistical classification of economic activities:**

|  |  |  |
| --- | --- | --- |
| ***Code*** |  | ***Name*** |
|  |  |  |
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**1.4. Description of the current situation** (*at the beginning of the month of the Project Application submission*)

|  |
| --- |
| Description of the current operations |
|  |
| Main business Partners (raw material suppliers and the buyers/service receivers of complete products) |
|  |
| Existing provision of a production scheme/service of an economy/company (from the purchase of raw materials to the sale of finished products) |
|  |
| Information about the product/service type produced by the economy/company |
|  |

**1.5. The education and experience of the Project Applicant, Project Partner management, and the main experts**

|  |  |  |  |
| --- | --- | --- | --- |
| Name, Surname | Position | Education (authority, diploma obtained and time period) | Work experience in the last 3 jobs  (Company name, position, responsibilities and time period) |
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**1.6. Production buildings, structures, machinery and equipment of the Project Applicant and Project Partners\***

|  |  |  |  |
| --- | --- | --- | --- |
| No. | Name (building type, model, brand of the machinery or equipment) | To be indicated — owned or leased | Description (regarding the buildings — purpose of use, capacity, infrastructure, year of construction, other parameters; machinery — year of manufacture, technical parameters, application, other descriptive parameters) |
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\*If the number of owned or leased fixed assets of the Project Applicant or a Project Partner is large (more than 10 units), a separate list of fixed assets might be attached to the Project Application.

**1.7. The financial situation indicators of the Project Applicant**

|  |  |
| --- | --- |
| Last closed fiscal year |  |
| Average total number of workers in the last closed fiscal year |  |
| Total number of workers in annual work units\* in the last closed fiscal year |  |
| Balance sheet total (EUR) of the last closed fiscal year |  |
| Net turnover (EUR) of the last closed fiscal year |  |

\* In accordance with Section 5 of Annex 1 of the regulation No. [651/2014](http://eur-lex.europa.eu/eli/reg/2014/651/oj/?locale=LV) the number of employees matches the annual labour units (ALU), meaning that it is consistent with the number of persons who worked full-time at the company or on behalf of it the whole reporting year in question. The labour of the persons who did not work the whole year or worked half-time regardless of the duration, as well as seasonal workers is calculated in parts of ALU.

**1.8. The public financing received by the Project Applicant and (or) Project Applications submitted to other institutions of European Union Funds (ERDF, etc.) and other state or municipality-financed investment activities**

|  |  |  |
| --- | --- | --- |
| Until the submission of this Project Application, the Project Applicant has received public financing and (or) submitted the Project Application to other European Union Funds and state and municipality-financed investment activities | Yes | https://www.vestnesis.lv/wwwraksti/BILDES/KVADRATS.GIF |
| No | https://www.vestnesis.lv/wwwraksti/BILDES/KVADRATS.GIF |

If the answer is “Yes”, information about the projects is to be submitted

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| No. | Name of the fund, name of the institution providing support | Project name and Project No. | Project implementation stage (received financing; Project is being implemented; Project submitted for evaluation) | Project duration (mm/yyyy) — (mm/yyyy) | Eligible costs in total (EUR) | Public funding (EUR) | Is the Project Application related to the Project Application submitted for evaluation (Yes; No) | Thematic relation of the related Project |
| Projects financed by the European Union and other foreign Financial Mechanisms | | | | | | | | | |
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|  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |
| Other projects (state and municipality-financed Projects, etc.) | | | | | | | | | |
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**1.9. Information about all advisers involved in the preparation of the Project Application (*information on each adviser is to be indicated separately; if no adviser has been involved, indicate N/A*):**

|  |  |
| --- | --- |
| Name of the adviser: |  |
| Adviser type (legal status): |  |
| Adviser contact details: | *Address:* |
| *Email:* |
| *Website:* |
| Contact: | *Name :* |
| *Position held:* |
| *Telephone:* |
| *Email:* |

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| **SECTION 2 — Project Description** |

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| **2.1. Summary of the actions to be taken within the Small Grant Scheme “Support for Business Ideas in Latgale” of the European Economic Area Financial Mechanism 2014-2021 programme “Local Development, Poverty Reduction and Cultural Cooperation”** (the specified information will be used to provide publicity to the Project on the Grant Scheme operator website; to be submitted in Latvian and English) (*up to 500 words*): |
| *The summary demonstrates why the Project implementation is crucial, what issue(s)/situation(s) is(are) being solved in accordance with the goal set in the Project, what the main action to be taken within the Project is, in order to reach the Project goal, what are the main results to be achieved within the Project, who will benefit from the Project implementation and how, as well as what are the advantages/gains of becoming Partner in the Project (if the Project is implemented in Partnership).* |

**2.2. Project location**

|  |  |
| --- | --- |
| Project location address | *A single Project implementation location is to be indicated* |

|  |  |
| --- | --- |
| Owned (Yes; No) |  |
| Leased (Yes; No) |  |
| Cadastral number of the property |  |

**2.3. The Project implementation field (a single Project implementation field is to be indicated)**

|  |
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| NACE redaction 2 code \_\_\_\_\_\_\_  Name \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

**2.4. Project description and goal (up to 3000 words)**

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| --- |
| *The description of the existing situation and the basis for the choice of the optimal solution (other considered options are to be indicated).*  *The effect of the solution on the economic activities of the merchant (to be justified by economic indicators of the merchant, including employment).*  *The goal(s) of the Project.*    *The expected list of products and services (the description* *of the expected investments planned for production — to increase production capacity, for production diversification by introducing new products previously not existing within the business, for significant changes within the production process or the investment strategy planned in order to increase the efficiency of service provision, for the diversification of services previously not provided by the merchant, to increase the productivity of employees — is to be provided).*  *The description of the production process of the products and services created as a result of the Project.*  *The description of the Project implementation process from the time of conclusion of the contract until the moment of beginning production and service provision, including consequent action and its timeframes and required resources.*  *Description of the maintenance plan of the Project implementation results for at least five years following the confirmation of the Project closing report. The basis for the necessity of the human resources, material-technical and financial resources needed to ensure the production process and service provision intended as a result of the Project.* |

**2.5. The role of Project Partner(s) within the Project**

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| *The basis for each required Partner is to be provided, a description of the role of each Project Partner is to be supplied, including the intended Project Partner training activities to be carried out, as well as the Project Partner contributions and benefits from participating in the Project. If no Partner is to be involved, indicate N/A* |

**2.6. The newly acquired fixed assets and software, the costs of obtaining or using patents, licenses, copyrights and trademarks intended for the implementation process of the Project.**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **No.** | **The name of the investment** | **Quantity** | **The basis for the determination of costs** | **Unit price in EUR (excl. VAT)** |
| **1.** |  |  |  |  |
| **2.** |  |  |  |  |
| **…** |  |  |  |  |

**2.7. The justification for the investments**

A short description is to be provided on the necessity of each investment to achieve the goal(s) of the Project, as well as on alternative solutions, and an indication of the technical specification of the investment is to be supplied. The requirements regarding the quality, volume, safety, warranty, inspection methods, packaging, marking, methods for usage, required resources, desired end result, compliance with the laws and regulations of the industry, environmental protection and all other reasonable and objective needs of the procurement are to be indicated within the technical specification, so that the procurement is concluded according to its goal.

|  |  |  |  |
| --- | --- | --- | --- |
| **No.** | **The name of the investment** | **The justification for the necessity of the investment in the production process, the evaluation of other options** | **Specifications** |
| **1.** |  |  |  |
| **2.** |  |  |  |
| **…** |  |  |  |

**2.8. The summary of the Project costs**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Cost items by planned Project activities | Payment amount, EUR 1 | | | | Aid intensity, % | Programme co-financing, EUR | Private co-financing, EUR |
| Amount without VAT 2 | Amount with VAT | Total eligible costs | including:  VAT as an eligible cost 3 |  |  |  |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| 1. The acquisition of new fixed production assets and software | - | - | - | - | - | - | - |
| 2. The costs of obtaining or using patents, licenses, copyrights or trademarks | - | - | - | - | - | - | - |
| 3. The costs of employee training | - | - | - | - | - | - | - |
| 4. Depreciation part of fixed assets corresponding to the duration of the Project and the amount of actual use | - | - | - | - | - | - | - |
| 5. The audit costs in accordance with Clause 10.5 of the Regulation No. 66 |  |  |  |  |  |  |  |
| TOTAL |  |  |  |  | X |  |  |

*Note:*

*1 Only eligible costs are indicated.*

*2 N/A if VAT does not have to be paid.*

*3 VAT is indicated as an eligible cost only if VAT is not to be recovered from the state budget.*

**2.9. The impact of the Project on the number of employees within the company\***

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| *Jobs to be created as a result of the Project are to be indicated — the number of jobs, workload, job duties, availability of human resources* |

\* A new workplace has been created if:

- an employment contract is concluded with the employee, in which the regular working hours have been determined, and the mandatory state social insurance contributions are paid for such an employee for at least one year after the creation of the job;

- there are several workplaces for the performance of seasonal work, if the number of hours worked in them corresponds to the normal working hours of a calendar year, and the mandatory state social insurance contributions have been paid for them.

**2.10 If the Project is implemented within a new industry, the education and experience of the of the Project Applicant in the relevant industry**

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| *A justification is required that the Project Applicant has knowledge and/or the necessary human resources to successfully implement and develop the new idea, including if the implementation process of the idea demands the involvement of qualified staff.* |

**2.11. Description of the market of competitors and products/services, and planned activities of the Project applicant**

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| *A description is to be provided regarding the target market, audience (the buyer) and profit potential (target market) of the intended product or service.*  *A description and analysis on the current competition trends is to be supplied.*  *A basis for the choice of the selected choice of the product/service sales strategy and benefits in comparison to the competition is to be provided.* |

**2.12. Risks of Project implementation and the elimination of them**

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| *A description of the risks of Project implementation and the measures to be taken to eliminate or minimise them is to be supplied.* |

**2.13. Project financing sources\***

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| --- | --- | --- |
| Financing sources for the total Project costs during the implementation of the Project | Sum (EUR) | % |
| 1. The fraction co-financed by the Project Applicant |  |  |
| 2. The loan from a credit institution or finance authority Altum |  |  |
| 3. Other payments, including upfront payments of the programme (the source of funding is to be indicated) |  |  |
| *Total (1+2+3)* |  |  |

\*The total amount from Project financing sources must be indicated as not less than the total Project costs indicated in section 2.8.

If a loan from a credit institution is indicated as a source of financing, then the Project Application must be accompanied by a decision from the credit institution on granting a loan.

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| **2.14. Planned total duration of the Project implementation after concluding the agreement with the Grant Scheme Operator \*:** |
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|  | ***(in full months)*** |

*\*Project implementation duration:*

* *no longer than 12 (twelve) months following the conclusion of the contract;*
* *no longer than 24 (twenty-four) months following the conclusion of the contract, in case the eligible Project costs include the purchase of software and/or deprecation of fixed assets in accordance with the Project eligibility period (from the moment of concluding the contract between the GS operator and the Beneficiary) and the extent of actual use.*

*The Project implementation deadline is set to be no later than April 30 2024.*

**2.15. Project compliance with the Latgale region development planning documents (Latgale Strategy 2030)**

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| *Latgale region development planning documents can be viewed on the website:* [*https://lpr.gov.lv/lv/padome-l2f3/planosana/#.Xp\_7uGYzaUk*](https://lpr.gov.lv/lv/padome-l2f3/planosana/#.Xp_7uGYzaUk)  *A description is to be provided on the way the Project will supplement the planning documents, for example:*  The main goal of **Latgale Strategy 2030** is to achieve faster economic development of the region in order to increase its people's income, preserve and increase the rich potential of Latgale and make Latgale an attractive living environment also for future generations. *In order to do this, changes must be made in the economic structure of the region, significantly increasing the share of the private sector in value creation.*  *The strategic direction expands business support into four categories of activity:*  *— support for startups (the so-called kindergarten and school programmes, creation and activity of social companies);*  *— support for existing entrepreneurs — production support programmes and programmes on specific topics (use of new technologies, provision of quality workforce, export promotion, production quality and efficiency, management quality and efficiency, supply chain development);*  *— the attraction of new companies to the region;*  *— support for the entrepreneurial citizens of the region (social entrepreneurship) engaged in small-scale economic activities or solving social problems.* |

**2.16. Publicity measures planned in the Project**

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| *The minimum communication publicity requirements set forth for the Beneficiary of the co-financing:*   * *the support of the European Economic Area Financial Mechanism is to be emphasised in any communication activities regarding the project, the implementation thereof and the results to be achieved;* * *if the applicant has a website or social media account that provides information on the economic activity of the Beneficiary of the co-financing, information on the Project to be implemented is to be posted pursuant to the publicity requirements;* * *an informative sign is to be placed at the Project implementation site stating that the Project is implemented with the support of the European Economic Area Financial Mechanism.*   *A full description of the logo usage and publicity guidelines can be found on this website:*  *<https://eeagrants.lv/wp-content/uploads/2020/10/EEA_CommunicationAndDesignManual_LV-4.pdf>* |

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| **Section 3 — Additional documents to be submitted** |

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| **Name of document** | **Control sheet (mark with “X”)** |
| The form of the information to be submitted for the *de minimis* support accounting and granting” or the identification number of the applicant form created and approved in the *de minimis* support accounting system shall be indicated |  |
| Project budget |  |
| Cash flow schedule |  |
| A declaration regarding the compliance of the commercial company with the small (micro) or medium-sized commercial company (pursuant to the Cabinet of Ministers Regulation No. 776 of 16 December 2014 Procedures by which Commercial Companies Declare their Compliance with the Status of Small (Micro) and Medium-Sized Commercial Companies) |  |
| A financial operational report (incl. balance sheet, profit or loss statement, explanations to the profit or loss statement items, explanations to the balance sheet items, cash flow statement), which is not older than one month before the date of submission of the Project Application |  |
| A printout of the account turnover of the credit institution of the company or economic operator for the last 12 months |  |
| Information on the origin of capital |  |
| Power of attorney, internal regulations of the institution or other document certifying the authorisation to sign all documents related to the Project Application (submitted if the Project Application is signed by an authorised person) |  |
| A statement(s) signed by the Project Partner confirming the readiness to participate in the Project and conclude a partnership agreement, if the Project Application is approved (if applicable). |  |

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| **Section 4 — Statement of the Project Applicant** |

The undersigned,

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| the Project Applicant | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
|  | *the name of the Project Applicant* |
| official in charge, | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, |
|  | *name, surname* |
|  | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, |
|  | *job title* |
| I certify that on the day of the submission of the Project Application, | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_: |
|  | *dd/mm/yyyy* |

4.1 The Project Applicant of the Small Grant Scheme **“Support for Business Ideas in Latgale”** (hereinafter — Grant Scheme) matches these regulations:

4.1.1. the Project Applicant is a merchant registered in Latvia;

4.1.2. the Project applicant is familiar with all the conditions for obtaining the Project funding defined in the regulations for the implementation of the programme, and undertakes to meet these conditions during the Project;

4.1.3. the Project applicant has not been declared insolvent by a Court of Justice or a legal protection process has not been implemented by a Court of Justice, or an out-of-court legal protection process has not been implemented by a court decision, bankruptcy proceedings, reorganization or amicable settlement have not been initiated or its economic activity has not been terminated;

4.1.4. The Project Applicant and its Partner, if it is from the Republic of Latvia, do not have tax debts in the Republic of Latvia, including debts of mandatory state social insurance contributions, the total amount of which individually exceeds 150 euros;

4.1.5. the Project Applicant has not provided false information to the Grant Scheme Operator or intentionally misled him/her in connection with the Grant Scheme co-financed by the European Economic Area (hereinafter — EEA) Financial Mechanism;

4.1.6. the Project Applicant has complied with the conditions for receiving funding;

4.1.7. the investments made within the framework of the project will be used only for the purposes stipulates in the Project and on the Project implementation location indicated in the Project Application;

4.1.8. the long-term investments made within the Project will be included in the assets of the Project Applicant as depreciable investments and will remain as his/her property and will not be transferred for use to third parties for at least five years after the approval of the Project final report;

4.1.9. as a result of the Project implementation, at least one new job will be created, which complies with the Cabinet of Ministers Regulation No. 66 of 28 January 2021 “Regulation for the Implementation of the Call for Project Proposals of the Small Grant Scheme “Support for Business Ideas in Latgale” of the European Economic Area Financial Mechanism 2014-2021 programme “Local Development, Poverty Reduction and Cultural Cooperation”” (hereinafter — Grant Scheme Cabinet of Ministers Regulation) definition of Clause 6, and will be maintained for at least one year after the job creation.

4.2 The conditions for receiving co-financing have been met:

4.2.1. the eligible activities indicated in the Project Application have not been and will not be started, as well as the eligible costs have not been incurred until the moment of concluding the contract between the GS operator and the Beneficiary;

4.2.2. during the implementation process of the Project, publicity measures will be implemented in accordance with the publicity conditions of the EEA programme;

4.2.3. if the Project Applicant operates both in the non-supported sector referred to in Clause 18 of these Cabinet of Ministers Regulations and in the sector supported within the Grant Scheme, the Project Applicant will ensure clear separation of Project financial flows from other sectors of the co-financing Beneficiary during the Project implementation process and 5 years after receiving the final payment of the project.

4.3 The project eligibility conditions are met:

4.3.1. the information provided in the Project Application and its annexes is true, and the requested programme co-financing for the implementation of the Project will be used in accordance with the submitted Project Application description;

4.3.2. The Grant Scheme Project Application does not include costs for which the Grant Scheme Project applicant has received or plans to receive support from local, regional, state, European Union or other foreign financial assistance funds (double funding);

4.3.3. the Project Applicant does not know of any reasons that would prevent or delay the implementation of this Project, and I hereby certify that the obligations established as part of the Project can be met within the deadlines set in the laws and regulations on the implementation of the EEA Financial Mechanism Grant Scheme project.

I am aware that the Project may not be approved for co-financing by the EEA Financial Mechanism programme if the Project Application, including this section, is not fully and properly completed, and if the funding for the implementation of the Grant Scheme projects is insufficient at the time of Project approval.

I am aware of the fact that the provision of false information in this statement may result in punitive action of a civil and financial nature against the previously mentioned legal person, the Project Applicant;

I hereby certify that the copies of the documents enclosed with the pre-defined Project Application match the original versions of the documents that are in my possession

|  |  |
| --- | --- |
| *Title of the responsible officer:* |  |
| *Name:* |  |

THIS DOCUMENT HAS BEEN ELECTRONICALLY SIGNED WITH A SECURE ELECTRONIC SIGNATURE AND CONTAINS A TIME STAMP