

APPROVED by
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Government of the Republic of Lithuania

DESCRIPTION OF PROCEDURE FOR THE IMPLEMENTATION OF DEVELOPMENT COOPERATION ACTIVITIES BY STATE AND MUNICIPAL INSTITUTIONS AND AGENCIES

CHAPTER I GENERAL PROVISIONS

1. The Description of Procedure for the Implementation of Development Cooperation Activities by State and Municipal Institutions and Agencies (hereinafter referred to as the Description of Procedure) provides for financial requirements for the provision of bilateral development assistance, procedure for the provision of bilateral and multilateral development assistance, public communication of development cooperation activities, transferral of state or municipal-owned assets that are managed by institutions under mandate for the purpose of development co-operation, and development cooperation reporting (hereinafter referred to as the development cooperation activities).

2. Pursuant to the Law of the Republic of Lithuania on the Development Cooperation and Humanitarian Aid (hereinafter referred to as the Law) and the Description of Procedure, state and municipal institutions and agencies (hereinafter referred to as the Institution) shall be entitled to take decisions, within their remit, regarding the participation in development cooperation activities and provision of bilateral and/or multilateral development assistance from budget allocations earmarked for them.

3. Following the decision to include the development cooperation activities in the action plan and to provide bilateral and/or multilateral development assistance from its earmarked budget allocations, the Institution shall notify the Ministry of Foreign Affairs of the Republic of Lithuania (hereinafter referred to as the Ministry of Foreign Affairs) of the decision within 15 working days from the date of the decision.

4. The Institution shall set up a Development Cooperation and Humanitarian Aid Commission, headed by a person appointed by the Institution. The Commission shall implement development cooperation activities and organise the provision of humanitarian aid. While setting up the Development Cooperation and Humanitarian Aid Commission, the Institution shall establish its operational goals and tasks, the rights and responsibilities of its members, as well as the rules of procedure.

5. Following the Description of Procedure, the Institution shall have the right to draw up an individual Description of Procedure for the implementation of development cooperation activities, which shall be endorsed by the head of the Institution. The procedure for the

implementation of development cooperation activities by the Ministry of Foreign Affairs, diplomatic representations of the Republic of Lithuania, representations to international organizations, consular posts and special missions is provided for in the Description of the Procedures for Implementation of the Development Cooperation and Democracy Promotion Programme of the Republic of Lithuania, approved by the order of the Minister of Foreign Affairs.

6. Concepts employed in the Description of Procedure:

6.1. **Co-funding:** a method for providing development assistance, where more than one donor country or international organization is involved in joint funding of development assistance projects and programmes for the partner country.

6.2. **Democracy promotion:** a part of the development cooperation policy, which aims to promote democratic processes in the partner country, i.e. to consolidate good governance principles, ensure the dissemination of democratic values and the rule of law, thereby contributing to the mitigation of threats to the national security of the Republic of Lithuania.

6.3. **Revised development cooperation project application:** development cooperation project application, which is drawn up in accordance with the approved form, and which takes into account reservations of the Development Cooperation and Humanitarian Aid Commission and recommendations of a state or municipal institution or agency.

6.4. **Development cooperation project:** non-commercial activity aimed to achieve the goals of the development cooperation policy of the Republic of Lithuania in the partner country or in the territory of the Republic of Lithuania, over a set period of time, with set budget resources and expected deliverables.

6.5. **Development cooperation project agreement:** an agreement concluded between the state or municipal institution or agency and the project implementer for the achievement of the development cooperation goals specified in the project application and/or revised project application.

6.6. **Development cooperation project concept note:** the initial project document of the development cooperation competition procedure, which, depending on the type of call for applications, is drawn up by a state or municipal institution or agency, or project applicant, and which outlines the project idea, goals and outcomes.

6.7. **Development cooperation project application:** drawn up in accordance with the approved form, a mandatory annex to the development cooperation project agreement, containing project goals and objectives, which is to be submitted for consideration of the Development Cooperation and Humanitarian Aid Commission.

6.8. **Development cooperation project manager:** a person appointed by the development cooperation project implementer to run the project according to the project agreement. The project implementer shall be liable for development cooperation project manager's actions, their impact on the project and compliance with the provisions and goals of the agreement.

6.9. **Development cooperation project management:** it includes arrangements for the implementation of the development cooperation project, its planning, decision making, monitoring and other actions related to project implementation.

6.10. **Development cooperation project implementer:** Lithuanian or foreign legal entity, other organization, their division, or a natural person who have concluded a development cooperation project agreement with a state or municipal institution or agency for the achievement of the goals specified in the project application and/or revised project application.

7. Other concepts employed in the Description of Procedure shall be those as defined in the Law.

CHAPTER II RULES FOR PROVIDING BILATERAL DEVELOPMENT ASSISTANCE

8. Development Cooperation and Humanitarian Aid Commission (hereinafter referred to as the Commission) shall take a decision on a call for applications for development cooperation projects (hereinafter referred to as the project application) or concept notes for development cooperation projects (hereinafter referred to as the concept note) (hereinafter referred to as the call) regarding its content and method of publication, deadlines for submission of project applications or concept notes and other related issues. Commission's decisions shall be documented in the minutes.

9. Calls can be of the following two types:

9.1. a call for applications following the concept notes developed by the Institution and approved by the Commission, and

9.2. a call for concept notes, following the Development Cooperation Policy Guidelines of the Republic of Lithuania.

10. By taking a decision to publish a call for applications and/or concept notes, the Commission shall allocate funds earmarked for the implementation of development cooperation projects (hereinafter referred to as the project) in accordance with the type of each call.

11. Completed, signed and scanned project applications or project concept notes with the scanned annexes shall be e-mailed to the address specified by the Institution, or the completed, signed and scanned project applications or project concept notes with the scanned annexes shall be sent by registered mail, or delivered to the address specified by the Institution until the deadline specified in the call. Project applications and concept notes may be signed by an electronic signature approved by a qualified certificate, if it specified in the call published by the Institution.

12. Received in accordance with the requirements specified in the call, project applications (the recommended form is approved by the order of the Minister of Foreign Affairs) or concept notes (the recommended form is approved by the order of the Minister of Foreign Affairs) shall be registered following the procedure prescribed by the Institution.

13. Development cooperation project implementer (hereinafter referred to as the project implementer) shall specify in the application at least one project implementer's partner from a partner country and add partner's consent to cooperate in the development cooperation activities. A project implementer's partner from a partner country is not required for the implementation of activities related to public communication and democracy promotion, or if the project implementer is an entity of the partner country or an international organization. A project implementer's partner shall be an entity, who cooperates with the project implementer in implementing the project, and who is specified in the project application.

14. The project application and project concept note shall comply with the strategic agreements and/or bilateral cooperation agreements of the European Union, the Republic of Lithuania and the partner country involved in project cooperation, and/or partner country development strategies, as well as the development cooperation policies of the Republic of Lithuania.

15. Information about the registered project applications or concept notes shall be made public on the website of the Institution within 15 working days from the deadline for the submission of project applications and concept notes, and it shall include the total number of applications or concept notes registered, the applicants, project titles and the total value claimed.

16. Project applications and concept notes shall be evaluated and referred to the Commission for consideration by civil servants and/or employees working under an employment agreement (hereinafter referred to as the staff), appointed by the head of the Institution or his authorized person. The evaluation shall start after the deadline specified in the call. The evaluation of project applications and concept notes shall be subject to the following principles:

16.1. fairness: all project applications and concept notes shall be subject to the same evaluation and selection principles;

16.2. transparency: the selection results of the project applications and concept notes shall be made public;

16.3. impartiality: all persons involved in the evaluation and selection of project applications and concept notes shall declare a potential conflict of interest, and shall be introduced to their functions and responsibilities;

16.4. confidentiality: it shall be ensured that information provided in project applications and concept notes will be used for evaluation purposes only, and it will be kept confidential, except communication and publicity activities carried out in accordance with relevant legal acts and the development cooperation project agreement (hereinafter referred as the agreement).

17. The evaluation of project applications and concept notes shall be effected in the following phases:

17.1. the evaluation of the project application or a concept note in terms of its conformance with the administrative requirements (recommended forms are approved by the

order of the Minister of Foreign Affairs) shall check whether the project application or project concept is completed correctly and all the required appendixes to the project application or the concept are in place;

17.2. the evaluation of the project application or concept note (recommended forms are approved by the order of the Minister of Foreign Affairs) shall check whether the project application or project concept note meets the criteria set by the Institution as regards the content and resources planning, and whether the project is eligible .

18. If it is established during the evaluation of the project application or concept note that it is not in conformity with the administrative evaluation requirements, the applicant of the project application or concept note shall be notified by e-mail or registered mail on the identified faults and the time limit set for their rectification, which shall not exceed 20 working days from the date of the receipt of the information on the established faults. If the applicant of the project application or project concept note fails to comply with the requirements within the prescribed time, the Commission shall take a decision to reject the project application or concept note concerned. If the Commission decides to reject a project application or project concept note, the reasons for the rejection shall be specified in the minutes. The applicant of the project application or project concept note shall be notified thereof within 10 working days from the date of the decision by e-mail or registered mail.

19. If the administrative evaluation finds that the project application or project concept note was submitted beyond the deadline, no time limit for the rectification of the established faults shall be set, and the Commission shall take a decision to reject the project application or project concept note. The applicant of the project application or project concept note shall be notified thereof within 10 working days from the date of the decision by e-mail or registered mail.

20. Information relating to project evaluation and funding decisions shall be confidential, except cases provided for by relevant legal acts of the Republic of Lithuania.

21. If the Commission decides to approve the project concept note, or approve it with a reservation, the applicant of the concept note shall be recommended to work up a full project application. The reservation may be related to the scope of the project, revision or modification of activities, finances, etc.

22. If the Commission decides to approve the project application or approve it with a reservation, the Institution, with a view to preventing double project funding, shall not notify the applicant thereof before advising in writing the Ministry of Foreign Affairs. It shall specify the project implementer, project title, project activities and partner countries (if any). If the Ministry of Foreign Affairs finds out that the project activities are already funded by other authorities, it shall notify the advising Institution in writing within 5 working days from the receipt of this information.

23. An agreement shall be signed with the applicant of the approved project application. The agreement shall enclose the development cooperation project application or the revised project application (hereinafter referred to as the revised project application). The

project application shall be revised by the applicant in consultation with the Institution, following the reservations provided by the Commission (if any), and Institution's recommendations for non-essential modifications of the project application on the basis of the initial project application.

24. The agreement shall include:

24.1. subject matter of the agreement;

24.2. project start and completion dates;

24.3. rights and obligations of the parties to the agreement;

24.4. funding amount, payment terms and procedures;

24.5. parties' liability;

24.6. agreement modification and termination terms and procedures;

24.7. dispute settlement procedures;

24.8. procedure for submitting project implementation reports (recommended forms are approved by the Minister of Foreign Affairs) and interim project reports (if available).

25. The agreement may also provide for other agreed project-related conditionalities.

26. A decision on payment terms and procedures under the agreement shall be taken by the Institution.

27. The project implementer shall be responsible for setting up a project team with clearly defined roles and responsibilities. The project implementer shall appoint a development cooperation project manager (hereinafter referred to as the project manager).

28. Project duration shall be calculated from the date of signing the agreement, unless the agreement provides otherwise. A decision on the calculation of project duration from other than the day of signing of the agreement may be taken by the Commission.

29. The Institution shall carry out regular monitoring of the project and inform the Commission about the progress of the project.

30. The agreement may provide for a possibility for the applicant to modify activities of the project application or the revised project application, and/or their schedule, which have no material impact on the scope, goal and objectives of the project. If it is necessary to make these modifications, the project manager shall contact the Institution by e-mail or registered mail and submit a reasoned request to authorize non-essential modifications of the activities and/or their schedule. Following the consideration of the request, the Institution shall approve, partly approve or reject the request and shall advise the applicant thereof within five working days by e-mail or registered mail.

31. Where necessary, project funds may be transferred from one budget line to another, but not exceeding 15 per cent of the line value. To this end, the project implementer shall contact the Institution by e-mail or registered mail with a reasoned request for the transfer of the funds from one budget line to another. Following the consideration of the request, the Institution shall approve, partly approve or reject the request and shall advise the project implementer thereof within five working days by e-mail or registered mail.

32. If during the project some funds have been saved and the project implementer requests to use the funds for new unplanned activities, or objective reasons occur for a need to modify the terms of the project, the project implementer shall by e-mail or registered mail advise thereof the project supervisor in the Institution, who refers the matter to the Commission. The Commission may decide to change the terms of the project and/or to allow using the saved funds for other unplanned project activities, which would benefit the project with added value.

33. If the Commission decides to allow using the saved funds for new unplanned project activities that fit the purpose of the project, and/or modify the terms of the project so that the modification would ensure an effective implementation of the project, it will call for signing a supplementary agreement to the existing agreement. The supplementary agreement shall cover new activities, if any, and new deadlines and terms for new or unperformed activities. In case of the supplementary agreement on the use of savings, an estimate shall be appended specifying budget for each activity.

34. After the project is completed, the project implementer shall submit a project implementation report to the Institution by 1 December of the current year, unless the agreement provides otherwise. The project implementation report (the original of the project implementation report with signatures along with a certified copy of documentation to support expenditure) shall be sent by registered mail or delivered to the address given by the Institution. The date of the receipt of the project implementation report shall be considered as the date of the registration of the project implementation report with the Institution.

35. The project implementation report shall include project content report and financial report.

36. The content report shall cover:

36.1. the relevance: the consistency of the outcomes with the goals and the needs of the target group;

36.2. the effectiveness: rational use of financial resources to achieve expected outcomes, and the relevance of project's financial and other costs (human, time, etc.) with the outcomes of the project;

36.3. the sustainability: the continuity ensured by the project outcomes and benefit gained by the target group following the completion of project;

36.4. the effect: the effect on the future social and economic changes for the beneficiaries;

36.5. the risk factors: problems encountered during the project (if any), and their impact on project outcomes; notable circumstances or factors to be considered when planning to continue the project or implement similar new activities.

37. The project financial report shall be compiled in accordance with the requirements of the Republic of Lithuania Law on Accounting.

38. The project implementation report received shall be registered by the Institution in accordance with the prescribed procedure. Project implementation report evaluation shall

represent an integral part of the overall evaluation of the project (the recommended form is approved by the order of the Minister of Foreign Affairs).

39. Project evaluation aims to:

39.1. evaluate the outcomes achieved by the project;

39.2. evaluate the impact on the target groups;

39.3. identify project's strengths and weaknesses;

39.4. evaluate the appropriateness of the choice of the project, the implementer and the activities;

39.5. evaluate the rationality in the use of funds for the implementation of project activities and the achievement of the goal.

40. As regards the project implementation report, the Commission shall take a decision to approve, partly approve or reject the project implementation report. If the Commission decides to partly approve the project implementation report, the reasons and the total eligible costs of the project shall be registered in the minutes. If the Commission decides to reject the project implementation report, the reasons shall be entered in the minutes.

41. If the Commission decides to partly approve or reject the project implementation report, the project implementer shall return the appropriate share or all of the funds received from the Institution for the implementation of the project. Where payment is effected by instalments under the agreement, and the allocations have not as yet been fully disbursed, the Institution, following the Commission's decision, may reduce the remaining amount payable to the project.

42. Within 10 working days from the Commission's approval of the project implementation report, unless otherwise agreed, a letter approving the implementation of all funded agreemental activities should be signed (hereinafter referred to as the letter of approval of project activities) (the recommended form is approved by the order of the Minister of Foreign Affairs). It shall also specify funds repayable (if any) by the project implementer to the Institution and the amount payable (if any) by the Institution to the project implementer, as well as settling terms.

43. The project shall be considered completed when the agreemental obligations of the parties are fulfilled and the letter of approval of project activities is signed.

44. Bilateral development assistance also covers projects providing for cooperation with more than one partner country.

CHAPTER III FINANCIAL REQUIREMENTS FOR BILATERAL DEVELOPMENT ASSISTANCE

45. Development cooperation appropriations for bilateral development assistance shall cover exclusively Commission-approved activities and the development assistance provided by institutions under Chapter V of the Description of Procedure to state or municipal institutions or agencies of partner countries.

46. Development cooperation appropriations shall not cover the procurement of arms, and other military equipment, nuclear technology, not intended for peaceful purposes, luxury goods, services or gifts, commercial and other activities that contradict the foreign policy interests of the Republic of Lithuania.

47. Where an agreement is signed for a project longer than one year, an interim report shall be submitted at the end of the current calendar year by the date specified in the agreement. The agreement for a project exceeding one year, shall contain a reservation regarding project funding to be dependent on annual calendar budget appropriations of the Institution. Each calendar year, the Institution may conclude with the project implementer a supplementary agreement to the project agreement regarding current calendar year funding.

48. The project implementer shall ensure the execution of all the activities (works completed, services provided, etc.), and credibility and eligibility of the costs, i.e. the costs must be actually incurred during implementation of the project. The use of funds must be recorded in project implementer's accounting books.

49. The Commission shall make a decision about the eligibility of the costs following the consideration of the report and the interim report (if any).

50. Eligible costs may include only those costs which:

50.1. are specified in the project application or the revised project application, annexed to the agreement;

50.2. meet the terms and conditions of the agreement and are intended for the achievement of project goals;

50.3. are incurred during the project;

50.4. are in line with the principle of cost-effectiveness;

50.5. are supported by the documents justifying the costs incurred by the project implementer and payment confirmations or documents of equivalent confirming value, which are easy to verify, and which provide detailed specification of the actual costs incurred. If payment confirmation documents originate in a partner country, explanatory note on the documents shall be made in Lithuanian by a person in charge of the financial project implementation activity.

51. The following project costs shall be considered eligible:

51.1. costs for agreemental activities, such as fees for speakers, experts, their social security contributions; remuneration costs related to the implementation of project activities, and remuneration-related costs; official missions and/or travel expenses limited to the statutory rates for a partner country as established by relevant laws of the Republic of Lithuania; services in line with the market price level (services of experts, speakers, event organizers, caterers, transport, equipment rental for events, etc.) , purchasing costs, equipment acquisition, if it is an integral part of the project costs; completion of works, if it is an integral part of the project; project publicity (articles, posters, brochures, etc.) and other related costs;

51.2. other project costs: office space, vehicle rental and maintenance, short-term tangible asset acquisition or rental, communications, financial services (account fee, and costs

of other banking operations, excluding foreign exchange), external audit fees, and the like. Other costs may not exceed 10 per cent of the institutions financed share of the project value, except when other costs are used for agreemental activities;

51.3. administration costs: actual remuneration of the project manager, coordinator, finance officer, and similar actual remuneration, their social security contributions and other remuneration-related costs, if they are calculated and paid for the actual work time during the project. Remuneration costs are recommended to be calculated by the length of time served (hours of work for the project in relation to total working time). Project administration costs shall not exceed 10 per cent of the institution's financed share of the project value;

51.4. contingency costs, if they were used to finance unplanned activities, which, in the implementer's opinion, were necessary to successfully implement the project or give an extra added value to it. Before the use of the contingency costs, the project implementer shall obtain by e-mail or registered mail from the Institution permission for their use, unless the agreement provides otherwise. Contingency costs may not exceed 5 per cent of the Institution's financed share of the project value;

51.5. value added tax (hereinafter referred to as the VAT), which is non-refundable to the implementer;

51.6. remuneration for civil servants involved in the project intended to carry out activities pursuing institutional mission and goals, if it is not contrary to the Law of the Republic of Lithuania on Civil Service;

51.7. mandatory project implementation costs, which were paid by the project implementer's partner.

52. Costs found as ineligible shall not be covered. The following costs shall be considered ineligible:

52.1. interest paid by the project implementer, having benefited of the funds provided;

52.2. real estate purchase costs, unless it is an integral part of the project;

52.3. costs for acquisition of tangible movable property and costs of other investments, including construction work, unless it is an integral part of the project;

52.4. funding replacing in-kind contribution, not provided for in the agreement;

52.5. costs already funded by other sources;

52.6. costs, which increase the cost of the project without adding proportionate value to it;

52.7. VAT, refundable to the project implementer;

52.8. other costs recognized as ineligible by the Commission's reasoned decision.

53. Failure to fully, partially or appropriately implement one or more of the activities of the project, failure to achieve the intended outcomes, or they are inadequate, shall deem the activity costs as ineligible by the Commission.

54. The applicant shall specify in the project application or revised project application (if any) the total value of the project, the share of funding requested from the Institution, the

share to be funded from other sources, if applicable, the share (if any) of the applicant in terms of financial contribution or contribution in kind.

55. Project estimate is an integral part of the project application. It must be drawn up in accordance with the structure of the project and in line with project activities.

56. Meals shall not be covered, if experts, leaders of courses and trainings, and other participants of the project are paid per diem allowances during their official mission.

57. Per diem and accommodation costs shall be deemed eligible project costs when calculated in accordance with the rules for calculating official mission expenses in public institutions, as approved by Resolution No 526 of the Government of Lithuania of 29 April 2004 regarding the approval of the rules for covering service mission expenses in public institutions.

58. The interest earned on the disposal of the project funds in a bank account must be returned to the Institution within the period referred to in the letter of approval of project activities, but no later than 5 January the following year.

59. The project implementer may only list in the financial part of the report only those costs that were actually incurred and paid during the project.

60. Financial costs must be supported by documents confirming payment of the costs, such like payment orders, account statements, cash register orders, receipts (slips) or other documents showing that the payment was made. Project implementer's accounting and internal audit procedures shall enable a direct comparison of the stated project activity expenses and income with the relevant accounting documents and their supporting documents.

61. Activities which are not supportable by accounting documents, shall be supported by the accounting documents of the related economic/financial transactions and economic events: invoices from contractors, service providers or suppliers, transfer-acceptance certificates, working time sheets, travel or other documents.

62. Bank statements, account statements, including for pre-payments must be signed by project implementer's staff responsible for the financial supervision. E-bank account statements, presented as confirming payment documents, must have all the required details specified in Article 13(1) of the Law of the Republic of Lithuania on Accounting.

63. If the agreement provides for an external audit, auditor's findings and a copy of the agreement with the audit firm or self-employed auditor shall be annexed to the report.

64. Following the reporting, the project implementer shall repay the unused balance of the funds within the period specified in the letter of approval of project activities, but no later than on 5 January the following year.

CHAPTER IV

FINANCIAL REQUIREMENTS FOR MULTILATERAL DEVELOPMENT ASSISTANCE

65. In pursuance with the Law and the development cooperation policy guidelines of the Republic of Lithuania, the Institution shall provide multilateral development assistance by paying mandatory contributions and dues to the funds and international organizations and international financial institutions, engaged in carrying out or coordinating development cooperation activities, including a contributions' share to the European Union budget. A decision on mandatory contributions and dues is taken by the head of the Institution or his authorized representative.

66. The Institution may also take a decision to provide multilateral development assistance by paying voluntary contributions and dues to the funds and international organizations and international financial institutions, engaged in carrying out or coordinating development cooperation activities. A decision on voluntary contributions and dues is taken by the head of the Institution on Commission's recommendation.

67. In considering the issue of voluntary contributions and dues, as well as provision of recommendations, the Institution shall follow the development cooperation policy guidelines of the Republic of Lithuania, and the criteria of relevance, efficiency, continuity and transparency.

CHAPTER V REQUIREMENTS FOR OTHER TYPES OF DEVELOPMENT ASSISTANCE

68. In pursuance with the Law and the development cooperation policy guidelines of the Republic of Lithuania, the Institution may decide to provide other statutory types of bilateral and multilateral development assistance, such as technical support, delegated and authorized cooperation, co-funding of projects and programmes run by other countries, and budget support.

69. A decision to provide other types of development assistance under Article 68 of the Description of Procedure shall be taken by the head of the Institution on Commission's recommendations. In considering a type of development assistance, the Institution shall follow the development cooperation policy guidelines of the Republic of Lithuania, and the criteria of relevance, efficiency, continuity and transparency.

70. If a decision is taken to provide technical support to the partner country in cooperation with another institution, the responsible Institution may conclude an agreement for the use of budget funds with another unsubordinated budgetary institution following the procedure for drawing up and implementing the state budget of the Republic of Lithuania and municipal budgets provided for by Resolution No 543 of the Government of the Republic of Lithuania of 14 May 2001 on the Approval of the Procedure for the Drawing up and Implementation of the State Budget of the Republic of Lithuania and Municipal Budgets.

71. The provisions of this Article shall not be applicable in cases, where technical support or co-financing is provided or carried out under the provisions of Chapter II and III of the Description of Procedure.

CHAPTER VI
PUBLIC COMMUNICATION OF DEVELOPMENT COOPERATION ACTIVITIES

72. Institutions shall publish information about development cooperation activities and their implementation on their websites; they may also communicate it across other media.

73. Where bilateral development assistance is provided under Chapter II and Chapter III of the Description of Procedure, institutions shall publish information about the project only after the agreement is signed, as provided for by relevant legislation and the agreement.

74. Where bilateral development assistance is provided under Chapter II and Chapter III of the Description of Procedure, the agreement shall provide for information about current projects to be published on project implementer's website (if available) after signing the agreement, as well as for project implementer's efforts, whenever possible, to promote projects across other media and by other means to ensure the visibility of the Institution.

75. At Commission's discretion, information about democracy promotion project applications, concept notes, activities, implementers, funds, and the like, the disclosure of which could adversely affect project implementation or implementer, or it could also lead to undesirable consequences, shall not be made public. This reservation shall apply to Article 15, Article 16(2) and Articles 72-74 of the Description of Procedure.

CHAPTER VII
**TRANSFERRAL OF STATE OR MUNICIPAL-OWNED PROPERTY, WHICH IS
MANAGED BY INSTITUTIONS UNDER MANDATE, FOR THE PURPOSE OF
DEVELOPMENT COOPERATION ACTIVITIES**

76. Intended for the purpose of development cooperation activities, state or municipal-owned property that is managed by institutions under mandate can be transferred free of charge to the ownership of international organizations and state or municipal institutions or public entities of other countries, if it is an integral part of the project; or the free of charge transfer of the ownership of the property (hereinafter referred to as the transfer), in line with the Law and the development cooperation policies of the Republic of Lithuania, is effected at the reasoned request by an international organization, a state or municipal institution or public entity of a partner country, and the transfer of such property is necessary to ensure assistance to a specific partner country, provided for in the development cooperation policy guidelines of the Republic of Lithuania.

77. Property transfer-related issues shall be considered and recommendations to property manager provided by the Commission of the Institution. The Commission may also consider and make recommendations to the property manager regarding specific property attributable to the property intended for the development cooperation activities.

78. If the Commission decides to recommend to the property manager transferring state-owned real estate or tangible movable property with a net book value, including amortization and depreciation, of more than LTL 100 thousand (one hundred thousand), the Institution shall initiate drafting a resolution of the Government of Lithuania and submitting it

to the Government of the Republic of Lithuania, following the procedure prescribed by the Rules of Procedure of the Government of the Republic of Lithuania, approved by Resolution No 728 of the Government of the Republic of Lithuania of 11 August 1994 on the approval of the Rules of Procedure of the Government of the Republic of Lithuania.

79. The proposed draft resolution of the Government of the Republic of Lithuania or state property manager's draft decision on the transfer of the property for the purpose of development cooperation activities shall enclose:

79.1. a reasoned request by an international organization, a state or municipal institution or public entity of a partner country to transfer state-owned real estate or tangible movable property or current assets;

79.2. recorded in the minutes, Commission's decision recommending property transferal;

79.3. the list of property manager's transferred property (the recommended forms for listing the transferal of property (except real estate), and/or current tangible assets and real estate are approved by the order of the Minister of Foreign Affairs);

79.4. information records from the central database of the real estate register and copies of the files of real estate cadastre, in case of transferal of immovable property;

79.5. other documents (if appropriate).

80. The property manager or his authorized representative and the recipient of the transferred property or his authorized representative shall sign a transfer-acceptance certificate (the recommended form is approved by the order of the Minister of Foreign Affairs) for the transfer of state-owned movable and immovable property intended for development cooperation activities, within 15 calendar days from the day of coming into force of the resolution of the Government of the Republic of Lithuania or the date of signing the decision by the property manager.

CHAPTER VIII REPORTING

81. By 31 January each year, institutions engaged in development cooperation activities, shall submit to the Ministry of Foreign Affairs their annual reports on development cooperation activities, including the statistical report of development assistance provided during the previous calendar year, as well as the statement on the actual transfer of property for each year.

82. For the purpose of overseeing the arrangements of the transfer of the state-owned property intended for the development cooperation activities, the Ministry of Foreign Affairs shall collect and store information about the transferred property and inform the public of the Republic of Lithuania by annually publishing development cooperation reports on its website.

83. By 1 March each year, the Ministry of Foreign Affairs shall submit to the Government of the Republic of Lithuania a report on the implementation of Development Cooperation and Democracy Promotion Programme for previous calendar year.

