



MINISTER OF FOREIGN AFFAIRS OF THE REPUBLIC OF LITHUANIA

**ORDER
ADOPTING THE DESCRIPTION OF ACTIVITIES OF THE FUND FOR THE
DEVELOPMENT COOPERATION AND HUMANITARIAN AID**

9 June 2022 No V-197
Vilnius

Acting in accordance with Article 13 of the Law of the Republic of Lithuania on the Development Cooperation and Humanitarian Aid and implementing Par. 3 of Resolution of the Government of the Republic of Lithuania No. 1096 of 15 December 2021 On the Approval of the Regulations of the Fund for the Development Cooperation and Humanitarian Aid and the Institutional Composition of the Governing Board of the Fund for the Development Cooperation and Humanitarian Aid, Par. 8 of Resolution of the Government of the Republic of Lithuania No. 1096 of 15 December 2021 On the Approval of the Regulations of the Fund for the Development Cooperation and Humanitarian Aid and the Institutional Composition of the Governing Board of the Fund for the Development Cooperation and Humanitarian Aid, and sub-par. 2.7 of Resolution of the Government of the Republic of Lithuania No. 253 of 5 April 2021 on the Implementation of the Law of the Republic of Lithuania on Remuneration to Employees of State and Municipal Public Bodies and Compensation for Work of Members of the Commissions:

1. I hereby approve the Description of Activities of the Fund for the Development Cooperation and Humanitarian Aid (attached).

2. With regard to the members of the Governing Board of the Fund for the Development Cooperation and Humanitarian Aid (hereinafter referred to as 'the Fund') (hereinafter referred to collectively as 'the Fund's Governing Board'), who are not representatives of state institutions and bodies I hereby establish the following:

2.1. the amount of remuneration for one hour worked at the meeting of the Fund's Governing Board shall be equal to 0.07 of the basic amount of the official salary for the respective year approved by the Seimas of the Republic of Lithuania, applied for calculation of official salaries of state politicians, judges, state officials, civil servants, and employees of state and municipal budgetary institutions;

2.2. the amount of remuneration for preparation to examine one application, request or other document at a meeting of the Fund's Governing Board shall be equal to 0.3 of the basic amount of the official salary for the respective year approved by the Seimas of the Republic of Lithuania, applied for calculation of official salaries of state politicians, judges, civil servants, state officials, and employees of state and municipal budgetary institutions.

3. The amount of remuneration for independent experts and other persons performing advisory functions for the assessment of the content of one concept and/or application, project outcomes achieved by one implemented project, a conclusion, a recommendation, or participation in a meeting of the Fund's Governing Board shall be fixed at 0.05 of the basic amount of the official salary for the respective year approved by the Seimas of the Republic of Lithuania, applied for calculation of official salaries of state politicians, judges, state officials, civil servants, and employees of state and municipal budgetary institutions;

4. With regard to the Central Project Management Agency (hereinafter – ‘the CPMA’) I hereby f i x:

4.1. a remuneration of 9 (nine) per cent from the Fund’s allocations to the Fund's programmes and projects, the supervision of the implementation hereof has been delegated to the CPMA for the performance of the functions of the Fund’s Administrator;

4.2. a remuneration of 1 (one) per cent of the Fund’s allocations approved in the Fund's distribution plan for the current year for the performance of the functions of the Fund’s Secretariat.

Minister for Foreign Affairs Gabrielius Landsbergis

APPROVED by
Order No. V-197 of 9 June 2022
of the Minister of Foreign Affairs of the
Republic of Lithuania

DESCRIPTION OF THE ACTIVITIES OF THE FUND FOR THE DEVELOPMENT COOPERATION AND HUMANITARIAN AID

CHAPTER I GENERAL PROVISIONS

1. The Description of Activities of the Fund for the Development Cooperation and Humanitarian Aid (hereinafter referred to as 'the Fund') (hereinafter referred to as 'the Description') lays down the procedures for the disbursement of the Fund's resources for bilateral assistance and for ensuring national co-financing of programmes and projects financed by international donors, as well as for the remuneration of the functions of the Fund's administrator and the secretariat, the procedure for covering the costs of the functions of the public body Central Project Management Agency (hereinafter referred to as 'the CPMA') as set out in Article 7(3)(2) and Article 7(3)(3) of the Law of the Republic of Lithuania on the Development Cooperation and Humanitarian Aid (hereinafter referred to as 'the Law'), the procedure for remuneration for work of the members of the Fund's Governing Board who are not representatives of state institutions and bodies, experts and other persons performing advisory functions, and the procedure for the evaluation and approval of the Fund's results of activities.

2. The concepts in this Description shall have the meanings as defined in the Law and the Description of the Procedures for the Implementation of Development Cooperation Activities and Provision of Humanitarian Aid by State and Municipal Institutions and Agencies, approved by Resolution of the Government of the Republic of Lithuania No 278 of 26 March 2014 on the Approval of the Description of the Procedures for the Implementation of Development Cooperation Activities and Provision of Humanitarian Aid by State and Municipal Institutions and Agencies.

3. The Fund's resources shall be used in compliance with the principles of good governance, efficiency and transparency.

4. The Fund's Governing Board shall approve the Fund's distribution plan no later than within 1 month after the beginning of the year. If necessary, the Fund's distribution plan may be adjusted by decision of the Fund's Governing Board.

5. During the first meeting of the Fund's Governing Board, the members thereof shall be given access to the Regulations of the Fund for the Development Cooperation and Humanitarian Aid approved by Resolution of the Government of the Republic of Lithuania No. 1096 of 15 December 2021 On the Approval of the Provisions of the Fund for the Development Cooperation and Humanitarian Aid and the Institutional Composition of the Governing Board of the Fund for the Development Cooperation and Humanitarian Aid and the Description.

CHAPTER II PROCEDURE FOR THE USE OF THE FUND'S RESOURCES FOR BILATERAL AID

6. The use of the Fund's resources for bilateral aid shall be ensured by making the funds available for the implementation of development cooperation projects or programmes

(hereinafter referred to collectively as 'Projects'), or through the provision of co-financing for the implementation of programmes and projects financed by international donors.

7. Projects implemented by the Fund shall be selected and financed either through calls for proposals or through direct funding.

8. The CPMA shall organise the selection of Projects to be financed from the Fund, conclude the contracts for the implementation of selected Projects, recognise the costs eligible for funding from the Fund's resources and supervise the implementation of the Projects.

9. The following selection procedure shall be established for projects subject to calls for project proposals:

9.1 the Ministry of Foreign Affairs of the Republic of Lithuania (hereinafter referred to as the 'Ministry'), in accordance with the Strategic Guidelines for Development Cooperation, shall prepare concepts for consideration by the Fund's Governing Board, which shall be included in the Call for Project Proposals (hereinafter referred to as the 'Call'). Concepts for the Call shall be elaborated no later than within 1 month from the decision of the Fund's Governing Board to launch the Call.

9.2 The CPMA shall draft a Call for Proposals in Lithuanian and English and submit it to the Fund's Governing Board for approval.

9.3 The approved Call for Proposals shall be published on the CPMA website within 2 working days in Lithuanian and English (unless otherwise specified by the Fund's Governing Board).

9.4 Upon expiry of the deadline for the submission of Project Applications specified in the Call, the CPMA shall, no later than 15 working days after the deadline, publish on its website information on the Project Applications registered, indicating a total number of Project Applications received, the applicants, the titles of the Project Applications, the total estimate for each Project Application, the amount of the funding requested, and the total amount of funding from the Fund requested by all Project Applications.

9.5 Project applications shall be evaluated in the following stages:

9.5.1. Administrative compliance evaluation of the project application determining whether a project application has been submitted in full, whether the applicant(s) and the project application meet the formal criteria, whether all project annexes have been enclosed, etc. The administrative eligibility assessment of the project application shall be done by a single evaluator (a CPMA staff member);

9.5.2. Evaluation of the content and reasonableness of costs of a project application which entails verification the Project Application in terms of its compliance to the content criteria set out in the Call for Proposals and the Project's eligibility for funding. The evaluation of the content and the reasonableness of costs of the Project Application shall be carried out by at least 2 evaluators as referred to in sub-par. 9.6 of the Description. The overall score awarded to an application shall be calculated by averaging the scores given by the evaluators (without rounding up to a whole number).

9.6 The evaluation of the content of the applications and the reasonableness of costs shall be carried out by the staff of the CPMA and the Ministry (evaluators). If the Fund's Governing Board so decides, the evaluation may also be carried out by independent experts. The CPMA and the Ministry's staff/evaluators shall be instructed to carry out the assessment of the content of the application and the reasonableness of the costs as soon as possible, at least 5 working days before the start of the assessment of the content of the application and the reasonableness of the costs. The CPMA shall be responsible for arranging the process of evaluation of the content and reasonableness of the application.

9.7 The CPMA shall present the evaluation results of the Call to the Fund's Governing Board. The Fund's Governing Board shall take decisions to award/not to award funding for the implementation of the selected Project applications.

10. The following selection procedure shall be used to award direct funding to projects:

10.1 The Fund's Governing Board shall consider proposals from the Ministry for the implementation of Development Cooperation Projects through direct financing. In its proposal, the Ministry shall specify the proposed Project promoter, the purpose of the Project, the target results, Project duration, the maximum amount of funding to be granted and other conditions for granting the funding (if applicable). Within 10 working days of receipt of the Ministry's proposal:

10.1.1. the Fund's Governing Board shall take a decision to approve the proposal and inform the Ministry and the CPMA accordingly;

10.1.2. the Fund's Governing Board shall take a decision against the proposal and inform the Ministry accordingly.

10.2. The CPMA, upon receipt of the decision referred to in sub-par. 10.1.1 of the Description, shall, within 10 working days, send a proposal to the potential Project promoter to submit an application for direct financing of the Project and shall set a deadline of at least 10 working days for the submission of the application.

11. When evaluating project applications for direct funding submitted by a potential Project promoter, the CPMA shall assess the logic, implementation plan and duration of the Project, the eligibility, necessity and reasonableness of the envisaged costs. When evaluating a project application for direct funding, the CPMA shall be entitled to request additional or clarifying information from the Project applicant for direct funding, as well as to seek opinion from the Ministry or other persons performing advisory functions.

12. The CPMA, having established that the Project application meets the conditions for funding set by the Fund's Governing Board, shall approve the Project application for direct funding and sign the Project Implementation Contract.

13. In cases where the Project is proposed to be implemented by the CPMA through direct funding, the Ministry shall sign the Project Implementation Contract with the CPMA following the Fund's Governing Board's decision referred to in sub-par. 10.1.1 of the Description. The CPMA shall report about the Project implementation in accordance with the procedure laid down in the Project Implementation Contract.

CHAPTER III

ALLOCATION OF NATIONAL CO-FINANCING FOR PROGRAMMES AND PROJECTS FINANCED FROM THE FUNDS OF INTERNATIONAL DONORS

14. A legal or natural person of the Republic of Lithuania may submit to the Fund's Governing Board a request for the allocation of national co-financing funds for the implementation of a programme or a project (hereinafter referred to as a 'Co-financing Project') financed by international donors.

15. In its application, the legal or natural person seeking national co-financing shall indicate the purpose, the targeted results, the duration, the budget and the amount of national co-financing requested, a justification of compliance of the proposed co-financing project with the strategic directions of the development cooperation policy, the priorities, areas and directions for distributing the Fund's resources, and information on the applicant's experience in development cooperation.

16. Within 20 working days of receipt of the request referred to in Par. 14 of the Description:

16.1. the Fund's Governing Board shall decide to approve the award of national co-financing, set the conditions for the award of funding and the reporting procedure, and inform the applicant, the Ministry and the CPMA; or

16.2. the Fund's Governing Board shall decide not to approve the award of national co-financing and shall inform the applicant, stating the reasons for its decision.

17. The decision of the Fund's Governing Board shall be taken in consideration of the compliance of the envisaged co-financing project with the strategic directions of the development cooperation policy, the priorities, areas and directions of the Fund's distribution of resources, the assessment of the ratio between the requested co-financing funds and the resources of international donors allocated for the co-financing project, the experience of the applicant in the field of development cooperation, and other aspects relating to the implementation of the objectives of the Lithuanian development cooperation policy.

18. Following the adoption by the Fund's Governing Board of the decision referred to in Par. 16.1 of the Description, the CPMA shall conclude a contract on national co-financing with the beneficiary.

19. The beneficiary of the national co-financing shall provide the CPMA with information on the use of the national co-financing funds within the time limits specified in the contract, at least once a year (by 31 December of the current year).

CHAPTER IV PROCEDURE FOR THE PAYMENT OF FUNCTIONS OF THE FUND'S ADMINISTRATOR AND SECRETARIAT

20. The CPMA shall be compensated for the performance of the functions of the Fund's Administrator no later than 10 working days following the approval of the annual report on the Fund's activities, by paying the remuneration specified in the Order of the Minister for Foreign Affairs approving the Description.

21. The performance of the functions of the Fund's Secretariat shall be compensated for the CPMA no later than 10 working days following the approval of the annual report on the Fund's activities, by paying the remuneration specified in the Order of the Minister of Foreign Affairs approving the Description.

CHAPTER V COSTS OF PERFORMING THE CPMA'S FUNCTIONS AS DEFINED IN ARTICLE 7(3)(2) AND ARTICLE 7(3)(3) OF THE LAW

22. The CPMA, when exercising its functions referred to in Article 7(3)(2) and (3) of the Law, shall by 31 December of the current year submit to the Fund's Governing Board a list of the activities to be carried out in the following year (hereinafter referred to as the 'List of Activities') and a justification of demand for funding required for the implementation of its activities (hereinafter referred to as the 'Demand for Funding').

23. After assessing the List of Activities and the Demand for Funding, the Fund's Governing Board shall, no later than by 30 January of the current year, take a decision on whether to approve, partially approve, or reject the List of Activities and the Demand for Funding. For the purpose of taking its decision, the Fund's Governing Board may call upon experts and other persons performing advisory functions to provide their opinions or recommendations on the reasonableness of the List of Activities and the Demand for Funding submitted and on the compliance hereof to the principle of cost-effectiveness.

24. At least once a year (by 31 December of the current year), the CPMA shall submit a report to the Fund's Governing Board on the implementation of the List of Activities, indicating the activities implemented, the outcomes achieved and a financial report on the implementation of the List of Activities.

25. Once the Fund's Governing Board has approved the report referred to in Par. 24 of the Description, the Fund shall, within 10 working days, transfer the amount approved in the report to the CPMA.

26. The Fund's Governing Board shall have the right to request, if necessary and within a reasonable time, information on the implementation of the List of Activities more frequently than once a year.

CHAPTER VI

THE PROCEDURE FOR REMUNERATION OF A MEMBER OF THE FUND'S GOVERNING BOARD WHO IS NOT A REPRESENTATIVE OF STATE INSTITUTIONS OR BODIES, INDEPENDENT EXPERTS AND OTHER PERSONS PERFORMING ADVISORY FUNCTIONS

27. A member of the Fund's Governing Board who is not a representative of state institutions or bodies shall be paid the remuneration for the preparation of the examination of one application, request, complaint or other document at the meeting of the Fund's Governing Board and for the work at the Fund's Governing Board meetings specified in the Order of the Minister of Foreign Affairs approving the Description.

28. The accounting records shall be kept and payment of remuneration to a member of the Fund's Governing Board shall be carried out by the Fund's Secretariat.

29. An independent expert or other person performing advisory functions shall be paid the remuneration specified in the Order of the Minister of Foreign Affairs approving the Description for the evaluation of a concept and/or content of the application, the evaluation of the Project outcomes achieved, the conclusion, the recommendation or the participation in the meeting of the Fund's Governing Board.

30. The services of an independent expert or another person performing advisory functions shall be paid for on the basis of a contract for the provision of paid services signed with the expert or another person performing advisory functions by the CPMA on behalf of the Fund's Governing Board.

31. The work of a member of the Fund's Governing Board who is not a representative of state institutions or bodies, independent experts and other persons performing advisory functions shall be remunerated for the hours actually worked, as recorded in the minutes of a relevant Fund's Governing Board meeting. The minutes of a meeting of the Fund's Governing Board shall also have a record on the number of complaints, requests or communications dealt with.

32. The fixed remuneration as determined in the order of the Minister of Foreign Affairs approving the Description shall be paid not later than within 10 working days from the date of a respective Fund's Governing Board meeting, by transferring the relevant amounts to the account specified by a member of the Fund's Governing Board who is not a representative of state institutions or bodies, independent experts, and other persons carrying out advisory functions, through credit institutions or other payment service providers registered in the Republic of Lithuania, in another Member State of the European Union or in a State of the European Economic Area.

CHAPTER VII

EVALUATION AND APPROVAL OF THE FUND'S PERFORMANCE

33. The CPMA shall report to the Fund's Board on its activities and the indicators actually achieved by the Fund by submitting interim reports on the Fund's activities, annual activity reports and financial statements of the Fund in the forms approved by the Fund's Governing Board:

33.1. Interim reports on the Fund's activities shall be submitted to the Fund's Governing Board by 15 July of the current year. The interim reports on the Fund's activities shall contain information on the results of the Fund's activities for the first half of the current year (Calls and selections of Direct Funding Projects organised and implemented, Project Implementation Contracts signed, and the status of on-going Projects).

33.2. The Fund's annual activity and financial reports shall be submitted to the Fund's Governing Board after the end of a calendar year of the Fund's activity and no later than 31 March of the current year. The Fund's annual activity and financial reports shall contain information on the performance of Fund's activities for the calendar year (Calls and selections of Direct Funding Projects organised and implemented, Project Implementation Contracts signed, status of on-going Projects, Project outcomes achieved, other activities implemented by the Fund) and on the use of the Fund's resources.

34. When approving the Fund's annual activity report and financial statements, the Fund's Governing Board shall assess whether there is a need to initiate an activity and/or financial audit of the Fund. If the need for an activity and/or financial audit is confirmed by a decision of the Fund's Governing Board, the CPMA shall initiate the procurement of audit services on behalf of the Fund. Following the audit (if applicable), the audit findings shall be presented to the Fund's Governing Board.
