Text consolidated by Valsts valodas centrs (State Language Centre) with amending regulations of:

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If a whole or part of a paragraph has been amended, the date of the amending regulation appears in square brackets at the end of the paragraph. If a whole paragraph or sub-paragraph has been deleted, the date of the deletion appears in square brackets beside the deleted paragraph or sub-paragraph.

Republic of Latvia

Cabinet

Regulation No. 537

Adopted 19 November 2019

**Regulations Regarding the Implementation of the Activity “Innovation Centres” of the Programme “Research and Education” of the European Economic Area Financial Mechanism and the Norwegian Financial Mechanism for the Period 2014–2021**

*Issued pursuant to*

*Section 15, Clause 12 of the Law on the Management of the European Economic Area Financial Mechanism and the Norwegian Financial Mechanism for the Period 2014–2021*

**I. General Provisions**

1. The Regulation prescribes the following in relation to the activity “Innovation Centres” of the programme “Research and Education” of the European Economic Area Financial Mechanism and the Norwegian Financial Mechanism for the Period 2014–2021 (hereinafter – the Programme):

1.1. the objective, the available financing, and the results to be achieved;

1.2. the Programme Operator, the agency and its obligations;

1.3. the requirements for the applicant and project partners of the pre-defined project (hereinafter – the project);

1.4. the activity to be supported and the conditions for the eligibility of costs;

1.5. the conditions for unilateral notice of termination of a project agreement;

1.6. the procedures for the implementation of activities of the bilateral cooperation fund.

2. The following terms are used in the Regulation:

2.1. Programme partners – The Research Council of Norway, The Norwegian Agency for International Cooperation and Quality Enhancement in Higher Education, and the National Agency for International Education Affairs in Liechtenstein;

2.2. innovation centre – an entity which promotes the development of knowledge in the fields of science, technology, engineering, mathematics (hereinafter – STEM), the acquisition of skills and the choice of a career in the field of STEM by developing and implementing educational programmes, educational and interactive activities, demonstrations, exhibitions, including also travelling exhibitions, for children of pre-school age, pupils, learners (hereinafter – the educatees), and teachers;

2.3. educational programmes – interest-related education programmes developed and implemented in innovation centres and adult non-formal education programmes which have received a licence in the local government;

2.4. makerspace – a collective room of an innovation centre in which the educatees and teachers jointly or individually acquire, develop, and expand knowledge, including also experiment with new ideas in order to acquire skills, exchange ideas, knowledge, and skills, and also develop and implement projects, using portable equipment and materials;

2.5. maker laboratory – a collective laboratory of an innovation centre in which the educatees and teachers, by using materials and portable equipment, experiment and try different solutions for ideas in the field of STEM, acquiring, developing, and expanding knowledge and skills;

2.6. portable equipment – the demonstration devices, facilities, or installations which are necessary for the educational measures of the thematic specialisation field of the innovation centre specified in Paragraph 5 of this Regulation and which has been purchased or made and used for educational activities inside and outside the premises of the innovation centre. For this purpose, the facility may be assembled and built in the innovation centre provided that the facility conforms to the objective of the Programme and the project and is necessary for the implementation of the planned activities of the project.

3. The objective of the Programme is to promote the development of knowledge and the choice of a career in the field of STEM by creating innovation centres in bilateral cooperation in which educational programmes, workshops, makerspaces, maker laboratories, and other interactive measures in the field of STEM are developed and implemented for the educatees and teachers. The results and outcomes to be achieved by the objective of the Programme, their indicators, sources of inspection, and frequency of the provision of reports are indicated in Annex to this Regulation.

4. The programme shall be implemented in the form of projects. The project applicants shall be:

4.1. Cēsis municipality local government;

4.2. Daugavpils city local government;

4.3. Liepāja city local government;

4.4. Ventspils city local government.

5. The project applicants referred to in Paragraph 4 of this Regulation shall submit projects in the following thematic specialisation fields of innovation centres:

5.1. Cēsis municipality local government – in the field of space;

5.2. Daugavpils city local government – in the development of entrepreneurship and career in the field of STEM;

5.3. Liepāja city local government – in the field of environmental science;

5.4. Ventspils city local government – in the fields of natural sciences and information and communication technologies.

6. The project partners shall be:

6.1. the project partners of the donor state:

6.1.1. for the project applicant referred to in Sub-paragraph 4.1 of this Regulation – Andøya Space Centre NAROM;

6.1.2. for the project applicant referred to in Sub-paragraph 4.2 of this Regulation – Trondheim Science Centre;

6.1.3. for the project applicant referred to in Sub-paragraph 4.3 of this Regulation – Trondheim Science Centre and Nærbø travelling science centre “Science Circus”;

6.1.4. for the project applicant referred to in Sub-paragraph 4.4 of this Regulation – Bergen Science Centre “VilVite”;

6.2. Latvian project partners:

6.2.1. for the project applicant referred to in Sub-paragraph 4.1 of this Regulation – Riga Technical University;

6.2.2. for the project applicant referred to in Sub-paragraph 4.2 of this Regulation – Daugavpils University;

6.2.3. for the project applicant referred to in Sub-paragraph 4.3 of this Regulation – Liepāja University;

6.2.4. for the project applicant referred to in Sub-paragraph 4.4 of this Regulation – Ventspils University of Applied Sciences.

7. The Programme Operator shall be the Ministry of Education and Science.

8. Within the scope of the Programme, the functions of the agency shall be fulfilled by the State Education Development Agency (hereinafter – the Agency).

9. The Agency shall:

9.1. develop the regulations for the assessment of projects (hereinafter – the assessment regulations) which shall be coordinated with the Programme Operator prior to approval;

9.2. create a committee for the assessment of projects (hereinafter – the assessment committee);

9.3. evaluate the project and provide a positive or negative opinion or an opinion with a condition, control the fulfilment of the conditions, and notify the project applicant of their fulfilment;

9.4. enter into the project agreement with the beneficiary of co-financing;

9.5. perform the supervision and control of the project implementation, including perform inspections at the sites where such project is implemented;

9.6. during the depreciation period of investments made into the project, perform the supervision once a year, and also perform the supervision of the preservation and sustainability of the results of the project.

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10. The start date of the eligibility period of expenditures of the project shall be the day when the Focal Point notifies the Norwegian Ministry of Foreign Affairs of a positive opinion of the Agency. The Agency shall, within two working days after receipt of information from the Focal Point, inform the project applicant of the start of the eligibility period of the project via electronic mail. The end date of the eligibility period of expenditures of the project shall be determined in the project agreement.

11. The total available financing of the Programme shall be EUR 7 058 824 (hereinafter – the Programme financing) from which the co-financing from the State budget shall be 15 per cent or EUR 1 058 824 and the co-financing of the Norwegian Financial Mechanism shall be 85 per cent or EUR 6 000 000.

12. The division of the Programme financing shall be as follows:

12.1. for administrative expenditures of the Programme – EUR 618 256 from which the co-financing from the State budget shall be 15 per cent or EUR 92 739 and the co-financing of the Norwegian Financial Mechanism shall be 85 per cent or EUR 525 517;

12.2. for the project of Cēsis municipality local government – EUR 1 932 172;

12.3. for the project of Daugavpils city local government – EUR 1 810 444;

12.4. for the project of Liepāja city local government – EUR 887 444;

12.5. for the project of Ventspils city local government – EUR 1 810 508.

13. The beneficiary of co-financing referred to in Sub-paragraphs 12.2, 12.3, 12.4, and 12.5 of this Regulation shall ensure the project co-financing in the amount of 10 per cent from the total eligible costs of the project.

14. The Agency shall, within one month from the day of entering into a project agreement, disburse an advance to the beneficiary of co-financing which is not more than 40 per cent from the division of the Programme financing specified in Sub-paragraph 12.2, 12.3, 12.4, or 12.5 of this Regulation for the project.

15. The chairperson of the cooperation committee shall be a representative of the Programme Operator. Representatives of the Programme Operator and Programme partners shall be included in the composition of the cooperation committee as members with the right to vote. The Programme Operator shall invite representatives of the Norwegian Ministry of Foreign Affairs, the Focal Point, and the Financial Mechanism Office to participate in meetings of the cooperation committee in the status of an observer. The operation of the cooperation committee shall be determined by the regulations of the cooperation committee which shall be prepared by the Programme Operator, coordinated with the Programme partner, and approved by the Minister for Education and Science.

**II. Activities of the Project to be Supported and Conditions for the Eligibility of Costs of the Programme and the Project**

16. The following activities shall be supported within the scope of projects:

16.1. the development and implementation of educational programmes for the educatees and teachers for the acquisition and development of knowledge in the field of STEM, promoting the choice of a career in the field of STEM;

16.2. educating of teachers in the field of STEM and in teaching methodology in order to improve the knowledge, skills, and competence of teachers;

16.3. organising of practical workshops, events outside the centre, science camps, and other events in the field of STEM, ensuring the necessary portable equipment and materials;

16.4. the creation of makerspaces and maker laboratories and ensuring of free access for the educatees and teachers;

16.5. organising of the measures for the promotion of the development of entrepreneurial abilities for the educatees in the field of STEM;

16.6. organising of seminars for the educatees and teachers, and also organising of joint measures for the educatees by inviting performers of economic activity for them to share their knowledge and experience;

16.7. the creation of interactive thematic, including travelling, exhibitions popularising the field of STEM in cooperation with project partners, vocational education institutions, scientific institutions, or representatives of the sectors of national economy;

16.8. evaluation of the impact of the innovation centre and analysis of the factors of more efficient communication in the field of STEM;

16.9. covering of transport expenditures in order to ensure access for the educatees and teachers of Latvia to the educational interactive activities, demonstrations, exhibitions, and other educational measures (if necessary) of the innovation centre;

16.10. other activities which promote the development of knowledge of the educatees and teachers and their positive attitude in the field of STEM.

16.1 Such activities of the project applicant or project partner are not supported within the scope of the project the support provided to which is to be qualified as aid for commercial activity.

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16.2 If the project during its implementation and during the depreciation period of the investments made therein does not conform to the conditions referred to in Paragraph 16.1 of this Regulation, the beneficiary of co-financing has the obligation to refund all the public financing received within the scope of the project to the Agency together with interest the rate of which is published by the European Commission in accordance with Article 10 of Commission Regulation (EC) No 794/2004 of 21 April 2004 implementing Council Regulation (EU) 2015/1589 laying down detailed rules for the application of Article 108 of the Treaty on the Functioning of the European Union (hereinafter – Commission Regulation No 794/2004), adding 100 base points thereto, from the day when public financing was disbursed to the project applicant until the day of the recovery thereof, in conformity with the method for the application of interest rate specified in Article 11 of Commission Regulation No 794/2004.

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17. The following costs shall be eligible within the scope of the Programme:

17.1. the administrative costs of the Programme Operator and the Agency:

17.1.1. the direct eligible costs which are directly related to the administration of the preparation and implementation of the Programme, including the staff costs for strengthening bilateral cooperation between the Latvian and Norwegian authorities;

17.1.2. the indirect eligible costs, including costs which are related to the lease of premises, public utilities, purchase of stationery, equipment, and software, and other costs which are indirectly related to the administration of the preparation and implementation of the Programme and which are calculated as a uniform rate in the amount of 10 per cent from the direct eligible costs of the remuneration of the staff;

17.2. the direct eligible costs of the project:

17.2.1. the costs for the work of the administrative and implementation staff of the project – the remuneration and also other mandatory payments to be made for the benefit of the employer, including mandatory State social insurance payments of the employer;

17.2.2. the costs of official travels and work journeys in accordance with the procedures laid down in the laws and regulations regarding reimbursement of expenditures related to official travels;

17.2.3. the costs of external expert-examinations and services;

17.2.4. the costs of organising events, including the costs of materials;

17.2.5. the costs of portable equipment which conform to the purchase price and do not exceed 60 per cent of the total eligible costs of the project, including the costs of purchase and maintenance of laboratory inventory, computer hardware, software, printers provided that they are located in the makerspaces or maker laboratories and are necessary for the implementation of educational programmes or for ensuring other educational measures;

17.2.6. the part of depreciation of the portable equipment referred to in Sub-paragraph 2.6 of this Regulation which conforms to the duration of the project and the amount of the actual use;

17.3. the indirect eligible costs of the project, including costs which are related to the lease of premises, public utilities, purchase of stationery, equipment, and software, and other costs which are indirectly related to the administration of the implementation of the project and which are calculated as a uniform rate, without exceeding 15 per cent of the costs referred to in Sub-paragraph 17.2.1 of this Regulation. The amount of the uniform rate of the indirect eligible costs of the project shall be determined in the project agreement.

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18. The following costs shall not be eligible within the scope of the Programme:

18.1. investments in the infrastructure and the acquisition of fixed assets, except for the costs referred to in Sub-paragraphs 17.2.5 and 17.2.6 of this Regulation;

18.2. losses which have arisen as a result of fluctuations in the currency rate;

18.3. payment for financial transactions;

18.4. costs covered from other sources;

18.5. fines, sanctions, and legal expenditures, except for the case if litigation is necessary for the achievement of the project objectives and is related thereto;

18.6. all payments, including advance payments, and expenditures for the actually performed deliveries, the work carried out, and the services performed outside the eligibility period of the project expenditures specified in the project agreement;

18.7. debt interest, payment for servicing loans, and fine for late payment;

18.8. value added tax to be recovered;

18.9. costs which are not referred to in Paragraph 17 of this Regulation.

19. The duration of the project implementation shall be three years from the day of entering into the project agreement with the possibility of extending it without granting additional financing, however, not longer than until 30 April 2024.

19.1 The depreciation period of the investments made into the project shall conform to the useful life of portable equipment.

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20. The Agency has the right to unilaterally terminate the project agreement if it is detected that:

20.1. all expenditures of the project have been recognised as irregular expenditures;

20.2. the project objective has not been achieved according to the project agreement;

20.3. that indicated in the request repeatedly expressed by the Agency regarding the project implementation has not been fulfilled during the project implementation according to the procedures and within the time period specified in the project agreement in accordance with the agreement entered into and the requirements of the laws and regulations specified therein.

21. If there are such eligible costs in the project which conform to full purchase price of equipment, the beneficiary of co-financing:

21.1. shall keep the relevant equipment in its ownership for at least five years after approval of the final project report and continue to use it during this time period, promoting the achievement of general objectives of the project;

21.2. insure the relevant equipment against losses (for example, fire, theft, other risks to be usually insured) both during the project implementation and at least five years after approval of the final project report;

21.3. provide for appropriate resources for the technical maintenance of equipment for at least five years after approval of the final project report. The resources must be sufficient to ensure the operation of equipment in full capacity.

22. The beneficiary of co-financing shall submit an interim report of the project according to the procedures and within the time period specified in the project agreement, indicating detailed expenditures of the project, including the distribution of costs according to periods.

23. The beneficiary of co-financing may receive an interim payment if the interim report of the project contains an account regarding the utilisation of the advance of 70 per cent.

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24. The beneficiary of co-financing shall ensure safe installation and use of the portable equipment referred to in Sub-paragraph 2.6 of this Regulation according to the provisions of the manufacturer.

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25. Beneficiaries of co-financing and their partners shall perform purchase of goods and services for the needs of the project in an open, transparent, and non-discriminatory manner.

25.1 The beneficiary of co-financing shall store all original copies of the documents related to the project implementation or their derivatives and ensure that they are available for inspection throughout the depreciation period of investments performed in the project. If the depreciation period of investments performed in the project is shorter than five years after approval of the final report, all original copies of documents related to the project implementation or their derivatives shall be stored and it shall be ensured that they are available for inspection at least five years after approval of the final project report.

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**III. Measures for the Introduction of the Bilateral Cooperation Fund**

26. In accordance with the Memorandum of Understanding, EUR 50 000 have been granted for the implementation of the bilateral cooperation initiatives provided for in the Programme (hereinafter – the financing of the bilateral cooperation fund) which is the financing of the Norwegian Financial Mechanism in the amount of 100 per cent. Involvement of a partner of the donor state or a project partner, or an organisation of the donor state is mandatory for the implementation of the bilateral cooperation initiatives.

27. The following measures shall be supported within the scope of the financing of the bilateral cooperation fund:

27.1. visits to Norway of the representatives of the project applicant and its potential Latvian project partners for training, exchange of experience, and planning of cooperation;

27.2. visits to Latvia of the potential Norwegian project partner in order to discuss and develop joint project activities, to provide support to the project applicant in preparation of the project;

27.3. measures organised by the Agency for the distribution of experience and project results of the beneficiary of co-financing and its project partners.

28. The plan of measures to be implemented within the scope of the financing of the bilateral cooperation fund shall be developed by the Programme Operator and approved by the cooperation committee.

29. For the implementation of the measures referred to in Sub-paragraphs 27.1 and 27.2 of this Regulation the Agency shall enter into a contract with the project applicant or the potential Norwegian project partner and settle accounts according to the procedures laid down in this contract.

30. The Programme Operator has the right to submit an initiative to the committee of the bilateral cooperation fund in order to receive additional financing from the bilateral cooperation fund, approving the proposal with the cooperation committee beforehand.

Prime Minister A. K. Kariņš

Minister for Education and Science I. Šuplinska

**Annex**

Cabinet Regulation No. 537

19 November 2019

**Results and Outcomes to be Achieved by the Activity “Innovation Centres” of the Programme “Research and Education” of the European Economic Area Financial Mechanism and the Norwegian Financial Mechanism for the Period 2014–2021, Their Indicators, Sources of Inspection, and Frequency of the Provision of Reports**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| No. | Type | Results or outcome to be achieved by the Programme | Indicators | Unit of measurement | Source of inspection | Frequency of the provision of reports | Starting stage | Starting year | Target value |
| 1. | Result | Development of regional knowledge in the field of STEM (science, technology, engineering, mathematics) has been promoted | The number of educatees who have participated in the educational programmes organised at innovation centres (in division according to gender, age groups) | Number | Reports of the beneficiary of co-financing | Each year | 0 | N/A | 800 |
| Part of educatees who have reported on increase in interest in the fields of STEM | Percentage | Survey results | Each year | N/A | N/A | ≥ 80 % |
| Part of teachers who have reported on improvement of competences in teaching the fields of STEM | Percentage | Survey results | Each year | N/A | N/A | ≥ 80 % |
| 2. | Outcome | Educational programmes and programmes of training methodology implemented at innovation centres | Number of educational programmes implemented at innovation centres | Number | Reports of the beneficiary of co-financing | Twice a year | 0 | N/A | 12 |
| Number of teachers involved in educational programmes and workshops (in division according to gender) | Number | Reports of the beneficiary of co-financing | Twice a year | 0 | N/A | 200 |
| 3. | Result of bilateral cooperation | Cooperation among the organisations of recipient countries and donor states involved in the Programme has been improved | Level of satisfaction with partnership (in division according to the types of states) | Measurement from 1 to 7 | Survey results | Each year | Will be updated1 | Will be updated | ≥ 4.5 and increase in comparison with the initial state |
| Level of trust among the organisations of recipient countries and donor states involved in cooperation (in division according to the types of states) | Measurement from 1 to 7 | Survey results | Each year | Will be updated1 | Will be updated | ≥ 4.5 and increase in comparison with the initial state |
| Part of organisations involved in cooperation which use the knowledge acquired from bilateral partnership | Percentage | Survey results | Each year | N/A | N/A | ≥ 50 % and increase in comparison with the initial state |
| 4. | Outcome of bilateral cooperation | Cooperation between donor states and the recipient country has been promoted | The number of projects within the scope of which cooperation with the project partner of the donor state has been specified (in division according to donor states) | Number | Contracts (copies) which have been entered into with the beneficiary of co-financing Partnership contracts (copies) entered into by and between the beneficiary of co-financing and project partners | Twice a year | 0 | N/A | 4 |

Note.

1 The baseline assessment will be performed by the Financial Mechanism Office.

Minister for Education and Science I. Šuplinska