

## **BUSINESS PARTNERSHIP PROGRAMME IN DEVELOPING COUNTRIES**

### **FUNDING TERMS AND CONDITIONS**

#### **SECTION I**

##### **GENERAL PROVISIONS**

1. The Business Partnership Programme (hereinafter – the Programme) in developing countries aims to promote cooperation between Lithuanian companies and companies from developing countries, contributing to sustainable economic development, the development of innovation, and the strengthening of resilience. Projects funded under this Programme must be implemented in countries included in the list of recipients of official development assistance (ODA) of the Development Assistance Committee (DAC) of the Organisation for Economic Co-operation and Development (OECD).<sup>1</sup>

2. The Programme is financed from the funds of the Lithuanian Development Cooperation and Humanitarian Aid Fund, which in 2026 amount to EUR 600,000, with the possibility of increasing the funding subject to a positive assessment of the programme's results and business interest.

3. The Programme is administered by the Central Project Management Agency (hereinafter – CPVA) in accordance with paragraph 8 of the Description of the Activities of the Development Cooperation and Humanitarian Aid Fund.

4. Funding under the Programme is granted in accordance with:

- the Law of the Republic of Lithuania on Development Cooperation and Humanitarian Aid;
- the European Union state aid rules, including the *de minimis* Regulation;
- the Law of the Republic of Lithuania on Public Procurement, where applicable;
- the Strategic Guidelines for Lithuania's International Partnerships for 2026-2030;<sup>2</sup>
- the Description of the Activities of the Development Cooperation and Humanitarian Aid Fund;
- other applicable legislation of the European Union and the Republic of Lithuania.

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#### **SECTION II**

##### **OBJECTIVES AND GOALS OF THE PROGRAMME**

5. Goals of the programme:

5.1. to promote business partnerships between companies in Lithuania and developing countries;

5.2. to contribute to the development of developing countries and global sustainable economic development, economic growth, and resilience building;

5.3. to promote the transfer of innovative technologies and knowledge, invest, and create sustainable, high-value-added jobs;

5.4. to facilitate companies' access to international funding sources.

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<sup>1</sup> <https://www.oecd.org/dac/financing-sustainable-development/development-finance-standards/daclist.htm>

<sup>2</sup> Strategic Guidelines for Lithuania's International Partnerships for 2026-2030 [lietuvos-tarptautiniu-partnerysciu-strategines-gaires-2026-30 teikimas-lrv.pdf](https://litaid.urm.lt/data/public/uploads/2026/03/lithuanias-international-partnerships-strategic-guidelines-2026-2030-en.pdf) (LT), <https://litaid.urm.lt/data/public/uploads/2026/03/lithuanias-international-partnerships-strategic-guidelines-2026-2030-en.pdf> (EN).

## **SECTION III**

### **ELIGIBLE APPLICANTS**

6. Applications may be submitted by:

- 6.1. companies registered in the Republic of Lithuania (as lead applicants), companies registered in developing countries – as project partners;
- 6.2. consortia involving a Lithuanian company together with companies registered in developing countries;
- 6.3. non-governmental organisations, research and educational institutions registered in the Republic of Lithuania (as lead applicants), which cooperate with business enterprises and are oriented toward commercial activities, and organisations or companies registered in developing countries – as project partners.

7. Applicants and partners must meet the following requirements:

- 7.1. be registered and carry out activities in accordance with applicable legislation for no less than 3 years (the requirement of 3 years of operation does not apply to start-ups developing innovative products and services);
- 7.2. have no tax arrears;
- 7.3. pose no reputational risks;
- 7.4. no final and binding conviction may have been issued within the past 5 years in respect of the project implementer, project partners and their managers, and these persons must not have an unexpired or non-expunged criminal record for bribery, trading in influence, graft, including bribery of foreign public officials as provided for in the Convention of 21 November 1997 of the Organisation for Economic Co-operation and Development on Combating Bribery of Foreign Public Officials in International Business Transactions.<sup>3</sup>
- 7.5. not be included in the World Bank list of debarred legal and natural persons, the European Bank for Reconstruction and Development list of ineligible entities, and the European Investment Bank lists.<sup>3</sup>

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## **SECTION IV**

### **PROCEDURE FOR SUBMISSION OF APPLICATIONS**

Applications shall be submitted in two stages until the term set in the call, only in electronic form in the “Submittable” application submission system: [www.cpva.submittable.com](http://www.cpva.submittable.com). The specific link is published in the Call for Applications at [www.cpva.lt](http://www.cpva.lt) in the section “Lithuanian Development Cooperation and Humanitarian Aid Fund”.

Business idea concepts must be submitted no later than 10 September 2026, 17:00 (Lithuanian time).

Applicants whose business idea concepts are selected for Stage 2 will be invited to submit a full application within the deadline specified in the invitation and through the dedicated link to the electronic application submission system. The deadline for submitting the full application shall be no less than 10 working days and no more than 20 working days from the date of the invitation.

### **STAGE 1 – BUSINESS IDEA CONCEPT**

8. In the first stage, applicants submit:

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<sup>3</sup> Applications that do not comply with this requirement are rejected, and if the non-compliance becomes apparent or arises during project implementation, the project contract is terminated.

- 8.1. description of the business idea concept (up to 6 pages);
- 8.2. preliminary partnership model and description of the partners (if any exist);
- 8.3. preliminary budget;
- 8.4. description of the planned impact on the country's development and resilience strengthening;
- 8.5. declaration on state aid (*de minimis*);
- 8.6. documents confirming the applicant's eligibility (according to points 6-7)<sup>4</sup>.

9. Received business idea concepts are evaluated within 15 working days.

10. Selected applicants are invited to submit a full application.

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## STAGE 2 – FULL APPLICATION

11. Selected applicants submit:

- 11.1. detailed description of the business partnership project, according to the logical framework matrix;
  - 11.2. detailed budget and confirmation of available own funds;
  - 11.3. partnership agreements or commitments to participate jointly in the project implementation (if partners are involved);
  - 11.4. risk analysis;
  - 11.5. other documents supporting the application.
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## SECTION V

### AMOUNT OF FUNDING

12. Projects may be awarded funding of up to EUR 300,000<sup>5</sup>

13. Maximum funding intensity:

- for small and medium-sized enterprises<sup>6</sup> – up to 70 percent of eligible project costs;
  - for large enterprises – up to 50 percent of eligible project costs.
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## SECTION VI

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<sup>4</sup>A detailed list of documents is provided with the call for applications.

<sup>5</sup>In principle, support for business partnerships is *de minimis* aid under European Commission Regulation (EU) No 1407/2013. The total amount of *de minimis* aid granted to a single undertaking may not exceed EUR 300,000 over the current period and the previous two financial years. At group level, parent companies and subsidiaries are considered a single undertaking under Article 2(2) of the European Commission Regulation, and aid granted to them, as well as aid granted to the same controlled undertakings, is aggregated. When calculating aid, all aid received from various institutions (e.g. ministries, agencies established by ministries, municipalities, etc.) that the institution granted as *de minimis* aid must be taken into account. If the applicant does not consider that the support for the project constitutes *de minimis* aid, i.e. does not consider that the effects of the projects will affect activities in the European Economic Area, they must provide justification together with the application.

<sup>6</sup>Within the scope of this call, small and medium-sized enterprises (SMEs) are defined in the EU as:

- fewer than 250 employees
- annual turnover does not exceed EUR 50 million or annual balance sheet total does not exceed EUR 43 million
- the definition is also influenced by the company's relationships with other companies related to capital holdings, voting rights or the right to exercise a dominant influence, see <https://op.europa.eu/en/publication-detail/-/publication/756d9260-ee54-11ea-991b-01aa75ed71a1/language-en/format-PDF/source-244347940>

## **STAGES OF BUSINESS PARTNERSHIP DEVELOPMENT ELIGIBLE FOR FUNDING**

**14.** Funding may be allocated for the following stages of business partnership development:

14.1. the search for business partners and the development of a partnership model (the maximum possible financing from the Fund's resources is up to EUR 15,000) - a business partnership means cooperation between companies operating in Lithuania and in developing countries, which in the long term must have one of the following goals:

- the establishment of a joint venture creating a positive impact on development, economic growth, and resilience;
- the establishment of a subsidiary creating a positive impact on development, economic growth, and resilience;
- export and development of created innovations to other markets;
- the conclusion of a subcontracting (excluding distributors/resellers), maintenance, franchise, or licensing agreement (excluding sales and user licenses);
- the expansion in developing countries of an existing business focused on products and services contributing to the sustainable development, economic growth, and strengthening of resilience in developing countries;
- the implementation of large-scale infrastructure projects for which financing from international banks could be attracted.

14.2. for feasibility studies (maximum possible financing from the Fund's resources – up to EUR 100,000) – understood as analytical studies intended to assess the potential for the implementation of planned activities, investments, partnerships or projects in developing countries. Feasibility studies must help determine the economic, technological, financial, legal, market, and institutional viability of the project, as well as the risks associated with carrying out activities in developing countries;

14.3. for the preparation of a business plan (maximum possible financing from the Fund's resources – up to EUR 100,000) – understood as a detailed description of the planned activity and/or investment, covering strategic, financial, operational, and market aspects. The business plan must be oriented toward the actual implementation of a commercial project / partnership in developing countries and provide a basis for investment decisions, partnerships, or the deployment of innovations;

14.4. for environmental and social impact studies (maximum possible financing from the Fund's resources – up to EUR 150,000) – understood as assessments intended to determine the potential impact of planned activities, investments or projects on the environment, local communities, workers and social infrastructure in developing countries. These studies must help ensure that projects are implemented responsibly, in accordance with sustainability principles, international standards and the applicable legislation of the respective country;

14.5. for the development, implementation and expansion of innovations (maximum possible financing from the Fund's resources – up to EUR 300,000) – innovation is understood as an innovative solution – a product, service, process or business model that contributes to sustainable development, economic growth and strengthening resilience in developing countries;

14.6. for pilot (demonstration) projects in developing countries (maximum possible financing from the Fund's resources – up to EUR 300,000) – a pilot project means a limited-scale, practical testing and demonstration initiative intended to test, adapt or demonstrate new products, services, technologies or business models under real conditions. Pilot projects must be focused on solutions that contribute to sustainable development, economic growth and strengthening resilience in developing countries. Pilot projects must have clearly defined objectives, evaluation criteria and the potential to be scaled up into commercial activities;

14.7. for the training of local workers and strengthening of their competences (where related to investment and jobs created in developing countries), (maximum possible financing from the Fund's resources – up to EUR 100,000);

14.8. for the expansion of a business operating in developing countries with the aim of directly contributing to sustainable economic development and strengthening resilience through investment or infrastructure projects (maximum possible financing from the Fund's resources – up to EUR 300,000).

15. Applicants may apply for financing for one or several stages at once.

15.1. when applying for funding for stages 14.3-14.8, a partner registered in a developing country is mandatory;

15.2. when applying for funding for stage 14.7, the joint venture must be registered and operating in a developing country;

15.3. when applying for funding for stage 14.8, the company must be registered and operating in a developing country, and the cooperation must be based on specific contracts or other legally binding documents.

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## SECTION VII

### ELIGIBLE EXPENSES

**16. Eligible expenses** - the grant may be used only for expenses that are necessary and justified for the implementation of the supported activities. Eligible expenses are expenses incurred from the date of signing the agreement until the end of the implementation of the activities specified in the agreement, according to the project budget submitted as an annex to the decision to award the grant. Expenses for which the applicant or partner receives support, a grant, or any other type of compensation or funding from other parties may not be reimbursed. The grant may also not be used to reimburse expenses related to the applicant's or partner's regular business activities.

16.1. staff salaries - work performed by the company's personnel in the country of the company's registration or in a developing country. In stages 14.4–14.8, it is required that the project also include work in a developing country. The accounted working hours must be justified taking into account the nature and scope of the project and specifically assigned to the relevant project. Salary expenses of the applicant's or partner's personnel must be paid based on the salary provided for in the employee's employment contract. The maximum approved amount of staff salaries expenses for company employees is EUR 500 per day;

16.2. expert services - the remuneration of an external expert may be financed up to EUR 520 per day for a junior expert and up to EUR 910 per day for a senior expert<sup>7</sup> (if necessary, the applicant may be asked to provide information on the experts' work experience in order to determine which category the experts belong to);

16.3. travel expenses<sup>8</sup>;

16.4. feasibility and impact study preparation services;

16.5. development of pilot solutions and products for demonstration:

- planning costs, localisation, training, other technical assistance, and installation-related salary or service costs;
- in innovation financing projects – salary or service costs related to the development of technologies and/or solutions;

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<sup>7</sup>Within the scope of this call, a senior expert is defined as having more than 10 years of professional experience in the relevant field, having significant international experience, and possessing competencies in leadership, strategic planning, or policy-making; a junior expert - having up to 5 years of professional experience, a bachelor's or master's degree in the relevant field, and performing technical, analytical, and support tasks.

<sup>8</sup>Daily allowances and residential rent expenses must be calculated in accordance with the procedure established by Resolution No 526 of 29 April 2004 of the Government of the Republic of Lithuania "On the Payment of Daily Allowances and Other Business trips Expenses", or, if the project implementer or project partner is an entity of a partner state, – in accordance with the procedure established by the legislation of the respective partner state governing the payment of secondment expenses.

- rental of equipment and premises required for testing;
- justified investments in equipment, construction costs, and transportation costs, if the pilot solution or other similar equipment belongs to the recipient or partner for at least one year after the end of the business partnership support (three years after the grant decision) and if the investments are considered necessary in view of the nature and feasibility of the project;
- innovation financing may include certificates required to introduce the innovation in the target market;
- other product or solution development costs related to adaptation to the market, and other costs related to testing, as well as costs related to obtaining the required permits from public authorities, and audit costs.

**16.6. Other justified and necessary costs related to project implementation:**

- audit (the costs are considered justified, taking into account the scope of the payment request);
- visas;
- travel insurance;
- costs of obtaining permits for activities (e.g., certification, import and export permits);
- notary services;
- costs related to contract drafting and translations.

**17. Expenses ineligible for funding:**

17.1. standard marketing costs;

17.2. costs related to the export of goods or services (when they are not part of a long-term business partnership development project under the terms of the Business Partnership Programme);

17.3. dividends and bonuses, interest;

17.4. legal costs or court-imposed fines and other charges of a similar nature, e.g. repayment obligations, default interest, etc.;

17.5. costs related to participation in competitive tenders or the preparation of export trade not related to a long-term partnership relationship, as required by the conditions;

17.6. general costs related to seminars or visits that are not related to the establishment of business partnerships;

17.7. the portion of company employees' salary costs and the wages/salaries of external experts exceeding the maximum limits set for them or the rates provided for in their contracts;

17.8. representation expenses;

17.9. fundraising costs;

17.10. profit-based compensation and bonuses;

17.11. costs that are already financed from other funding sources;

17.12. costs that increase the project's expenses without proportionately increasing its value;

17.13. expenses planned to be incurred outside the project implementation period;

17.14 VAT that the project implementer or project partner can recover;

17.15. expenses incurred by an entity other than the Project Implementer or Project Partner;

17.16. expenses incurred in violation of the provisions of legislation regulating the use of funds by the Project Implementer or Project Partner;

17.17. expenses for the acquisition of weapons, other military equipment, nuclear technology not intended for peaceful purposes, luxury goods, services or gifts, and other activities contrary to the interests of Lithuania's foreign policy;

17.18. food/meals expenses of employees of the Project Implementer and/or the Project Partner, if they were paid daily allowances during business trips;

17.19. food/meals and accommodation expenses of service providers that are included in the service rate (unless otherwise agreed in the contracts).

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## SECTION VIII

### PAYMENT PROCEDURE

18. Applicants (in the case of financing, after concluding project implementation agreements - Project Implementers) may be granted **an advance of up to 50 %** (in cases where the grant amount does not exceed EUR 30,000, the full grant amount is paid in advance).

19. The remaining financing shall be paid in one or several instalments taking into account the project activities provided for in the application.

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## CHAPTER IX

### PROJECT IMPLEMENTATION PERIOD

20. The duration of the implementation of project activities may be from 4 to 24 months, i.e.:

20.1. No longer than 12 months, when the total value of the entire project is less than or equal to EUR 50,000;

20.2. No longer than 24 months, when the total value of the entire project is more than EUR 50,000.

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## SECTION X

### PROJECT EVALUATION

#### 21. Evaluation criteria

Criteria	Max. (and min.) points
Positive impact on the development, economic growth, and strengthening of resilience of developing countries	25 (15)
Commercial viability of the business idea/model (whether the project has real market potential, a clear value proposition, and a reasonable possibility of becoming financially sustainable/profitable)	25 (15)
Feasibility and realism (whether the project goals are achievable, whether the activity plan, schedule and budget are coherent, justified and realistic, taking into account the nature of the project and the capacities of the applicant and partner(s) (if any))	20 (10)
Business experience and competence of the applicant and partner(s) (whether the applicant and/or partner(s) have sufficient experience and knowledge in the relevant sector, taking into account the nature, scope and complexity of the project)	15 (8)
Risk management (whether the project risks (financial, operational, political, environmental, social, etc.) have been assessed in sufficient detail and whether appropriate risk mitigation measures proportionate to the scale of the project are provided for)	15 (8)

21.1. Minimum number of points to proceed to the second stage – 70 points.

22. The first-stage evaluation is carried out by an evaluation working group formed by order of the Minister of Foreign Affairs, consisting of representatives delegated by the Ministry of Foreign Affairs, CPVA, and the

Innovation Agency. If necessary, the working group has the right to invite independent experts. The working group has the right to invite the applicant to present their business idea / project.

23. Decisions on the allocation of funding are made by the Governing Board of the Development Cooperation and Humanitarian Aid Fund, based on the content and administrative evaluation.

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## **SECTION XI**

### **GENERAL PRINCIPLES FOR THE USE OF SUPPORT AND OBLIGATIONS OF THE APPLICANT AND THE PROJECT PARTNER**

24.1. The Project Implementer and partner must:

- maintain the project's financial accounting in accordance with the legislation of its state of registration and the principles of good accounting practice;
- carry out an audit of the use of the allocated funding and submit its report and conclusion to CPVA;
- ensure that project expenses are clearly separated from other company operating expenses;
- ensure the recording of the project employees' working time;
- keep all project documents, financial records, and contracts for no less than 10 years from the date of submission of the final project report.

24.2. The funding received may be used only for the activities specified in the funding decision and the project application; the recipient must comply with all conditions and restrictions set out in the funding decision.

24.4. The Project Implementer must submit a request to CPVA in writing regarding any significant changes to the project activities or objectives; budget amendments exceeding 15 % of the approved expenditure category; other changes that may affect project implementation. Changes may be implemented only after obtaining CPVA's approval.

24.5. The Project Implementer must ensure that project activities are carried out in compliance with the principles of environmental protection and social responsibility.

24.5. The Project Implementer must comply with the Law on Public Procurement (if applicable), ensuring that all procurements are carried out transparently and in accordance with the principles of competition and cost-efficiency.

24.6. The Project Implementer must ensure that neither it nor its employees or partners engage in bribery or other corrupt activities.

24.7. The Project Implementer must provide CPVA (and, where necessary, the Ministry of Foreign Affairs) with all information required for the administration, supervision, and evaluation of project funding.

24.8. The Project Implementer must return the Fund's funds or part thereof if they were received without justification; were used not for their intended purpose; false information was provided; the financing conditions were violated.

24.9. In order to ensure transparency, the Project Implementer must ensure that the works, goods and/or services necessary for the implementation of the Project are not purchased from the Project Partners (if any) or from the employees of the Project Implementer and/or the Project partners (if any). The Project Implementer must ensure that the Project Partners (if any) also comply with this requirement.

24.10. By submitting the application, the Project Implementer confirms that the project implementer and the partner(s) agree to the public disclosure of information about the project, including the project implementer (applicant), partner, project title, total project amount, the amount allocated by the Fund, etc.

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## **SECTION XII**

### **PROJECT SUPERVISION, MONITORING AND REPORTS**

25. Project implementers must:

- 19.1. submit interim project implementation reports;
  - 19.2. submit the final project implementation report;
  - 19.3. participate in the submitted survey within 3 years from the project end date, if such a survey is organised in order to assess the long-term impact of the project.
- 26.** CPVA has the right to carry out project inspections.