

“Environment, Climate Change and Low Carbon Economy” Programme

OPEN CALL

Call #4 – Implementation of pilot projects of living labs for decarbonisation and climate change mitigation

The ‘Environment, Climate Change and Low Carbon Economy Programme’ shall finance innovative and structuring projects for the Country in the areas of Environment, Climate Change and Low Carbon Economy (“Environment Programme”), with the aim of promoting the good environmental state of the ecosystems and reducing the adverse effects of pollution and other human activities, being climate change one of the main concerns expressed in the Memorandum of Understanding (MoU), signed in Lisbon on 22 May 2017.

This Call aims to promote the development of pilot projects of living labs for decarbonisation and climate change mitigation through innovative technology solutions, with the involvement of active citizens, companies, public authorities and local universities.

Urban areas pose particular challenges in terms of climate change mitigation and the transition to a low carbon economy. It is in large urban centres that most resources, knowledge, businesses and active citizens are concentrated, with a great capacity to adhere to innovative solutions in the transition to a post-carbon economy, especially when associated with information and communication technologies. Urban areas can thus serve as laboratories for the development and application of integrated innovative technology solutions in areas such as energy, environment and mobility.

Living labs should be user-centred, enhancing user involvement, co-creation and experimentation, while also allowing the evaluation of concepts, services, as well as tracking and monitoring.

In living labs – delimited areas with a local identity recognisable by citizens – multiple stakeholders collaborate in the development, prototyping, validation and testing of new technologies, services and their real-world application.

The implementation of Living Labs areas should:

- Occur in a geographically delimited urban space (for example a square, a neighbourhood or an avenue), where a set of integrated technology solutions can be demonstrated;
- Have distinctive physical, economic and social characteristics that allow the area to be considered as a system;
- Have local identity (social, cultural) which is visible to the community and external agents;
- Set up (public) meeting spaces for residents, visitors and tourists that enhance the display of technology solutions and their experience by citizens.

The objective of the Programme is to support innovative pilot projects that, through integrated and transversal sustainable solutions, can be implemented in a long-term horizon and that contribute to the following general goals:

- Increase the resilience of cities to climate change through concrete local measures to mitigate climate change and low carbon technology solutions in order to reduce both greenhouse gas (GHG) emissions and the carbon intensity of activities and services carried out in and around the living lab;
- Develop inclusive, decarbonised, climate-resilient and more sustainable cities that are people-centred and provide a higher quality of life for their inhabitants;
- Raise awareness of the benefits of adopting more sustainable/low carbon lifestyles through the development of educational activities in schools and communities;
- Encourage the appropriation of new technologies by the population and local community through the design of interactive experiences for citizens in urban spaces;
- Promote active citizenship by encouraging the participation of citizens in the life of communities where they live and work;
- Produce useful information and knowledge/experience for the development of new pilot projects, new tools and applications from a perspective of continuous improvement;
- Disseminate at international level technologies, products and services developed in Portugal in order to foster the internationalisation capacity of companies;
- Foster the decarbonisation of cities, through the implementation of technology solutions that increase efficiency and reduce energy and resource consumption in general;
- Foster the real-world demonstration of integrated technology solutions having proven potential for citywide scalability;
- Enable the testing of technology solutions by companies and entrepreneurs in a delimited territorial space, promoting innovation and attracting foreign investment through partnerships with international technology companies;
- Promote the creation of new business models.

The projects should also contribute to the following specific goals:

- a) Reduce greenhouse gas emissions and the carbon intensity of the activities and services carried out in and around the Living Lab;
- b) Reduce energy consumption within the Living Lab;
- c) Promote sustainable mobility in the Living Lab environment and facilitate the mobility of people and goods within the Living Lab and between the Living Lab and its surroundings;
- d) Improve the urban logistics system of the Living Lab and between the Living Lab and its surroundings;
- e) Promote the microgeneration of energy from renewable sources and self-consumption, including respective storage;
- f) Increase the energy efficiency of the built urban environment and public space of the Living Lab, namely through the use of smart grids;
- g) Increase connectivity in terms of information and communication technologies among all agents involved in the Living Lab;

h) Promote a sustainable urban environment.

The Secretary General for Environment (SGMAAC) was appointed Operator of the Environment, Climate Change and Low Carbon Economy with a total allocation of €28,235,294 (€ 24,000,000 EEA Grants + €4,235,294 from SGMAAC).

The projects under this call will contribute to achieving the Programme's Outcome no 3: "Increased climate change resilience and responsiveness in targeted areas" and Output 3.3 – 'Low-carbon economy, climate change mitigation and adaptation measures implemented (in targeted urban areas)' of the Programme, with the aim of increasing resilience to climate change through concrete local climate change adaptation and mitigation measures and low carbon technology solutions in cities, in accordance with Annex I of the Programme Agreement, signed on 27 May 2019. The following table describes the indicators to which the funded projects will contribute.

PA Number	Expected programme results	Indicator	Unit of measurement	Source of Verification	Frequency of reporting	Baseline value	Baseline year	Target value
PA13 Outcome 3	"Increased climate change resilience and responsiveness in targeted areas"	Estimated Annual Reduction of Annual CO ₂ Emissions (in tonnes)	Annual number	Energy audit reports, Energy certificates	Annually (APR)	0	N/A	43000
		Number of jobs created (disaggregated by gender, age)	Number	Payrolls records, employment agreements	Annually (APR)	0	N/A	10
		Number of people benefitting from the implementation of mitigation/ low-carbon measures	Number	Project promotor's records	Annual	0	N/A	13000
Outcome 3.3	'Low- carbon economy, climate change mitigation and adaptation measures implemented (in targeted urban areas)	Number of innovative mitigation/ low-carbon measures supported	Number	Project promotor's records	Semi-annually	0	N/A	4
		Number of targeted municipalities with mitigation measures implemented	Number	Project promotor's records	Semi-annually	0	N/A	3

The present Call establishes the specifications that are applicable to the submission of applications. Within the scope of the present call, applicants are not allowed to submit more than one application.

The application form and the respective annexes can be found at the website <https://www.eegrants.gov.pt/en/programmes/environment>.

PROGRAMME OPERATOR: Secretary General for Environment and Climate Action (SGMAAC)

DONOR PROGRAMME PARTNER: INNOVATION NORWAY (IN)

1. PRIORITY AREAS

The purpose of this Call is to support at least one application for each municipality within the applicable territorial scope (see point 5).

Applicant projects must include solutions/operations in the following **priority areas**:

- 1) Circular Economy and Environment:** For example, operations aimed at promoting smart resource management, waste management and smart water management, etc.;
- 2) Sustainable urban mobility:** For example, operations aimed at promoting sustainable mobility through smart transport systems, smart parking, electric mobility and innovative battery charging systems (e.g. charging station with solar panels, or induction charging), implementation of measures restricting individual road transport, sharing systems (e.g. carpooling, car sharing and bike sharing), mobility on demand, integrated ticketing, etc.;
- 3) Energy:** For example, operations aimed at installing smart grids, smart metres, smart street lighting, signalling, power generation from surface-based kinetic energy, energy storage, etc.;
- 4) Buildings:** For example, operations aimed at promoting self-sufficiency energy of buildings and their self-consumption, through the generation of energy from renewable sources, promotion of energy efficiency to reduce consumption and installation of energy management systems based on ICT and storage of energy produced from renewable sources.

In addition to these areas, the projects will also need to include initiatives in **transversal areas** essential to the proper functioning and success of the living lab: **a) monitoring, b) management of information and c) communication and community involvement.**

2. PERIOD FOR SUBMITTING APPLICATIONS:

(in accordance with Article 7.3, no. 2.b. of the of the “Regulation on the implementation of the European Economic Area (EEA) Financial Mechanism 2014-2021” – EEA FM 2014-2021 Regulation))

Applications must be submitted using the electronic application form and the annexes available on the EEA Grants website <https://www.eegrants.gov.pt/en/programmes/environment> from 30.01.2020 to 12:00:00 (GMT) of 20.10.2020.

3. TOTAL AVAILABLE ALLOCATION:

The allocation available for this Call is: 6.058.823€

Minimum grant amount of financing for each project: 200.000€.

Maximum grant amount of financing for each project: 1.000.000€.

4. DURATION OF THE PROJECTS:

The duration of the projects includes a time horizon of up to 36 months, with a deadline of 30 April 2024.

5. TERRITORIAL SCOPE:

Living lab projects located in municipalities within the national territory with a resident population over 200,000 inhabitants namely, Lisboa, Sintra, Vila Nova de Gaia, Porto, Cascais and Loures¹.

6. FINANCING RATE:

The eligible costs of the selected project shall be financed up until a maximum of 50% grant amount, except where the project promoters are non-governmental organizations, hereinafter referred to as NGOs, or social partners, in accordance with 1.6 (n) and (y) of the 'Regulation on the implementation of the European Economic Area (EEA) Financial Mechanism 2014-2021', in which case maximum grant amount is 90%.

The project rate shall in all cases be set at a level that complies with state Aid rules in force and takes into account any and all other forms of public support granted to projects. Any remaining costs of the project shall be provided or obtained by the project promoter as established at Article 6.4.4 of '*Regulation on the implementation of the European Economic Area Financial Mechanism 2014-2021*' (EEA FM 2014-2021 Regulation).

7. ELIGIBLE PROMOTER ENTITIES:

Any private entity, established as legal person in Portugal are considered eligible.

Article 7.2.3 of the "Regulation on the implementation of the European Economic Area (EEA) Financial Mechanism 2014-2021" is not applicable to this call.

8. PARTNER ENTITIES:

Mandatory partners: According to Annex II of the Programme Agreement, signed on 27 May 2019, it is mandatory to have a local authority located in municipalities within the national territory with a resident population over 200,000 inhabitants, as partner responsible for the implementation of climate change mitigation plans must be partner entities: Lisboa, Sintra, Vila Nova de Gaia, Porto, Cascais and Loures².

Each partner entity can apply in several applications.

(1) Source: INE - Statistics Portugal (2018) Resident pop. Resident population (Number (No.)) by Place of residence (NUTS - 2013), Annual INE, Annual estimates of resident population, 2011 Place of residence (NUTS - 2013); Data reference period - 2018, Extraction date: 14 June 2019

(2) Source: INE - Statistics Portugal (2018) Resident pop. Resident population (Number (No.)) by Place of residence (NUTS - 2013), Annual INE, Annual estimates of resident population, 2011 Place of residence (NUTS - 2013); Data reference period - 2018, Extraction date: 14 June 2019

Other partners: According to Article 7.2.2 of the “Regulation on the implementation of the European Economic Area (EEA) Financial Mechanism 2014-2021”, any public or private entity, commercial or non-commercial, as well as non-governmental organisations established as a legal person either in the Donor States or Portugal are considered eligible project partners.

9. ELIGIBILITY OF EXPENDITURE:

(According to Articles 8.2 and 8.3 of the of the “Regulation on the implementation of the European Economic Area (EEA) Financial Mechanism 2014-2021”)

9.1 Eligible project costs

9.1.1. Eligible project costs must meet the following criteria:

- (a) they are incurred between the first and final dates of eligibility of a project as specified in the project contract;
- (b) they are connected with the subject of the project contract and they are indicated in the detailed budget of the project;
- (c) they are proportionate and necessary for the implementation of the project;
- (d) they must be used for the sole purpose of achieving the objective(s) of the project and its expected outcome(s), in a manner consistent with the principles of economy, efficiency and effectiveness;
- (e) they are identifiable and verifiable, in particular through being recorded in the accounting records of the Project Promoter and/or project partner and determined according to the applicable accounting standards of the country where the Project Promoter and/or project partner is established and according to generally accepted accounting principles; and
- (f) they comply with the requirements of applicable tax and social legislation.

9.1.2. Expenditures are considered to have been incurred when the cost has been invoiced, paid and the subject matter delivered (in case of goods) or performed (in case of services and works). Exceptionally, costs in respect of which an invoice has been issued in the final month of eligibility are also deemed to be incurred within the dates of eligibility if the costs are paid within 30 days of the final date for eligibility. Overheads and depreciation of equipment are considered to have been incurred when they are recorded on the accounts of the Project Promoter and/or project partner.

9.1.3. Where new or second hand equipment is purchased, only the portion of the depreciation corresponding to the duration of the project and the rate of actual use for the purposes of the project may be considered eligible expenditure.

9.1.4. The Project Promoter’s internal accounting and auditing procedures must permit direct reconciliation of the expenditures and revenue declared in respect of the project with the corresponding accounting statements and supporting documents.

9.2 Eligible direct expenditure in a project:

9.2.1. The eligible direct expenditures for a project are those expenditures which are identified by the Project Promoter and/or the project partner, in accordance with their accounting principles and usual internal rules, as specific expenditures directly linked to the implementation of the project and which can therefore be booked to it directly. The following direct expenditures are eligible provided that they satisfy the criteria set out in 9.1.1:

(a) the cost of staff assigned to the project, comprising actual salaries plus social security charges and other statutory costs included in the remuneration, provided that this corresponds to the Project Promoter's and project partner's usual policy on remuneration. The corresponding salary costs of staff of national administrations are eligible to the extent that they relate to the cost of activities which the relevant public authority would not carry out if the project concerned were not undertaken;

(b) travel and subsistence allowances for staff taking part in the project. Having regard to the principle of proportionality, travel costs, including subsistence allowance, may be calculated as a lump sum, on the basis of defined rules approved by the Programme Operator;

(c) cost of new or second hand equipment. In case the Programme Operator determines that the equipment is an integral and necessary component for achieving the outcomes of the project, the entire purchase price of that equipment may, by way of exception from the rule contained in 9.1.3., be eligible;

(d) costs of consumables and supplies, provided that they are identifiable and assigned to the project;

(e) costs entailed by other contracts awarded by a Project Promoter for the purposes of carrying out the project, provided that the awarding complies with the applicable rules on public procurement and "Regulation on the implementation of the European Economic Area (EEA) Financial Mechanism 2014-2021";

(f) costs arising directly from requirements imposed by the project contract for each project.

9.2.2. Where the entire purchase price of equipment is eligible in accordance with point (c) of paragraph 9.2.1., the Programme Operator shall ensure that the Project Promoter:

(a) keeps the equipment in its ownership for a period of at least five years following the completion of the project and continues to use that equipment for the benefit of the overall objectives of the project for the same period;

(b) keeps the equipment properly insured against losses such as fire, theft or other normally insurable incidents both during project implementation and for at least five years following the completion of the project; and

(c) sets aside appropriate resources for the maintenance of the equipment for at least five years following the completion of the project.

9.3 Indirect eligible costs in projects (overheads): indirect costs shall be eligible in accordance with Article 8.5 of the "Regulation on the implementation of the European Economic Area (EEA) Financial Mechanism 2014-2021".

9.4 Non-eligible costs: the costs mentioned in Article 8.7 of the “Regulation on the implementation of the European Economic Area (EEA) Financial Mechanism 2014-2021” are not eligible.

10. SUBMISSION OF THE APPLICATION:

10.1. Applications should be submitted using the electronic application form and the annexes available on the EEA Grants website <https://www.eeagrants.gov.pt/en/programmes/environment> from 30.01.2020 to 12:00:00 (GMT) of 20.10.2020.

10.2 It shall be noted that in what the Term of Responsibility is concerned, in case the applicant entity is not capable of using digital signature shall instead send the original copy of the Term of Responsibility duly signed and initialled by the person who has powers to legally bind the company with one copy of the electronic application form (in Portuguese or in English), to the Programme Operator via registered mail with acknowledgement of receipt stamped no later than the date of 01.06.2020.

Address: Secretary General for Environment and Climate Action (SGMAAC) – EEA Grants 2014- 2021, Rua de "O Século" n.º 63, Piso 3, 1200-433 Lisboa, PORTUGAL.

Email: ambiente.eeagrants@sgambiente.gov.pt.

10.3. Only fully completed applications including the Term of Responsibility shall be considered for assessment and selection purposes.

10.4. The applicant entities are responsible for the veracity and authenticity of all the submitted documents and are expressly informed that they may be obliged to submit the original documents to the Programme Operator during any phase of the application process.

11. PROJECT SELECTION:

The project selection procedures follow Chapter 7 of the ‘*Regulation on the implementation of the European Economic Area Financial Mechanism 2014-2021*’ (EEA FM 2014-2021 Regulation).

11.1 Administrative and eligibility criteria:

Applications must be accompanied by the following documents (for project promoters and partners):

- a) Statement containing the name of the entity, tax number, taxation address, name of the legal representatives and copy of the statute;
- b) Statement attesting to the fact that there are no debts to the Taxation Authorities and Social Security Authority;
- c) VAT situation;
- d) Copy of the latest Annual Report.

The following are considered as eligibility criteria for applications:

- Applications aimed at the development of a living lab in a municipality of the national territory;

- Submission of a binding agreement between all the entities, to the implementation of the project. The promoter is project leader and is responsible for establishing the agreements or contracts necessary for its implementation;
- Submission of a single application for this Call.

11.2. The application shall contain the following information:

- a. Project title;
- b. Activities, including execution indicators of the Project (specific, measurable, attainable, realistic, relevant and time limited);
- c. Territorial scope, pursuant to Chapter 5 of this Call and listing of partner entities, pursuant to Chapter 8 of this Call;
- d) Expected results and forecast of the impact on the organization, territory and/or target group, as applicable, including a forecast of the contribution to the output and outcome level indicators of the 'Environment Programme';
- e. Plan guaranteeing financial sustainability of the project;
- f. The Communication Plan, i.e. for dissemination and promotion activities, should use the Programme logos, correctly identify the target audience and groups of the project and use the appropriate means of communication and dissemination;
- g. Project and activities timeline;
- h. Budget (included in Part D of the electronic form);
- i. Summary (Part B of the electronic form);
- j. Please indicate if there were any external consultants involved in the preparation of the initiative application. If yes, who, included in part A.
- k. Annexes, which must contain information ancillary to the application (Annex 1 to this Call includes the indications and the detailed information to be included in the application):
 - a) Part A – Administrative Information (including CV of the members of the team allocated to the project, namely if there were any external consultants involved in the preparation of the application);
 - b) Part B – Description and Summary of the project drafted in Portuguese and in English, maximum 500 words (including a brief description of the entity's experience and the team of the project in the priority areas of this call, along with the identified needs, including objectives and results);
 - c) Part C – Detailed Technical Description;
 - d) Part D – Financial Information (including the detailed version of the Budget broken down by year and a statement attesting to the fact that the amounts stated are those that are normally practiced by the entity, e.g., salaries that correspond to the average remuneration of the

Promoters; statement pertaining to the partnership commitment between the applicant entity and the respective partner entities, and the Term of Responsibility)

11.3 The Programme Operator shall review the applications in order to verify compliance with the administrative and eligibility criteria. Applicant entities whose applications are rejected during this phase may file a complaint in accordance with article 121 and 122 of the Code of Administrative Procedure.

12. SELECTION CRITERIA:

Applications shall be assessed in accordance with the following criteria, which shall be awarded a score of 0 points (min.) to 100 points (max.). The overall score of each application is obtained with the following formula:

$$\text{Overall Score (OS)} = [(A \times 0,15) + (B \times 0,05) + (C \times 0,30) + (D \times 0,15) + (E \times 0,10) + (F \times 0,25)] = 100$$

whereby: A – Technical know-how of the project team; B – Inclusion of partner entities of the Donor State(s); C – General quality of the submitted application; D – Information monitoring and management plan and system of indicators to be implemented; E – Financial sustainability of the project; F– Specific criteria.

Only applications where A, C, D, E and F value is at least 50 points shall be eligible for allocation of financing. The Overall Score (OS) shall be equal to or greater than 50 points.

12.1 The **selection criteria** and their **weighting** shall be as follows:

Selection criteria	Weighting	Score
<p>A - Technical know-how of the project team: applicant entity and partner entities involved:</p> <ul style="list-style-type: none"> • Interdisciplinary teams with good technical knowledge in the priority areas of the Call will be valued • The team's manner of articulation in the execution of the various operations proposed and with the entities outside the partnership in applicable situations will be valued • Project teams with balanced representation of women and men will be valued 	15	0-100
B- Inclusion of partner entities from the Donor State(s)	5	0-100
<p>C - General quality of the submitted application:</p> <ul style="list-style-type: none"> • Activities (10 points) • Innovative nature of the project, including how to integrate the solutions (5 points) • Communication Plan (10 points) • Timeline (5 points) 	30	0-100

D - Information monitoring and management plan and system of indicators to be implemented and targets to be achieved, including an estimate of the number of employees created (if applicable), (see Annex I, Section 1.2)	15	0-100
E - Financial sustainability of the project	10	0-100
F - Specific criteria *	25	0-100
TOTAL	100	

For the E and F criteria the respective score shall be as follows:

E - Financial sustainability of the project: this criterion is used to assess whether capacity for proper execution of the project has been demonstrated

$$E = [(E1 \times 0,5) + (E2 \times 0,5)]$$

This criterion is assessed on the basis of the following sub-criteria:

- E1. Capacity to support the Project's financing;
- E2. Financial indicators.

In which:

E1. Capacity to support the financing of the Project

Description	Score
Does not demonstrate capacity to finance the non-co-financed component (cannot be assessed due to incomplete information or non-verifiable information)	0
Lacks financing beyond the promoter	50
Financing guaranteed (demonstration)	80
Own funds (demonstration)	100

E2. Financial indicators

Description	Score
Does not offer a provisional schedule of income and costs	0
Offers a provisional schedule of income and costs	100

F - Specific criteria:

$$F = [(F1 \times 0,2) + (F2 \times 0,2) + (F3 \times 0,2) + (F4 \times 0,2) + (F5 \times 0,2)]$$

F.1 Alignment of the project with the results of the living lab's feasibility study and characterisation of the city

Specific selection criteria	Score
No alignment of the project with the results of the living lab's feasibility study and characterisation of the city	0
Partial alignment of the project with the results of the living lab's feasibility study and characterisation of the city	50
Alignment of the project with the results of the living lab's feasibility study and characterisation of the city	100

F.2 Contribution from the project's results to the Living Lab's general and specific objectives

Specific selection criteria	Score
No contribution from the project's results to the Living Lab's general and specific objectives	0
Partial contribution from the project's results to the Living Lab's general and specific objectives	50
Contribution from the project's results to the Living Lab's general and specific objectives	100

F.3 Inclusion of long-term measures/ solutions

No inclusion of long-term measures/ solutions	0
Inclusion of long-term measures/ solutions	100

F.4 Contribution from the proposed project's results to the priority areas

Specific selection criteria	Score
No contribution from the proposed project's results to the priority areas defined in the Call ((1) Circular Economy and Environment, (2) Sustainable Urban Mobility, (3) Energy, (4) Buildings)	0
Contribution from the proposed project's results to one of the priority areas defined in the Call ((1) Circular Economy and Environment, (2) Sustainable Urban Mobility, (3) Energy, (4) Buildings)	25
Contribution from the proposed project's results to two of the priority areas defined in the Call ((1) Circular Economy and Environment, (2) Sustainable Urban Mobility, (3) Energy, (4) Buildings)	50
Contribution from the proposed project's results to three of the priority areas defined in the Call ((1) Circular Economy and Environment, (2) Sustainable Urban Mobility, (3) Energy, (4) Buildings)	75
Contribution from the proposed project's results to all priority areas defined in the Call ((1) Circular Economy and Environment, (2) Sustainable Urban Mobility, (3) Energy, (4) Buildings)	100

F.5 Impact according to programme objectives and project scalability

No Impact according to programme objectives and project scalability	0
Impact according to programme objectives and project scalability	100

13. SELECTION PROCEDURES:

13.1. The Programme Operator shall be responsible for evaluating the project and granting funding.

13.2. The Programme Operator shall establish a Selection Committee that shall recommend the projects to be funded within the Programme. The Selection Committee shall consist of at least three environment experts, two from Programme Operator and one from DPP. The FMC and the National Focal Point shall be invited to participate in the meetings of the Selection Committee as observers.

The Programme Operator shall review the applications for compliance with administrative and eligibility criteria. Applicants whose applications are rejected at this stage shall be informed and given a reasonable time to appeal that decision.

Each application that meets the administrative and eligibility criteria shall be reviewed by two experts appointed by the Programme Operator, who shall be impartial and independent of the Programme Operator and the Selection Committee.

The experts shall separately score the project according to the selection criteria published with the call for proposals. For the purposes of ranking the projects, the average of the scores awarded by the experts shall be used.

If the difference between the scores given by the two experts is more than 30% of the higher score, a third expert shall be commissioned by the Programme Operator to score the project independently. In such cases the average score shall be used for the ranking of the projects.

The Programme Operator shall provide the Selection Committee with a list of the ranked projects. The Selection Committee shall review the ranked list of projects. It may modify the ranking of projects in justified cases. The justification for the modifications shall be detailed in the minutes of the meeting of the Selection Committee. If such a modification results in a project's rejection, the affected applicant shall be informed in writing about the justification for the modification. The Selection Committee shall submit the list of recommended projects to the Programme Operator.

The Programme Operator shall verify that the selection process has been conducted in accordance with the "Regulation on the implementation of the European Economic Area (EEA) Financial Mechanism 2014-2021" and that the recommendations from the Selection Committee comply with the rules and objectives of the Programme, following such verification, the Programme Operator shall, based on the decision of the selection Committee, make a decision on which projects shall be supported. If the Programme Operator modifies the decision of the Selection Committee, it shall inform the applicants affected and provide them with a justification.

The Programme Operator shall notify the applicants about the results of the selection process within a reasonable time and publicise the results.

13.3. In accordance with Article 21 of the 'Applicants Guide for Financing of Projects Supported by Environment, Climate Change and Low Carbon Economy Programme', notification shall be provided concerning the reasons, duly justified and substantiated, for rejection of applications based on the verification of the formal admissibility and eligibility requirements. The decision may be appealed within 10 working days.

13.4. In accordance with Article 23 of the 'Applicants Guide for Financing of Projects Supported by Environment, Climate Change and Low Carbon Economy Programme', after the technical assessment of the accepted applications, the Programme Operator will provide the Selection Committee with a list of projects classified for review. In duly justified cases, the Selection Committee may decide to change the ranking of projects and the ordering of applications. The justification for the changes will be detailed in the Selection Committee meeting minutes. If the change results in the rejection of a project, the applicant will be informed in writing. The Selection Committee will submit the list of projects recommended for funding to the Programme Operator.

13.5. The Programme Operator shall verify that the selection process has been conducted in accordance with the "Regulation on the implementation of the European Economic Area (EEA) Financial Mechanism 2014-2021" and that the Selection Committee's recommendations are in accordance with the rules and objectives of the Programme. After such verification, the Programme Operator shall decide, on the basis of the decision of the Selection Committee, which projects will be

selected. If the Programme Operator modifies the Selection Committee's decision, the affected applicants will be informed.

14. COMMUNICATION OF THE RESULTS:

14.1. Within 90 days, the results of the selection process will be communicated individually to each applicant by the Programme Operator and the final list of selected projects will be disclosed.

14.2. If the project is approved, a draft contract shall be sent to the promoter, specifying all the terms and conditions of the approved funding.

14.3. The draft contract must be returned to the Programme Operator, duly signed and initialled by the applicant's legal representatives, within a maximum period of 20 working days, counted from the date of its receipt, under penalty of revocation of the approval decision.

14.4. All rejected applications will be notified to respond within a maximum of 10 days in accordance with the Portuguese Administrative Code of Procedure.

14.5. Projects must start no later than 30 working days after the date of signature of the project contract.

14.6. Upon receipt of all signed contracts, the Programme Operator will prepare the final list of selected projects and promoters and publish it on the EEA Grants website (<https://www.eegrants.gov.pt/en/programmes/environment>).

15. PAYMENT METHODS

15.1 The Programme Operator shall be responsible for processing payments to projects in a timely manner. Interim and final payments will be made after the approval of the respective project reports.

15.2. Payments to the promoter shall take the form of advance payments, interim payments and final payment. The level of advance payment shall be set out in the project contract.

The maximum level of payment shall be as follows:

first advance payment, up to 25%;

interim payments, 65% and

final payment 10%.

The first advance instalment shall be paid following the signature of the project contract. Subsequent payments shall be paid after the approval of the interim reports. The final payment will be paid after the approval of the final report, within one month at the latest.

Upon approval of the final project report a balance payment, if applicable, shall be made within 1 month.

The approval of project interim and final reports takes place 2 months from the submission of the required information.

15.3 Structure of the Final Report

The Final Project Report must contain:

- i. Detailed description, namely: summary of the activities carried out; information regarding the involvement of partners, in particular with regard to partners from Donor Countries; information regarding the participants in the Project;
- ii. Results achieved, namely: evaluation of the Project's results (at each reporting date);
- iii. Description of costs and financial impact assessment;
- iv. Description of the Project's contribution to achieving the overall objectives of EEA Grants and the 'Environment Programme'.

15.4 The frequency and deadline of all reports (interim and final) to be submitted will be half-yearly, and both must be sent within 30 (calendar) days after the respective reference period.

16. ADDITIONAL INFORMATION:

Prior to submitting applications, applicants are encouraged to consult the EEA Grants website (<https://www.eeagrants.gov.pt/en/programmes/environment>) for information on the Environment, Climate Change and Low Carbon Economy Programme, particularly the following documents:

- Electronic Application Form, Annexes and Promoter's Manual;
- '*Memorandum of Understanding on the Implementation of the EEA Financial Mechanism 2014-2021*';
- '*Regulation on the implementation of the European Economic Area (EEA) Financial Mechanism 2014-2021*';
- 'Applicants Guide for Financing of Projects Supported by Environment, Climate Change and Low Carbon Economy Programme'.
- Information contacts:

e-mail address: ambiente.eeagrants@sgambiente.gov.pt

Telephone: (+351) 213 231 644 (José Manuel Pinto) Available from Monday to Friday, from 10:00 to 12:00 and 14:30 to 16:30.

- Any changes made to the contents of this call shall be announced on the website of the Programme Operator (<https://www.eeagrants.gov.pt/en/programmes/environment/calls/>).
- A section of Frequently Asked Questions (FAQ) will be published on the Website of the Program Operator (<https://www.eeagrants.gov.pt/en/programmes/environment/calls/>) and frequently updated based on the queries from the potential applicants and partners.
- Any information regarding this call will be published in the EEA Grants Website within its specific area (<https://www.eeagrants.gov.pt/en/programmes/environment/calls/>).

- All questions shall be answered by email in a timeframe of 3 working days.

17. DATA PROTECTION

All personal data will be processed in accordance with the General Data Protection Regulation (GDPR) of 25 May 2018 and the Data Protection Act (LPD) – Law 97/98 of 26 October 1998.

ANNEX 1 – INFORMATION TO BE INCLUDED IN THE ANNEXES TO THE APPLICATION

1.1. LIVING LAB TERRITORIAL AREA

Living lab projects located in municipalities of the national territory

The living lab's territorial area of implementation should be characterised by a geographically delimited urban public space (for example, a square, a neighbourhood or an avenue) with distinctive physical, economic and social characteristics and with the potential to be configured as a meeting place for residents, visitors and tourists, allowing the co-creation, display and involvement of users through the experience/use of solutions to be developed by citizens.

The physical boundaries of the territory must be clearly defined, and the area of intervention must be properly characterised. The choice of the territorial area of intervention should be aligned with the results of the feasibility study to be conducted (see section 1.2).

1.2. INFORMATION AND ELEMENTS TO BE INCLUDED IN THE APPLICATION

The application must include the following information and elements in an integrated manner:

- Feasibility study of the living lab and characterisation of the city:
 - Strategic vision of the city;
 - City's main strengths, weaknesses, opportunities and risks (city SWOT analysis);
 - Main socio-cultural characteristics in the local community;
 - Strategic objectives for the city and definition of the performance indicators to be measured, as well as indication of the stakeholders involved in defining these objectives;
 - Main guidelines for the living lab and demonstration of alignment with the city's strategic objectives.
- General concept of the project, objectives and targets to be achieved, degree of innovation expected, scope of application;
- Detailed characterisation of the territorial area of implementation of the living lab;
- Justified identification of main stakeholders within the scope of the living lab;

- Description of the integrated local governance models in climate change mitigation/low carbon economy strategy;
- List of interventions to develop, test and demonstrate innovative integrated low carbon technology solutions (products, services, infrastructure, applications);
- Tab page for each operation with the following information:
 - Detailed description of each operation to be developed and the thematic areas involved;
 - Estimated cost of each operation;
 - Implementation schedule of each operation;
 - Expected results and impact on the organisation, territory and/or target group, as applicable, including impact indicators (specific, measurable, achievable, realistic, relevant and time-bound) and the goals to be achieved;
 - Overall impacts expected with the implementation of each operation and with the overall project in view of the reference situation, namely: amount of waste reduced/saved with the circular economy strategies to be implemented; reduction of water and energy consumption; reduction of GHG emissions; improvement of air quality and noise in the urban environment; energy production through renewable sources; other impacts considered relevant to the operation/project;
- Detailed description of the transversal areas supporting the execution of the living lab:
 - Plan for communication and engagement with key stakeholders, including the local community. The communication plan should ensure adequate community involvement, as well as promote awareness-raising and dissemination of low carbon behaviours/lifestyles across all sectors of society. [The communication plan must also comply with the provisions of the Promoter's Manual.](#)
 - Management plan of the information generated in the living lab. The plan should define how the information will be stored and processed, how new information will be incorporated and how it will be made available to the public;
 - Monitoring plan, objectives, targets and measurable indicators. The following indicators that can be measured and monitored over the long term should be considered, including among others, those that may prove to be appropriate for the project to be developed:
 - Number of jobs created (broken down by gender, age) / operation;
 - Number of business opportunities resulting from the less carbon-intensive practices created by the project;
 - Estimated annual reductions in CO₂ emissions (in tonnes) / operation;
 - Number of innovative mitigation measures funded;

- Number of low carbon measures funded;
 - Number of communication/awareness campaigns for the adoption of low carbon behaviours/lifestyles.
- Detailed schedule of the overall project;
 - Financial report that includes a detailed breakdown of the total expected costs for the implementation of the living lab and respective justification;
 - Project team, as indicated in Chapter 7 of this Call, highlighting the technical knowledge and interdisciplinary of the partners. The application must state how the team coordinates the execution of the various operations proposed and how it coordinates with entities outside the partnership in the applicable situations.

Each application must clearly demonstrate:

- The contribution of the planned operations to the programme's general objectives, to the city's strategic objectives and to the living lab's specific objectives;
- The relevance of the concept and solutions presented to the socio-cultural characteristics and needs of the city and local community where the project is focused, as well as to the current situation and needs of the territorial area selected for the implementation of the living lab;
- Interdisciplinary issues and the manner in which different thematic areas of the Call are articulated in the proposed solutions/operations;
- proposed technology solutions ensure user-oriented user, including the local community/inhabitants of the city;
- The involvement of relevant stakeholders in the project design phase, in cases where such parties are fundamental for the implementation and effectiveness of the project and the scope of its expected impacts;
- The proposed solutions ensure the sharing of information with the community, as well as the involvement, motivation and participation of the community in the living lab with a view to awareness-raising and dissemination of low carbon behaviours/lifestyles to all sectors of society;
- The scalability and replicability potential of the proposed solutions to other pilot projects in comparable locations or with similar frameworks;
- The proposed solutions and the project as a whole should allow for the definition of a consistent monitoring plan that ensures the obtaining of coherent, robust and useful information to (i) allow the analysis of environmental, social and economic benefits obtained from the investments made; (ii) raise awareness among key users for behavioural change and; (iii) replicate/use lessons for other living lab projects and the general public for a variety of purposes;

- The assurance of tracking the living lab over time, so that the results of monitoring, knowledge and experience obtained are used to introduce improvements in the design and development of new tools and applications contributing to continuous improvement.
- The assurance of proper management of the information generated, which should be made available free of charge to the general public, with a view to sharing knowledge and experience.
- The adequacy of the project's governance model, technical capacities and human resources for the implementation of the living lab, for all entities involved.