

APPROVED
by Order No 1R-35
of the Chief Executive Officer
of SE Lithuanian Airports
of 25 February 2019

CALL FOR PROPOSALS FOR RECEIVING DE MINIMIS AID FOR LAUNCHING NEW ROUTES FROM LITHUANIAN AIRPORTS

I. GENERAL PROVISIONS

- 1.1. This call is published by implementing the Rules for the provision of *de minimis* aid to air carriers seeking to launch new routes (hereinafter – **the rules**) approved by Order No 3-227(1.5E)¹ of the Minister of Transport and Communications of 01/06/2015 (version of Order No 3-165 of 13 April 2017).
- 1.2. By this call the state enterprise Lithuanian Airports (hereinafter – **LTOU**) invites interested air carriers intending to launch new routes in Lithuanian airports to submit applications for receiving *de minimis* aid.
- 1.3. The maximum amount of *de minimis* aid per air carrier during a 3-year period is EUR 200,000 (hereinafter – **the amount of aid**).
- 1.4. *De minimis* aid shall be granted to air carriers meeting the established criteria which shall:
 - a) launch new routes on regular routes that are not conducted from/to Lithuanian airports on the date of publishing this call;
 - b) increase the frequency of flights from/to Lithuanian airports on the existing regular routes on the date of publishing this call.
- 1.5. If the need for aid funds is bigger than allocated in the state budget, priority shall be given according to these criteria (the criteria are listed in order of importance):
 - a) economic efficiency (consideration shall be made to the longer duration of new routes or longer retention of the increased flight frequency of the route proposed by the applicant after the implementation of the measure, estimated higher flight frequency, etc.);
 - b) date and time of submission and registration of applications with the administrative institution.

II. SUBSIDISED ROUTES AND REQUIREMENTS APPLICABLE

- 2.1. Subsidised new routes and requirements applicable:

Subsidised new routes from **Vilnius Airport (VNO)** to the following airports:

Almaty (ALA); Astana (TSE); Bangkok (BKK); Beijing (PEK); Budapest (BUD); Cairo (CAI); Chicago (ORD); Doha (DOH); Dubai (DXB/DWC); Dusseldorf (DUS); Geneva (GVA); Goteborg (GOT); Hamburg (HAM); Krakow (KRK); Ljubljana (LJU); Lisbon (LIS); Lyon (LYS); New York (JFK/ EWR); Malaga (AGP); Manchester (MAN); Porto (OPO); Prague (PRG); Rijeka (RJK); Sankt Petersburg (LED); Sharjah (SHJ); Sofia (SOF); Split (SPU); Stuttgart (STR); Tenerife (TFS/TFN); Thessaloniki (SKG); Tokyo (NRT/HND); Trondheim (TRD); Venice (VCE), Zurich (ZRH).

Subsidised new routes from **Kaunas Airport (KUN)** to the following airports:

¹ http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_l?p_id=1037601&p_tr2=2

Alghero (AHO); Amsterdam (AMS); Beijing (PEK); Chicago (ORD); Frankfurt (HHN); Hanover (HAJ); Helsinki (HEL); Kiev (KBP/IEV); Krakow (KRK); Lulea (LLA); Manchester (MAN); Malmo (MMX); Minsk (MSQ); Moscow (DME/SVO/VKO/ZIA); New York (JFK/ EWR); Oslo (OSL/TRF); Oulu (OUL); Rijeka (RJK); Thessaloniki (SKG); Stockholm (ARN); Stuttgart (STR); Tenerife (TFS/TFN); Tokyo (NRT/HND); Trondheim (TRD); Umea (UME).

Subsidised new routes from **Palanga Airport (PLQ)** to the following airports:

Aberdeen (ABZ); Amsterdam (AMS); Billund (BLL); Dublin (DUB); Edinburgh (EDI); Gdansk (GDN); Hamburg (HAM); Helsinki (HEL); Kiev (KBP/IEV); Stockholm (ARN).

The carrier may also offer the LTOU other new routes from Vilnius, Kaunas, and/or Palanga airports not indicated in these lists.

Additional requirements for new routes for receiving *de minimis* aid: **aid to the new routes mentioned above shall be granted only if:**

- **the route is conducted at a frequency of at least two round trips on a weekly basis;**
- **the sale of flight tickets is launched not later than on 1 July 2019;**
- **the route is launched not later than on 1 November 2019;**
- **the route is retained for at least 3 months from the first flight.**

2.2. Additional flight frequencies on existing routes subsidised and requirements applicable:

Subsidised **additional flight frequencies** from Vilnius Airport (VNO) to the following existing routes:

Amsterdam (AMS); Barcelona (BCN); Berlin (TXL); Brussels (BRU); Copenhagen (CPH); Dublin (DUB); Helsinki (HEL) London (LGW/LHR); Rome (FCO); Madrid (MAD); Moscow (SVO/DME/VKO/ZIA); Oslo (OSL); Munich (MUC); Paris (CDG/ORY); Tel Aviv (TLV); Vienna (VIE).

Subsidised **additional flight frequencies** from Palanga Airport (PLQ) to the following existing routes:

Copenhagen (CPH); Moscow (SVO/DME/VKO/ZIA); Oslo (OSL), Warsaw (WAW).

An air carrier may propose the LTOU additional frequencies also on other existing routes from Vilnius, Kaunas, and/or Palanga airports not indicated in this list.

Additional requirements for receiving *de minimis* aid for additional flight frequencies on existing routes mentioned above: **aid for additional flight frequencies mentioned above shall be granted only if:**

- **the sale of flight tickets to the additional flight frequency is launched not later than on 1 July 2019;**
- **additional flight frequency is launched not later than on 1 November 2019;**
- **additional flight frequency is retained for a least 3 months from the first flight.**

III. ELIGIBLE EXPENSES

- 3.1. Only the eligible expenses of the air carrier meeting the requirements set out in the rules will be financed with the aid funds by way of reimbursement and approved by the LTOU.
- 3.2. The amount of granted aid shall be calculated with consideration only to eligible expenses.
- 3.3. Up to 100 per cent of all eligible expenses shall be financed.
- 3.4. Eligible expenses shall be such which the recipient of aid incurs when launching a new flight or increasing the frequency of the existing route:
 - 3.4.1. marketing and advertising expenses incurred while introducing and/or advertising a new route or additional frequency of flights on the existing route;
 - 3.4.2. establishment expenses incurred by the recipient of aid at the airport when launching a new route or increasing the frequency on the existing route;
 - 3.4.3. Other expenses closely associated with the measure implemented by the recipient of aid.
- 3.5. Aid may be granted to the applicant under these rules only if it has not received or does not seek to receive assistance or aid from other national and EU programmes for financing the expenses provided for in the application.

IV. SUBMISSION AND ASSESSMENT OF APPLICATIONS

- 4.1. Applicants willing to get aid shall submit applications within the term and in the manner defined in section 4.2 herein. Detailed requirements for the content and form of applications are provided in section VI.
- 4.2. The deadline for the submission of applications: **31 May 2019**. The applications submitted past the set deadline shall not be assessed.
- 4.3. The applications shall be submitted to the address Rodūnijos kelias 10A, LT-02189 Vilnius, when the application is submitted by courier service or registered mail; or email: avia@ltou.lt, where the air carrier submits an electronic application version² in the manner laid down in the rules.
- 4.4. The applications shall be assessed within the terms and under the procedure laid down in the rules.
- 4.5. An agreement for the provision of aid the form whereof has been approved together with the rules shall be concluded with the air carrier whose application has been assessed positively and in whose respect a decision to grant aid has been adopted by the LTOU.
- 4.6. The LTOU, upon giving a positive evaluation of the application, shall be entitled to offer by a reasoned decision a smaller amount of aid than the one indicated in the application. In the cases when it is asked to reduce the amount for implementing the measure, the LTOU will offer to the applicant to submit an updated application within a period not shorter than 10 (ten) business days. If the applicant does not submit an updated application within the specified period, it shall be deemed that he has refused to accept a smaller amount than the one indicated in the application.
- 4.7. The air carriers intending to submit an application are entitled to give the LTOU written (handed personally, sent by post, fax, email) or oral enquiries associated with the submission of the applications that are addressed to the contact person indicated in section 6.1 herein.
- 4.8. At any time of assessing the applications the LTOU may ask an applicant to provide additional information and/or documents necessary for proper assessment of the application. During the assessment of the application

² The applicants shall submit the application prepared in pdf format to the email address indicated in the call signed with a safe electronic signature approved by the valid qualified certificate acquired from registered certification services providers according to the Law on Electronic Signature of the Republic of Lithuania.

the LTOU shall send this request by email to the person authorised by the applicant to communicate with LTOU.

- 4.9. Detailed conditions for submission, assessment of the applications, and conclusion of aid agreements, as well as applicable associated requirements are provided in sections VI-VIII of the rules.

V. PAYMENT OF AID, SUSPENSION OF SUPPLY AND RECOVERY

- 5.1. The air carrier whose application has been evaluated positively and with whom an agreement for the provision of aid has been concluded shall be paid out the sum of aid provided for in the agreement upon launching official ticket sales to the new route or additional flight frequency on the existing route according to the payment request submitted by the air carrier.
- 5.2. If the air carrier violates conditions of the agreement and/or legislation of the Republic of Lithuania, and/or the European Union while implementing the measure(s), Lithuanian Airports have the right to make a decision to suspend, reduce, or cancel the financing of the aid granted to the beneficiary of aid by the order of Head of LTOU and to terminate the agreement unilaterally.

VI. FINAL PROVISIONS

- 6.1. Interested air carriers may address their enquiries regarding the specification of information provided in the call, additional explanation, familiarisation with application and forms of its assessment, draft grant agreement, or for any other information to the Aviation Services Division of the LTOU to avia@ltou.lt or Justas Rinkevicius, Head of Route Development, j.rinkevicius@ltou.lt tel. +370 694 25 302 or Lina Romeikaite, Route Development Manager l.romeikaite@ltou.lt, tel. +370 610 930 47.
- 6.2. The LTOU reserves the right to revoke this call.