

ASSOCIATION AGREEMENT

BETWEEN

THE GOVERNMENT OF THE REPUBLIC OF LITHUANIA

AND

THE EUROPEAN SPACE AGENCY

The Government of the Republic of Lithuania (hereinafter referred to as “Lithuania”),

And

The European Space Agency (hereinafter referred to as “the Agency” or “ESA”) an intergovernmental organisation established by the Convention for the establishment of a European Space Agency opened for signature in Paris on 30 May 1975 and entered into force on 30 October 1980 (hereinafter referred to as “the Convention”), hereinafter individually referred to as “Party” or collectively as “the Parties”,

RECALLING that the purpose of the Agency is to provide for and to promote, for exclusively peaceful purposes, cooperation among European States in space research and technology and their space applications,

NOTING that space has become a significant factor in technological, economic, scientific and cultural development,

CONVINCED of the benefits of sustaining and enhancing the level of international cooperation in space activities for exclusively peaceful purposes,

CONSIDERING that Lithuania is, since 1 May 2004, a Member of the European Union (hereinafter referred to as “EU”) and is thereby associated to the definition of an overall European Space Policy and is also participating with full rights and obligations, in the EU Copernicus and Galileo programmes,

HAVING REGARD to the successful results of the cooperation achieved under the Agreement between the Government of the Republic of Lithuania and the European Space Agency concerning space cooperation for peaceful purposes signed on 7 October 2010 and which entered into force on 19 December 2011,

HAVING REGARD to the enhanced cooperation established under the European Cooperating State (hereinafter referred to as “ECS”) Agreement between the Government of the Republic of Lithuania and the European Space Agency signed on 7 October 2014 and which entered into force upon Lithuania’s subscription to the Plan for European Cooperating States Charter between the Government of the Republic of Lithuania and the European Space Agency signed on 28 September 2015,

HAVING REGARD to the Resolution on industrial policy measures to achieve a successful integration of European states in the frame of ESA adopted by the Agency Council on 13 December 2018 (ESA/C/R/CCLXXVII/Res.1 (final)), by which the Agency introduced an improved cooperative approach designed for European non-Member States with a view to their possible accession to the Convention,

CONSIDERING the wish expressed by Lithuania to strengthen its cooperation with the Agency within the frame of the above mentioned improved cooperative approach, and the acceptance by the Council of the Agency (hereinafter referred to as “Council”) of this request,

HAVING REGARD to the Convention and in particular its Articles II, XIV.1 and XIV.3,

HAVE AGREED AS FOLLOWS:

ARTICLE 1 GENERAL

1. Lithuania hereby becomes an Associate Member of the Agency.
2. Lithuania hereby acknowledges that the Agency may establish Cooperation and Association Agreements with other non-Member States. Lithuania further agrees that, at all levels of its cooperation with the Agency as an Associate Member, it will act in conformity with the purpose for which the Agency was created as defined in the Convention, in particular the exploration and utilisation of space for exclusively peaceful purposes.

ARTICLE 2 BENEFITS AND PARTICIPATION

1. Lithuania shall participate in and benefit from, subject to other provisions of the present Agreement, the Basic Activities executed under the Agency’s General Budget, except the item “Technology Development”.
2. Lithuania may participate in the Agency’s optional programmes pursuant to the conditions established in Article 4 below, as well as in further parts of the Agency’s activities and programmes or operational activities by providing experiments or observation facilities pursuant to the conditions established in Article 7 below.

ARTICLE 3

FINANCIAL CONTRIBUTIONS

1. Lithuania shall contribute annually to the Agency's Basic Activities expenditure under the General Budget. This contribution shall represent 70% of its contribution level shown in the scale calculated on the basis used for the Member States of the Agency and adopted in accordance with Article XIII.1 of the Convention. An amount representing 70 % of the latter contribution shall be used by the Agency to provide increased support in terms of training, organisation of events and advice with a view to achieve a successful integration of Lithuania in the frame of the Agency, the further development of sustainable and competitive industrial capabilities, and their integration in the space supply chain. For avoidance of doubt, Lithuania's contribution referred to in this paragraph shall start accruing on a time proportional basis from the date of entry into force of this Agreement pursuant to Article 18 below.
2. Lithuania shall contribute to the expenditure of the activities and programmes in which it participates in accordance with the provisions of Article 4 below.
3. Lithuania's contributions as provided for in this Article shall be updated and paid in conformity with the rules and procedures in force in the Agency for all Member States.

ARTICLE 4

PARTICIPATION IN OPTIONAL PROGRAMMES

For the purpose of the execution of each Agency optional programme for which the respective Member States concerned have unanimously approved Lithuania's participation, Lithuania shall from the date of that approval have the rights and obligations of a Participating State as set forth in the Declaration concerning the programme in question, in the applicable implementing rules and in any other decisions governing the execution of said programme. In particular, Lithuania shall contribute to cover the expenditure resulting from the execution of said programme in accordance with the provisions of the Declaration and of any subsequent revision of that Declaration by the Participating States on the occasion of meetings of the Agency's Council or of the Council's subordinate bodies. Lithuania intends to contribute to optional programmes in which it participates by the end of 2022 a minimum of 1.500.000 Euros at 2018 e.c. per year, it being understood that the sum of Lithuania's overall yearly contributions to the Agency by the aforementioned date, including Basic Activities expenditure under the General Budget referred to in Article 3.1 above and Requesting Party Activities referred to in Article 10.2 below, shall amount to a minimum of 3.000.000 Euros at current e.c.

ARTICLE 5

REPRESENTATION AND VOTING RIGHTS

Lithuania shall be represented in the meetings of the Agency's Council and subordinate bodies in accordance with the following provisions:

1. Lithuania shall have the right to be represented at open meetings of the Council by not more than two delegates, who may be accompanied by advisors. Lithuania shall have the right to vote on questions relating to the activities and programmes in which it participates pursuant to the present Agreement, this being in its capacity of Participating State in the case of optional programmes. Lithuania shall not have the right to vote in Council on the General Budget or on matters related to it, but shall have the right to state its opinion and to be heard on other questions.
2. Lithuania shall have the right to be represented, by not more than two delegates who may be accompanied by advisors, at meetings of the subordinate bodies of the Agency, competent in any capacity to deal with the activities and programmes in which Lithuania participates. Lithuania shall also have the right to be similarly represented on the Programme Boards of the Agency concerned with those optional programmes in which Lithuania participates pursuant to Article 4 above. Lithuania shall have the right to be heard at the above meetings and to vote, in its capacity of Participating State, on issues relating to those activities and programmes.
3. For matters of common interest between the Agency and the EU, Lithuania shall be entitled to attend meetings of the Agency's subordinate bodies as an observer. For other matters, Lithuania may request to be represented in an observer capacity at meetings of any subordinate body of the Agency which is solely concerned with programmes in which Lithuania does not participate. Such request shall be accepted subject to the unanimous approval of the Agency Member States concerned.
4. Lithuania may attend Potential Participants' meetings in an observer capacity, in particular meetings dealing with the preparation of programmes related to programmes in which Lithuania participates, unless the Agency Member States concerned decide otherwise.
5. Lithuania shall not have the right to be represented at the meetings of the Council or of any subordinate bodies which are held on a restricted basis in accordance with the relevant rules of procedure. However, Lithuania may be authorised by the body concerned, either at Lithuania's request or at the request of one or more Member States, to attend discussions on certain items

on the agendas of such meetings, when they involve matters of interest to Lithuania and the Agency, in order to express its opinion.

ARTICLE 6

ACCESS TO INFORMATION

Lithuania shall have access, to the same extent as provided to Member States, to information, including contract reports, relating to the activities and programmes in which Lithuania participates.

ARTICLE 7

USE OF FACILITIES AND SERVICES

1. Subject to the terms of Article 6 above and to the prior requirements and obligations of the Agency, Lithuania shall have access on a cost-reimbursable basis to the facilities and services of the Agency for national space projects of the Republic of Lithuania. The methods of calculating costs shall be those applied to the Agency's Member States when utilising the Agency facilities and services for their own space projects. In return, Lithuania shall make available its facilities and services to the Agency and its Member States on favourable terms.
2. In developing its national space potential and in planning for national space missions, Lithuania shall give preference, pursuant to the terms of Article VIII of the Convention, to the use of European space transportation systems, and of facilities, products and services belonging to, or developed or operated under the auspices of, the Agency or its Member States. Lithuania shall, further, support the Agency's efforts to promote the use of European transportation systems, facilities, products and services by those international bodies to which it belongs that employ systems or services with a space-based component. For the purpose of satisfying its facilities requirements for any given mission which are unmet on the basis of its own potential or that of its Member States, the Agency shall, subject to arrangements existing at the relevant time with other entities and on terms of parity in this matter with other Associate Members of the Agency, give detailed consideration to the appropriate Lithuanian facilities with a view to their potential use.

ARTICLE 8

INTELLECTUAL PROPERTY

1. For the purposes of this Agreement “Intellectual Property” has the meaning stated in Article 2 of the Convention establishing the World Intellectual Property Organisation, done in Stockholm, 14 July 1967.
2. The Parties shall ensure adequate and effective protection of Intellectual Property as may arise from the work done under this Agreement and of any pre-existing rights that may come into play in the course of such cooperation.
3. The specific provisions concerning the rights of access, dissemination and use of intellectual property as well as of technical information and data developed under the present Agreement, shall follow the Agency’s rules and procedures.

ARTICLE 9

EXCHANGE OF INFORMATION AND EXPERTS

1. With a view to identifying possible areas of cooperation, the Parties shall exchange information in the following spheres:
 - (a) the content of, and plan for, their current and future space programmes;
 - (b) matters of scientific and technical interest resulting from their space activities. In particular, Lithuania shall receive reports published and made available by the Agency, as well as information relating to the progress of the Agency programmes and to activities in which Lithuania participates under the present Agreement.
2. Lithuania shall in all cases observe the proprietary rights of the information provided by the Agency and shall undertake not to disseminate information that is subject to non-disclosure agreements signed with the Agency or is not otherwise generally available beyond the territories of the Republic of Lithuania and the Agency’s Member States, whether directly or through intermediaries operating within or outside those territories.
3. Lithuania shall not be required to communicate any information obtained outside the Agency if it considers that such communication or dissemination would be inconsistent with, or contrary to, the interests of its own agreements with third parties, or the conditions under which such information has been obtained.
4. The Agency shall not be required to communicate information if it considers that such communication, or dissemination, would be inconsistent with, or

contrary to, the interests of its own agreements with third parties, or the conditions under which such information was obtained.

5. The Parties may establish a scheme to permit the exchange of experts concerned with work within the competence of the Agency, in conformity with the application of the laws and regulations relating to the entry into, stay in or departure from Lithuania and with the Agency's legal framework including agreements with third parties.
6. The Parties will also consult with each other when they are represented at international organisations, conferences and meetings relating to space activities, for the purpose of exchanging views on matters of mutual concern and will seek to harmonise, as appropriate, their positions on matters which are likely to have a bearing on the implementation of their common space programmes and activities.

ARTICLE 10

INDUSTRIAL POLICY

1. With respect to the geographical distribution of contracts relating to the activities and programmes in which Lithuania participates, the Agency shall:
 - (a) strive at providing a fair industrial return to Lithuania for activities relating to the Basic Activities under the General Budget, excluding the item "Technology Development", and
 - (b) for optional activities and programmes, and consistent with Article 4 above, implement for Lithuania the applicable rules developed for the various activities and programmes, to the same extent as for the other Participating States.
2. In order to further develop its industrial base Lithuania shall participate in an incentive scheme in the form of Requesting Party Activities, which shall be operated in accordance with the attached Annexes I and II, and which constitute an integral part of the present Agreement. Such incentive scheme shall be based on full cost reimbursement and national funding. Lithuania's expenditures to Requesting Party Activities shall amount to a minimum of 500.000 Euros per year at 2018 e.c. and shall not exceed its contributions to optional programmes in which it participates pursuant to Article 4 above.

ARTICLE 11

ADDITIONAL ARRANGEMENTS

In addition to cooperation in the long-term continuing framework outlined above, the Parties may also develop arrangements for cooperating in individual bilateral projects in space activities pursued by both Parties and for the exchange of personnel. Approval of such arrangements, which shall not modify the rights and obligations of the Parties under the present Agreement, shall be subject to the Parties' relevant procedures.

ARTICLE 12 LIABILITY

For the participation of Lithuania in programmes and activities of the Agency, the Agency's Council Resolution ESA/C/XXII/Res.3 of 13th December 1977 on the Agency's legal liability shall be applicable *mutatis mutandis*.

ARTICLE 13 SECURITY

Each Party shall retain the right to take all precautionary measures in the interests of its security.

ARTICLE 14 PRIVILEGES AND IMMUNITIES

For the execution of the Agency's official activities undertaken within the frame of the present Agreement, Lithuania shall grant the following privileges and immunities:

1. The Agency shall have, in the territory of the Republic of Lithuania, legal personality. It shall in particular have the capacity to contract, to acquire and dispose of movable and immovable property, and to be a party to legal proceedings.
2. The Agency shall have immunity from jurisdiction and execution except:
 - a) where the Agency has expressly waived such immunity in a particular case;
 - b) in respect of a civil action by a third party for damage arising from an accident caused by a motor vehicle belonging to, or operated on behalf of the Agency, or in respect of a motor traffic offence involving such a vehicle;
 - c) in respect of an enforcement of an arbitration award made under Article

17 below.

3. Within the scope of its official activities, the Agency, its property and income shall be exempt from direct taxes in the Republic of Lithuania. The Agency shall also be exempted from indirect taxes when purchases or services of substantial value, strictly necessary for the exercise of the official activities of the Agency within the frame of the present Agreement, are made or used, by the Agency, in accordance with the rules and procedures applicable to these exemptions.
4. Without prejudice to Article 13 above, goods imported or exported by the Agency and strictly necessary for the exercise of its official activities shall be exempt from all import and export duties and taxes and from all import or export prohibitions and restrictions in accordance with the rules and procedures applicable to these exemptions. Any such imported or exported goods may not be sold, lent or transferred with or without payment in the territory of the Republic of Lithuania according to conditions defined by the Government of the Republic of Lithuania. The Government of the Republic of Lithuania and the Agency shall define the procedures to be applied to the export or import of assets used in connection with their cooperation. The Agency shall cooperate with the authorities of the Republic of Lithuania in order to ensure that the goods imported or exported by the Agency are being used for its official activities undertaken within the frame of the present Agreement.
5. The Agency may receive and hold in the Republic of Lithuania any kind of funds, currency, cash or securities; it may dispose of them freely in the Republic of Lithuania for any official purpose of the Agency and hold accounts in any currency.
6. Staff members of the Agency shall have in the Republic of Lithuania immunity from jurisdiction in respect of acts, including words written and spoken, done by them in the exercise of their functions. Staff members of the Agency shall be exempt from taxes on their salaries, emoluments, benefits and pensions received in respect of current or previous service with the Agency. They shall be exempt from all compulsory contributions to social security bodies of the Republic of Lithuania.
7. The circulation of publications and other information material sent by or to the Agency shall not be restricted in any way.

ARTICLE 15

NOTIFICATION OF APPOINTED AUTHORITY AND REPRESENTATIVES

Lithuania shall notify the Agency's Director General of the name of the authority appointed to represent it for the implementation of the present Agreement, as well as

the names of Lithuania's representatives and advisors attending any meetings in accordance with Article 5 above.

ARTICLE 16 AMENDMENT

1. The present Agreement, including its Annex I, may be amended by mutual agreement. The Party wishing to amend a provision of this Agreement, including its Annex I, shall notify the other Party in writing. Any amendment shall enter into force when each Party has notified the other in writing of its acceptance of the said amendment in accordance with its own procedures.
2. Annex II of the present Agreement may be amended by mutual written agreement between Lithuania's Co-Chair and the Agency's Co-Chair nominated in accordance with section C. of Annex II of the present Agreement.

ARTICLE 17 DISPUTE RESOLUTION

Where a dispute arises in relation to the application or interpretation of this Agreement or of detailed arrangements concluded pursuant to this Agreement and which cannot be settled amicably between the Parties, such dispute shall, at the request of either Party, be submitted to arbitration. In such case, the provisions of Article XVII of the Agency's Convention shall apply *mutatis mutandis* unless the Parties agree otherwise.

ARTICLE 18 ENTRY INTO FORCE, DURATION, TERMINATION AND RENEWAL

1. Each Party shall notify the other Party in writing of the completion of its respective procedures for the entry into force of this Agreement. This Agreement shall enter into force on the date of the last of these notifications and shall remain in force for a period of seven years following that date.
2. The present Agreement may be terminated upon one year's written notice by either Party before its expiry date referred to in paragraph 1 of this Article.
3. Termination or expiry of the present Agreement shall not affect the validity of those rights and obligations of either Party which are meant to survive its termination or expiry or its interpretation such as, but not limited to, dispute resolution, liability, intellectual property rights, nor of additional

arrangements entered into between the Parties. The participation of Lithuania in the Agency's optional programmes, or parts thereof, pursuant to Article 4 above which is effective at the time of termination of this Agreement shall remain effective until the completion of the activities under the respective programmes or parts thereof, on the understanding that completion of the respective programmes will be notified by the Agency to Lithuania. Taking into account any outstanding obligation incurred under Article 4 above, Lithuania shall contribute to the part of the common infrastructure plan in force and the part of the fixed common costs to be borne by the General Budget at a rate to be mutually agreed. Article 4 above, and this paragraph, shall remain in force and continue to produce their effects after the termination or expiry of this Agreement.

4. Four years after the entry into force as well as one year before the expiry of the present Agreement, the Parties shall proceed to a formal review of their cooperation under this Agreement. On the basis of the latter review, the Parties shall examine ways and means of continuing or further developing such cooperation including the possibility of Lithuania extending present Agreement or being granted the status of Member State of the Agency. The granting of such a status to Lithuania shall be subject of a specific Council decision, in accordance with the Convention and on the basis of a written request to be made by Lithuania.
5. The present Agreement may be extended for further periods by mutual agreement in writing. The present Agreement shall remain in force during the time necessary to complete the procedures for such renewal.
6. Upon its entry into force, the present Agreement shall replace and supercede the ECS Agreement between the Parties referred to in the preamble, it being understood that the provisions of the latter Agreement shall nevertheless continue to apply to the extent necessary to secure the implementation of any arrangements and contracts that have been concluded within the framework of said Agreement and which are still effective on the date said Agreement ceases to be in force.

Done at [place] on [date] in two originals in the Lithuanian and English languages, both texts being equally authentic. In the event of any dispute or divergence of interpretation in relation to this Agreement the text in the English language shall prevail. The signatories may also establish translations hereof in the French and German languages, which shall not, however, be considered as authoritative for the purposes of interpretation.

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For the Government of the Republic
of Lithuania

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For the European Space Agency

Annex I

Framework conditions for Requesting Party Activities (hereinafter referred to as “RPA”) under Art. 10 (2)

1. Scope of the assistance provided by the Agency

The following assistance will be provided by the Agency in accordance with its standard internal practices, as further detailed in Annex II:

- a) National Programme Element (hereinafter referred to as “NPE”): Assistance to national programme for space development (maximum 50% of the budget dedicated to RPA)
- b) Industrial Incentive Scheme Element (hereinafter referred to as “IIS”)

The goals and possible content of the two elements are specified in detail in Annex II.

2. Management

The implementation of the RPAs shall be overseen by a Board composed of the members identified in Annex II.

Any activity implemented under the RPA needs to be approved by both of the Co-Chairs.

The Agency Secretary shall be responsible for handling any matter arising during the implementation of the scheme, including, in particular, quarterly reports to the Board, preparation of an annual review of the activities by the Board and preparation of the decisions of the Board.

The Agency Programme Manager shall be responsible for the day-to-day implementation of the RPA.

3. Procurement provisions

The Agency shall be responsible for carrying out the procurements relating to the RPA and for negotiating, signing and managing the resulting contracts on Lithuania’s behalf. The Agency Procurement Regulations (ESA/REG/001 rev.5) shall apply with the following amendments:

- a) For “Top Down” Activities (i.e. content of the activity defined in the Invitation to Tender): Prior to the publication of any Invitation to Tender, the objective, programmatic constraints and the financial envelope of the activity shall be approved by both Co-Chairs. The Co-Chairs will be informed of the recommendation of the Tender Evaluation Board (hereinafter

referred to as “TEB”). Prior to entering into negotiations for any activity of the Agency the Industrial Policy Committee shall be consulted and the relevant Agency Programme Board(s) shall be informed about the respective activity.

- b) For “Open Call” activities (i.e. content of the activity to be proposed by the tenderers within certain framework conditions defined in the Call): The programmatic constraints of each open call shall require the written approval of the Co-Chairs and shall be listed in the cover letter of the call. The TEB recommendation shall be submitted to the Co-Chairs for approval. If a Co-Chair rejects a proposal that has been recommended by the TEB, he/she shall state the reasons for this in writing. The Co-Chairs may further decide that a proposal which has not been recommended, but which has received a marking above 40 in line with the Agency Tender Evaluation Manual (Annex III rev. 2 of the ESA/REG/001 rev.5), may be improved and resubmitted. The proposals which have been approved by the Co-Chairs shall be presented to the Industrial Policy Committee for consultation and the relevant Programme Board(s) for information prior to the Agency entering into negotiations with the selected entities.

The Agency shall be authorised to release payments and agree contractual changes in accordance with its rules and procedures. For contract changes that result in an increase of the initial contract value by more than 10%, the written approval of the Country Co-Chair will be required. For contract changes that result in an increase of the initial contract value by more than 20%, the written approval of both Co-Chairs will be required.

4. Funding and Financial Liability

In accordance with Art. 40 of the Agency Financial Regulations, all costs incurred by the Agency in the implementation of the RPA shall be borne by Lithuania. Accordingly, Lithuania shall cover the Full Costs incurred by the Agency in providing the technical and contractual management of the Project, covering in particular the amounts of the industrial contracts placed by the Agency and the Agency’s internal costs, which shall be calculated on the basis of Full Costs. The yearly funding shall be provided in advance, in accordance with a payment plan to be agreed between the Parties. Any surplus at the end of the RPA shall be reimbursed to Lithuania.

5. Intellectual Property Rights

The contracts concluded by the Agency with the contractors shall state that all information, data and intellectual property rights resulting from activities carried out under the contracts concluded as a result of the Call for Proposals shall be available to:

- (a) Lithuania, for use on the basis of a free worldwide license, together with the right to grant sub-licenses for its own needs, and

- (b) the Agency, for use on the basis of a free worldwide license, together with the right to grant sub-licenses, for the purposes of the Agency's activities and programmes.

The contracts shall further state that any transfer, by the contractors, of intellectual property rights resulting from activities carried out under the contracts to any entity located outside of Lithuania requires the prior approval of the Agency and Lithuania.

Annex II

Goals and key activities of the elements of the Requesting Party Activities (hereinafter referred to as “RPA”), reporting and reviews, Composition of the Board

A. Goals and key activities of the RPA

1. National Programme Element (hereinafter referred to as “NPE”)

The goal of the NPE element is to provide a means for the country to address those aspects of space development that are not covered by the Agency’s optional programmes, leading to a holistic space policy and space investment.

As the NPE implementation is through the Agency, it must follow the Agency’s procurement rules and cannot be used to fund infrastructure developments/ procurements.

The key aspects that may be selected by the country to make up NPE could be, for example:

- Low Technology Readiness Level (hereinafter referred to as “TRL”) technology readiness preparatory activities (e.g. TRL 1-3);
- Flight opportunities: in particular in cooperation with other national programmes;
- Space related training courses for industry (e.g. soldering, inspections etc.);
- Space science payload funding (e.g. to contribute payloads to the Agency’s science missions);
- Space science activities (e.g. using the Agency’s science mission data or the Space Situational Awareness Programme observation campaigns);
- National satellite/ small satellites CubeSat programmes;
- Education: Building university courses to answer to national space industry needs;
- Education: High School initiatives to encourage pursuing a career in space (e.g. CanSat activities);
- Support Activities e.g. support functions to the Lithuanian delegation. For example, provision of an independent expert (non ESA-staff) contracted by the Agency who can support the Lithuanian delegation and Lithuanian industry in all matters related to ESA, in particular ESA procurement and building up of industrial capacity in the field of space activities;
- National Trainee funding;
- Secondments.

2. Industrial Incentive Scheme Element (hereinafter referred to as “IIS”)

The IIS Element has three key goals:

- 1) To build competences and capabilities centred on product development that can help to ensure sustainable industrial return in the Agency's optional programmes to which Lithuania subscribes.
- 2) To build competences and capabilities centred on product development to suitably prepare the national industry for future inclusion in the Agency's optional programmes to which the country intends to subscribe within 5 years.
- 3) To build and demonstrate competences and capabilities leading to a sustainable long-term business case in the Space commercial market.

The key aspects that may be selected to make up the IIS Element could be, for example:

- Preparatory Activities e.g. market surveys, requirement definitions and demonstrators (TRL 1-3);
- Research and Development (Technology Demonstrations to enter the Agency programmes, (TRL 3-6);
- Industrial Process Development and qualification/ certification which give competitive advantage and are specific to space and relevant to the Agency optional programmes;
- Downstream applications (entry into customers supply chain, TRL 5-8).

B. Reporting and annual reviews

1. Quarterly reporting

A quarterly report shall be prepared and distributed to the co-chairs and shall cover:

- Financial situation of the programme;
- List of approved activities and their status;
- High level assessment of the performance;
- Key events or issues arising in the last 3 months.

2. Annual Review

An annual review shall be held each year and shall be attended by the RPA Board and up to three advisors per co-chair and an assistant to the secretary. Further attendees are subject to approval of both Co-chairs.

The annual review shall cover:

- The financial situation;
- The status of each approved activity;
- The planning for the year ahead (calls, events, trainings etc.);
- Discussion and agreement on the programmatic aspects of any open calls and their timing;
- Discussion and agreement on any pre-planned Top Down activities and their timing;
- A review of the performance of Lithuania against the metrics listed in the Council Resolution on industrial policy measures to achieve a successful

integration of European states in the frame of the Agency adopted by the Council on 13 December 2018 (ESA/C/R/CCLXXVII/Res.1 (final)).

C. Composition of the Board

The Board established in Annex I of present Agreement shall be composed of the following members:

- the Lithuania Co-Chair;
- the Agency Co-Chair;
- the Agency Secretary; and
- the Agency Programme Manager.

The Board members shall be nominated by the Parties through an exchange of letters upon the entry into force of the Agreement.