



## Advanced Cross-River Capacities for Trade Project

This project is funded by the Government of Sweden  
and implemented by the United Nations Development  
Programme



*Empowered lives.  
Resilient nations.*

# **APPLICANT'S GUIDE FOR THE IMPLEMENTING PARTY OF THE SUPPORT TO THE SMALL BUSINESS PROGRAMME**

IN THE FRAME OF THE ADVANCED CROSS-RIVER CAPACITIES FOR TRADE PROJECT (ADTRADE)

September 2019

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## I. CONTEXT

The frozen conflict in Transnistria has led to decreased living standards and its economy has underperformed, missing opportunities provided by the assistance offered to Moldova. For instance, the development opportunities offered by the Association Agreement, signed by Moldova and EU, as well as the DCFTA arrangements, are significantly out of reach for the region's economy. Transnistria's micro, small and medium-sized enterprises (MSME), have the potential to grow, launch new products and services and export once they are ready. For the moment, most small and medium enterprises on the left bank are not ready to trade on abroad markets, thus their share in the export is neglectable.

The overall objective of the Advanced Cross-river Capacities for Trade Project (AdTrade Project), financed by Sweden, is for men and women on both banks of the Nistru River to have better livelihoods and improved living conditions, by fostering cross-river cooperation. This target shall be achieved by allowing left bank private sector to access opportunities offered by Moldova's external trade arrangements, contributing to an environment of trust and cooperation across the river. The project will envisage provision of methodological and practical assistance in establishing long-term trade links and promotion of exports, support to existing companies and launch of new businesses, allowing for new jobs to be created, especially for women and vulnerable groups.

## II. OVERVIEW OF THE PROGRAMME

A particular component within the AdTrade Project, namely the *Support to Small Business Programme (The SSBP Programme)*, targets to **support the development of new businesses**, as well as **acceleration of promising young companies**, especially **those led-by or having a positive impact on women and vulnerable groups**. The programme will be coupled with coaching and assistance for selected entrepreneurs to support emerging sectors of the economy. Thus, this call has been launched in the frame of the AdTrade Project, **aiming to select a partner organization** which will help in identifying 20 beneficiary entrepreneurs from both banks of the Nistru River willing to launch a start-up or accelerate an existing company. The partner organization will ensure coaching and mentoring for the launch/acceleration of the beneficiary companies and procurement of required goods (machines, tools, equipment, other) and/or services, allowing those entrepreneurs to develop their businesses. The 20 beneficiary companies (of which at least 12 will be led by women) are expected to create at least 60 jobs as a result of the provided support.

**The Programme will last up to 30 months** from the date of agreement signature, and the responsible party will implement all planned activities within the established timeline.

Organizations from both banks of the Nistru River are invited to submit their proposals. However, **valid applications shall be submitted by partnerships comprised by at least one organization from each bank**. The main applicant will be solely responsible for the entire implementation process of the project and will let its **partner to carry out at least 30 % of the project duties**, and of the proposed budget.

## III. SCOPE OF WORK. EXPECTED OUTPUTS

Among the main tasks of the Responsible Party will be to provide support to the Project team (AdTrade Project) in identifying at least 20 entrepreneurs who intend to **develop new businesses** or **to accelerate promising young companies**, for whom needed goods and services will be procured / delivered, ensuring smooth

development of proposed business ideas, but also to monitor quality of implemented activities and provide training and coaching to the beneficiaries.

The Responsible Party shall implement below activities:

- Develop the implementation methodology and work plan to be approved by AdTrade Project team (UNDP). Elaborate the application guide for entrepreneurs (revise selection criteria if it is the case), application form, business plan and budget template to be approved by AdTrade Project team (UNDP);
- Launch a public call for business project proposals from both banks of the Nistru River and conduct information sessions on business planning for interested entrepreneurs on both banks;
- Support the AdTrade Project team in the preliminary screening of submitted applications, taking in consideration the evaluation criteria. Provide support to the Selection Committee to evaluate submitted applications and to offer additional information if requested by the Committee;
- Provide support for the establishment of start-ups and acceleration of selected companies;
- Provide coaching and mentoring support on [1] financial reporting, including accounting (considering peculiarities for both banks) [2] human resources [3] sales and negotiations, to the beneficiary companies throughout the Programme duration;
- Advise on procedures and processes related to companies' specific areas of operation;
- Procure and deliver goods / services needed for the smooth implementation of awarded 20 business ideas;
- On regular basis monitor and report to the Project team about the progress for all 20 business projects. For underperforming projects propose mitigation scenarios;
- After successfully implementing each of 20 business projects, ensure the transfer of procured goods and services to benefiting entrepreneurs.

The above-mentioned support will be complemented by specific expertise contracted by AdTrade Project after assessing needs of selected beneficiary companies.

#### IV. APPLICATION PROCEDURE

Interested organizations should submit the following set of documents in Romanian/or in Russian /or in English:

**Technical proposal**, that will contain following documents:

1. Methodological approach, including [a] the implementation approach, [b] the contingency plan for possible low interest among potential entrepreneurs on the left bank or for the case when few proposals are submitted by women and representatives of vulnerable groups; [c] a work plan with proposed timetable indicating responsible persons/organization for each area of activity, for 30 months (to be fulfilled according to annexes 1 and 2) and [d] budget estimations for the Programme implementation (as per annex 3);
2. Copy of the registration certificate for the main applicant and partner organization. Copy of the partnership agreement(s), signed by involved organizations;
3. CVs of key personnel of the main applicant and partner organization(s) (compiled in the same format for the whole team);
  - Project coordinator – responsible for planning, implementation and monitoring of project activities;
  - Expert(s) specialized in business development, with at least 5 years of experience in evaluating business plans. At least one expert should be experienced with the entrepreneurial environment of the right bank of

Nistru River and at least one expert should have experience in business development context of the Transnistria region;

4. A letter of interest, which outlines previous experience in implementing similar programmes (working with projects with similar objectives, covering the same region and managing budgets of similar size) and competitive advantages of the partnership.

### Financial proposal

The financial proposal will be defined in USD and should indicate all costs envisaged by the Responsible Party for the successful implementation of activities, supported by a breakdown for each planned activity. For all budget lines responsible part shall be defined (main applicant or partner organization). The financial proposal will include expenses as: staff / experts' remuneration, logistical costs, transportation, rental, communication services, catering, accommodation, etc. (as per annex 3).

The amount established for grants to be awarded to the 20 selected companies (procurement of goods and service) in sum of 300'000 USD shall be included as a separate budget line.

Thus, the total cost of envisaged agreement should not exceed 355'000 USD.

## V. DEADLINES

The deadline for submission of project proposals is 16.00 (local time), 23 September 2019. Applications will be accepted only before the dead-line, provided to the following email addresses [natalia.iachimov@undp.org](mailto:natalia.iachimov@undp.org), [maxim.cataranciuc@undp.org](mailto:maxim.cataranciuc@undp.org) or printed on paper and delivered to the below address (incomplete or handwritten proposals, including annexes will not qualify):

**UNDP Moldova, 31 August 1989 st., 131, MD-2012 Chisinau, Republic of Moldova  
to the attention of the Registry Office/Procurement**

Project proposals printed on paper shall be sealed in an envelope and marked with: Eol-19/01965.

## VI. ELIGIBILITY AND EVALUATION CRITERIA

**Are considered eligible** applications which fit following conditions:

- Applications submitted by partnerships, with at least one organization from each bank. The main applicant will let its partner to carry out at least 30% of the project activities, but also of the Programme proposed budget. A partnership signed with a counterpart from the opposite bank of the river is in place.  
**Note:** The main applicant will be solely responsible for the entire implementation process of the project.
- Registered non-profit organization (business association, chambers of commerce, NGO, etc.).
- Organizations which possess enough experience in the management of small business support grant programmes (at least 2 similar projects were implemented before).
- Legal status of the organization should not limit it to undertake such Agreements.

Eligible applications (business ideas) stated above will be assessed according to the following evaluation criteria:

N.	Evaluation criteria to select the Responsible Party	Score
1	Experience and organizational capability which is likely to affect implementation - age/size of the organization; capacity to manage the Programme; experience in management of similar activities and budgets	40
2	Experience and organizational capacity of the partner, including experience for respective region	30
3	Success of similar Programmes implemented by the applicant. Success will be assessed against quantitative criteria, as well as in terms of the impact at the community, regional or national level	30
4	Proposed methodological approach and implementation plan, assessed against professional, well-elaborated, reasonable and realistic targets, complying with the SSBP objectives	50
5	The experience in the implementation of projects of the key personnel (project coordinator and experts in business development and entrepreneurship).	50
	<b>Total</b>	<b>200</b>

Note: Submitted proposal can accumulate maximum 200 points. Only projects that will pile a minimum of 140 points will be recommended to the Selection Committee. Incomplete and/or hand-written project proposals (including annexes), as well as projects that do not meet the eligibility criteria will not be evaluated.

## VII. PROGRAMME IMPLEMENTATION PROCESS. MONITORING

In cooperation with the Project team, following deliverables are expected to be provided:

### STAGE 1: Inception stage

- In strong coordination with the Project team, develop the implementation methodology, the detailed work plan, including grants' awarding scheme, giving priority to businesses led by women and representatives of vulnerable groups. Define the methodology for evaluating achieved results;
- Develop the application guide, template for the business plan, budget template and agenda of field visits, to properly monitor use of provided goods and services through the grant component, but also to follow the quality of implemented projects and its outputs;
- Delegate a person responsible to coordinate with the Project team the communication campaign for launched competition. Ensure participation of at least 80 interested potential applicants, with a significant number of women and representatives of the vulnerable groups attending the competition;
- Develop training materials and conduct induction seminars for entrepreneurs (at least 80) willing to join the competition. Following topics should be covered within the 2 sessions of 2 days each (in Tiraspol and Rezina or Chisinau, depending on the number of interested entrepreneurs): *to explain Programme's scope, to make an induction on launching a new business, explain procedures for company registration (considering peculiarities for each bank), financial reporting / accounting (considering peculiarities for each bank), as well main concepts of confidence building measures (peace building)*;
- Provide support by email and communicate directly with the beneficiaries providing needed feedback envisaging Programme implementation process (approximatively one hour per candidate, estimated at 6 - 10 working days overall);
- Submit the 1<sup>st</sup> intermediary report.

<b>Deliverables / Milestones - <u>STAGE 1</u></b>	<b>Timeframe</b>
Develop documents needed for the Programme implementation (methodology, the work plan, applicants' guide, business plan proposal template, budget template, etc.). Delegate a coordinator for the SSB Programme; Develop materials for 2 two-days training sessions and organize them. Ensure participation of at least 80 beneficiaries.	30 days after signing the contract (up to <b>24 workdays</b> )

All written deliverables should be prior approved by the AdTrade Project team and will be provided in English, Romanian or Russian in hard (3 copies) and electronic copy. The organization and logistic of events will be ensured by the Contractor, however, the costs for those services will be beared by AdTrade Project.

### **STAGE 2: Selection of 20 grant beneficiaries**

The *selection process will be carried out by a Selection Committee to be managed by AdTrade Project (UNDP)*. The Responsible Party will assist the project team in the process of screening the applications against eligibility and evaluation criteria. Assisted by the Responsible Party, the Project team will review proposals through a three-step process:

- (i) determine the eligibility and compliance with technical requirements;
- (ii) score and rank eligible business project proposals based on the evaluation criteria;
- (iii) conduct a round of clarifications (if necessary) with the applicants whose proposals have cumulated the highest scores;

<b>Deliverables / Milestones - <u>STAGE 2</u></b>	<b>Timeframe</b>
Provide logistic support to AdTrade Project team and to the Selection Committee chaired by UNDP in selecting 20 beneficiaries of the SSB Programme. Collect business project proposals, check them against the eligibility criteria and draft short narratives for each business idea. Note: only proposals which will cumulate at least 140 points will qualify.	50 - 60 days after signing the contract (up to <b>20 workdays</b> )

Final decision on beneficiaries to be awarded will be taken by the AdTrade Project Steering Committee. Afterwards, the Responsible Party will sign agreements with 20 selected beneficiaries, stipulating the volume of assistance to be provided for the successful implementation of proposed business plans (not exceeding 15'000 USD per project).

After the successful completion of this stage, an intermediary report will be submitted to the AdTrade Project team.

### **STAGE 3: Technical and administrative support**

Through the entire lifecycle of the SSB Programme, the Responsible Party will ensure the below services:

- a. Provide required administrative support to beneficiaries to launch their businesses, (including but not limited to company registration, legal support, identifying opportunities for premises to be rented, etc.). Estimated effort **up to 10 – 15 workdays**;

- b. Procure required goods and services within the grant component, for each beneficiary as per approved business plan. Ensure the transfer of goods and services after the successful implementation of the proposed business plan, but not later than the Programme closure date. In the event the benefiting organization will fail to satisfy committed targets and or will get bankrupt, procured goods and services should be transferred to next ranked applicants (**50 workdays** or the estimated rate for a two months' salary of a procurement specialist). Submit intermediary narrative report;
- c. Capacitate benefiting companies on basic concepts of [1] financial reporting, including accounting (considering peculiarities for both banks) [2] human resources [3] sales and negotiations. Capacity building shall be ensured through seminars / courses provided to beneficiaries who have expressed their interest for such services, but also through coaching delivered for the entire implementation period. Estimated effort up to **20 workdays for seminars** and up to **80 days for coaching**. Submit intermediary narrative report;
- d. Assist the Project team to monitor and evaluate progress of 20 benefiting companies. Based on dedicated questionnaires, the Responsible Party will continuously evaluate beneficiaries' needs and achieved results. At least 40 monitoring field visits should be organized at the Programme beneficiaries (estimated effort **20 workdays**). Submit up to three intermediary narrative reports.  
Note: As a result of performed evaluations, the Project (AdTrade) team will develop capacity building programmes tailored on the needs of each benefiting company and will ensure access to coaching services and training programmes aiming to strengthen capacities of respective entrepreneurs (outside of the scope of work of the Responsible Party);
- e. Analyse the results achieved by each of 20 companies and develop a Final Report upon the finalization of the assignment, addressing the key findings, evaluating the results of each beneficiary, presenting major conclusions and recommendations (**10 workdays**).

Deliverables / Milestones - <b>STAGE 3</b>	Timeframe
Support start-ups to register. Procure goods and services within the grant component. Capacitate and coach 20 businesses. Monitor and evaluate implemented business projects. Analyse achieved results, submit the final report.	up to <b>195 workdays</b>

All the above will be implemented in close coordination with AdTrade Project team, UNDP. Number of working days may be reduced or increased, following the evaluation of the needs of selected beneficiaries.

## VIII. INSTITUTIONAL ARRANGEMENTS

### Communication and visibility

Any public reference to the AdTrade Project or UNDP and any other supporting programmes, as well to any products created under the agreements signed with benefiting companies shall be subject to prior approval of the Project team. It is mandatory for visibility elements of the AdTrade Project to be placed on goods procured in the frame of the SSB Programme.

### Reporting requirements

The Responsible Party will submit all reports according to the AdTrade Project (UNDP) requirements and guidelines. The format of reports shall be agreed at the first stage of the contract implementation programme,



but the AdTrade Project (UNDP) reserves the right to make further changes and clarifications in initially proposed templates.

#### Types of reports

- 1) Interim reports after each implementation stage, on the accomplished work, results, monitoring, and financial indicators will be submitted in electronic and hard copy (preferable in English);
- 2) Weekly operational updates through email on current results, implementation and issues of the Support to Small Business Programme;
- 3) Brief reports periodically submitted upon request of AdTrade Project (UNDP) in cases where it is required to get information on the progress of the Programme in between reporting periods;
- 4) Financial statements, that act as the basis for future installments to the Responsible Party;
- 5) Final narrative report including a summary of activities and results, lessons learned and conclusions, as well as the final financial report reflecting the whole period data should be disaggregated by gender and by beneficiaries from each bank of the Nistru River.

Payments to cover Administrative (management and operational) costs shall be linked to instalment and shall be transferred as per the schedule agreed with AdTrade Project (UNDP) upon the signing of the Agreement. The Responsible Party shall comply with the system of monitoring, evaluation and quality control introduced by AdTrade Project (UNDP) and also provide the necessary information, reports and statistical data according to the predetermined schedule or as soon as possible (within a reasonable time).

The interim reports and the final report shall follow the pre-set template agreed with the Project team that includes both narrative and financial parts.

As a quality assurance measure, the Project reserves the right to initiate spot-checks of grantees to conduct interviews and receive feedback on the quality of the Responsible Party's work. The Responsible Party shall facilitate the process by presenting to the Project team all necessary agreements/contacts of the grantees and shall refrain from influencing the impartiality of the assessment procedures.

#### ***Roles and duties of the Responsible Party:***

- Allocate the proper and needed skilled personnel to carry out the Programme's outputs;
- Be responsible of management of the current assignment including remuneration of staff, experts, administrative issues related to implementation of activities, all materials and tools required for activities completion, transportation, rental, communications services, allowances, etc.;
- Ensure proper reach out of beneficiaries;
- Ensure the visibility of the Programme and of the AdTrade Project by distributing the developed communications and visibility materials;
- Procure required goods and services according to the approved business plans and provide them to the beneficiaries. Ensure transfer of procured goods and services after successful implementation of proposed business plan;
- Implement and regularly monitor activities performed by beneficiaries (benefiting companies) in regard to the implementation of their business plan;
- Provide required and ad-hoc comprehensive reports in a timely manner (focusing as well on the outcome). In the courses of the implementation, adapt the Programme' activities if requested by the Project team;
- Implement the Programme in accordance with gender mainstreaming and transparency principles.

***Roles of the Partner Organization:***

- Participate in development of the methodology of the Programme;
- Participate in trainings delivered to potential applicants and to beneficiaries of assistance on basic concepts;
- Ensure proper reach out to beneficiaries;
- Disseminate the call for proposals on the other bank;
- Maintain permanent contact with beneficiaries of assistance from the other bank;
- Organize field visits to the beneficiaries of assistance from the other bank, monitor their progress and assess additional needs for capacity development.

***Role of AdTrade Project***

- Offer capacity development support for the contracted partners on principles and implementation modality during the entire cycle of the Programme;
- Lead the communication and visibility process of the Programme by involving the AdTrade Project communications consultant;
- Support the implementing partners to get in contact with all relevant stakeholders and any actor to have a positive impact on Programme's outcomes;
- Coach the implementing partners in developing application, implementation procedures and development of required templates;
- Lead the selection process of the grant beneficiaries, develop eligibility criteria and templates for the evaluation. Approve the final list of beneficiaries with the Project Steering Committee;
- Make induction in procurement processes. Explain importance of basic principles as transparency and best value for money;
- Regularly organize monitoring visits to the selected companies, identify issues, propose solutions;
- In partnership with the selected organization, meet the Programme beneficiaries in order to assess the bottlenecks in implementation and additional capacity development needs. Adapt the initially agreed implementation plan according to the identified needs and offer additional, tailored expertise;
- Lead the process of organizing events related to the Programme. Organize the final event with the involvement of entrepreneurs from both banks, including Programme's beneficiaries and other stakeholders;
- Train and coach implementing partners on gender mainstreaming. Check and clear all Programme's implementation stages towards main principles of gender balanced approach;
- Make a thorough assessment of achieved results, document best cases, lessons learned and recommendations for similar programmes.