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Программа Европейского союза - Меры по укреплению доверия

## **APPLICANT'S GUIDE GRANT COMPETITION**

**Eol-22/02415: Creating Synergies for Competitive Business  
Communities on Both Banks of the River Nistru**

**UNDER THE EUROPEAN UNION - CONFIDENCE BUILDING MEASURES  
PROGRAMME**

DEAD-LINE FOR APPLICATIONS: 04 FEBRUARY 2022

January 2022

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## I. CONTEXT

The EU Confidence-Building Measures Programme V (EU-CBM V Programme), funded by EU and implemented by UNDP, aims to enhance confidence-building measures and cooperation between both banks of the Nistru river by generating new perspectives for the future while supporting common interests of population from both banks, and by answering to their emerging development needs. The EU-CBM V Programme is a framework that involves civil society and business environment from both banks into development interventions, by promoting activities that enhance, regulate, and intensify personal interactions, aiming to mainstream them. Through its component Economic Development and Entrepreneurship, the EU-CBM V Programme supports business efforts to create employment opportunities and offer better living conditions to the citizens of both banks of the Nistru river, by stimulating economic activities and enhancing cooperation. This component aims to enhance and consolidate economic relations, being focused on creating new inclusive synergies and facilitating access to the opportunities provided by the EU Association and other international bilateral Agreements, improving livelihoods for women and men.

The EU-CBM V programme is built on the achievements of previous interventions, including initiatives related to the economic development of both banks of the Nistru river. Among the most sustainable business development projects are those that are implemented in cross-river business cooperation platforms. In the current phase, EU-CBM has supported the development of peer Associations and business support organizations in the following branches: beekeeping and honey production, cultivation of medical and aromatic herbs, including their marketing in foreign exhibitions, , cultivation of new types of stone fruits with export potential (i.e. nectarines and flat peaches), regional tourism, creative industries, e-commerce through the development of local online market places for different groups of entrepreneurs and consumers in textile industry or transport and logistic operators, or their integration of local MSMEs from both banks on the European Enterprise Network (EEN) for export promotion opportunities and international B2B exchanges. EU-CBM V also offers possibilities for young entrepreneurs, to launch or develop their own business locally, thus producing additional jobs and sources of income at home, as well as to access educational services and the network of business service providers available on the right bank.

## II. PROJECT SCOPE

In the context of new working realities imposed by the COVID-19 pandemics, careful consideration is given to stabilization activities that contribute to maintaining/creating jobs in economic sectors that are sustainable and future-proof. This grant competition focusses on developing new productive capacities that target a triple win (socio-economic, digitalization and green transition) to ensure the best possible returns on investment regarding economic resilience, social inclusiveness, and environment.

This action will focus on improving business sophistication by consolidating **cross-river cooperation for the development of solutions to address common business problems and needs on both banks.**

Together with currently implemented initiatives, the 4 new projects will form the premises of a cross-cutting 'innovation business platform', that will advocate better conditions for doing business at local and regional level on both banks, provide the tools to MSMEs to overcome the economic crisis, provide access to qualitative research, studies or specialized articles to inform stakeholders from both banks about mutually advantageous business rules and opportunities created by bilateral, international or EU agreements, as well as - equip vulnerable and underprivileged groups with new employment skills, so that they could remain competitive on the labour market (i.e. enhance financial, digital or computer literacy, create green jobs, promotion of new tech/IT solutions in traditional sectors, etc.).

As women, NEET youth, active elders, self-employed, returning migrants and other vulnerable groups from both banks of the river Nistru, were particularly hit by the economic crisis, they will be the key stakeholders but also final beneficiaries of the implemented action.

Business support organizations (BSOs), start-up and entrepreneurship development hubs and

laboratories, regulatory institutions and local public administrations, sectorial associations of producers, Chambers of Commerce, academia, etc., all have a vital role to play in the support and for the survival of MSMEs. Therefore EU-CBM V aims to finance the objective to tackle complexity through integrating innovative solutions and building resilient business ecosystems. This being crucial to ensure a better impact for MSMEs development in the post-COVID era.

Planned activities will help both banks to address with joint efforts existing challenges that have been intensified by COVID-19 crisis, given that the economic needs and structural deficiencies worsened. Efforts will be continued through this call to reduce the gap in economic growth between both banks and consequences of the COVID-19 crisis, ensure synergies among business actors from both banks to solve an up-to-date need or problem and provide innovative tools for the implementation of the identified solution, but also - equal access to the opportunities provided by the EU Association Agreement and its DCFTA, aiming an ascending integration between the two banks of the river Nistru.

### III. TIMEFRAME AND PROJECTS SIZE

Applications to be submitted under this call shall include activities to be implemented in a timeframe of **up to 15 months** after the grant agreement will be awarded.

Each of the 4 (four) successful applications can rely on a **grant component not exceeding 40,000 EUR per project (to be awarded in equivalent USD amount, calculated on the UNORE exchange rate at signature)**. If budgets of first four proposed projects will be significantly below 40,000 EUR one additional application could be awarded, subject of funds availability.

Own or crowd-contributions are encouraged, being considered an advantage in the selection process. The budget application form should include co-financing from the lead partner of at least 7% of the overall budget.

### IV. TERMS AND CONDITIONS

#### [A] General

All projects should strive to solve an existing problem for the target group of actors in the business community on both banks of the river Nistru. Under this competition organizations will be able to submit only one project proposal as main applicant, at the same time being allowed to participate as implementing partners in several projects.

There is considerable flexibility in identifying the actual needs and priorities of respective business areas or target groups of beneficiaries, core requirement being for submitted project proposals to enhance inclusive economic growth, business development and cooperation capacities that target a triple win (socio-economic, digitalization and green transition) on both banks of the river Nistru.

Under this call the project should define a stringent problem and propose an innovative solution for the benefit of the stakeholders from both banks of the river Nistru.

Successful projects will have high impact on envisaged sectors of economy for both banks, solving core issues for doing business in respective areas and having a positive impact on a significant number of MSMEs all along the sectorial value chain, consumers, and their livelihoods. Applicants should pay attention to engaging with local stakeholders and supporting their activities. They should also seek to reach out wider society including grass roots organizations, local governments, and academia. Proposals involving a bigger share of girls and women as stakeholders, will have additional scoring in the evaluation.

***Applicants should pay sufficient attention to main elements especially: development/implementation of a business solution, training module for target beneficiaries, and an awareness raising campaign in order to ensure community endorsement and sustainability by integrating it with departments of the local administration, banking services or mobile applications for an optimal and efficient final beneficiaries' outreach.***

Projects to be submitted should prove its long-term sustainability, by describing a consistent and logic set of actions with clearly defined problem that it will solve, operational objectives, tasks, stakeholders,

budgets, resilience to disruptions and crises as well as scalability. Interested applicants shall make sure that their solution will be integrated and endorsed by the target beneficiaries and the communities where applicable (i.e. LPAs, professional schools, youth centers, producers associations, group of MSMEs, etc.) and continue to work effectively after project closure date by presenting a detailed roadmap, showing how set objectives will be attained.

Applicants should pay attention to engaging with local stakeholders and supporting their activities. They should also seek for mechanisms to reach out wider society including grass roots organizations, local governments, and academia. The proposed project proposals should present advocacy measures or capacity building activities to enable entrepreneurs from both banks to cooperate and benefit from common tools for business recovery and resiliency to crises, cross-river interaction being supported by members of the partnerships in areas of mutual interest.

Applicants are strongly encouraged to consider following **principles** when defining their project proposals: confidence building, inclusiveness, human rights, gender equality, environmental sustainability, and the impact it will have on job creation and developing more resilient to crises livelihoods, because those applications will have a significant advantage in the selection process. Under this call we strongly encourage organizations led by or representing women or young entrepreneurs to submit their project proposals.

The EU-CBM V Programme is strongly committed to gender mainstreaming and UNDP, the implementing body, is a pioneer organization which pleads for gender balanced approach in all aspects of life, therefore under this call we strongly encourage organizations led by women to apply their project proposals. Also, one of the objectives is to ensure that at least 40% of project beneficiaries will be women.

#### **[B] Only organizations fitting below criteria will be eligible**

- Cross-river partnerships consisting of at least two NGO/BSO from both banks of the river Nistru. The lead partner can be only the non-governmental or not-for-profit organization that will implement the project with its partner organization from the opposite bank and the involvement of the private sector (big companies) other stakeholders (i.e. local professional schools, the LPAs, network of youth centers, academia, other business associations and NGOs, producer unions, employers' associations, chambers of commerce, non-commercial partnerships, etc.).
- Organizations directly involved in carrying out activities related to the areas stipulated in the project proposal, these being responsible for project management, avoiding intermediaries for their implementation. At least one of the partners will have sufficient experience in carrying out similar activities in the Transnistrian region, in accordance with the objectives set out in the project proposal;
- Legal entities, which at the time of submission of the project proposal do not have debts or arrears in the payment of taxes, fees and fines.
- Organizations not having benefited from EU-CBM Programme earlier support will be encouraged to apply.

#### **Non-eligibility criteria**

- Organizations responsible for serious management errors, including financial ones, in projects previously implemented for the benefit of UNDP Moldova;
- In the past, they have not fulfilled their contractual obligations according to the arrangements established with the donor organizations;
- The lead partner cannot represent an entity owned by the State and / or a commercial one.

#### **[C] Budget**

- The project proposal shall include a budget estimate in US dollars (\$), with detailed information about each cost line, as per the template from Annex 3. Source of funding shall be explained per

each cost line: [a] from the allocated grant, [b] own contribution, [c] other sources (any financial support granted by international organizations, private sector, others). ***In kind contributions*** are not actual costs and cannot be considered as co-financing from the partner for project implementation and will be indicated in the project description.

- Expenses for experts and personnel who will be involved in project implementation.
- Expenses for communication and visibility campaigns (including content creation for social media marketing materials and ads)
- Proposed budget and costs estimates will cover full duration of project implementation (up to 15 months);
- Proposed budget and costs estimates will be realistic and will comply with the action plan described in the project proposal;
- Goods and/or services procured under this Programme shall be subject to zero VAT taxation (0% - as per the Government Decision) on the right bank and shall be exempted of any taxes on the left bank, being qualified as technical assistance.

#### **Eligible costs**

- Expenses for consultants and service providers (including digital marketing, IT developers, technical sectorial experts, etc.);
- Expenses for trainings, masterclasses, workshops, webinars and video production of success stories (temporary membership fees (up to 15 months) for online resources and applications, information campaigns and awareness raising, copying, printing, interpretation and translation etc.), participation at national / international fairs and exhibitions;
- Logistic expenses (including rent of transport, gasoline, transportation for participants etc.);
- Expenses for purchase of equipment, software and applications can only be included in the budget if they are necessary for the efficiency of project implementation. Expenses for the purchase of expendables and other materials required for the project;
- Administrative expenses should be minimized (should not exceed 10% of the budget), for instance by rewarding supporting personnel for provided deliverables, instead of paying monthly wages;
- Other expenses which are necessary for efficient implementation of the project.

#### **Ineligible costs**

- Expenses incurred before the contract has been signed (including expenses related to project submission) or activities already financially covered by another grant programme/other persons providing financial support and/or those which already received funding from other sources;
- Individual sponsorship for participation at workshops, seminars, conferences or educational scholarship;
- Fines, penalties and exchange rate losses;
- Current costs of an organization which are not related to the project goals.

## **V. APPLICATION PROCEDURE**

Once the grant competition “Creating Synergies for Competitive Business Communities on Both Banks of the River Nistru” is launched, an online induction webinars will be organized, to acquaint interested

organizations with the project concept, selection criteria, implementation modality and learn basic concepts of confidence building (peace building).

The online induction session will be organized, to clarify potential questions related to the competition.

Interested organizations willing to attend the induction seminar shall register and confirm their participation following the form bellow <https://cutt.ly/TU69xz5>.

The deadline for submitting project proposals is **04 February 2022, 16.30 local time.**

Applicants for the grant competition “Creating Synergies for Competitive Business Communities on Both Banks of the River Nistru” shall submit the following set of documents in Romanian, Russian or English:

- A. Application form (Annex 1), project proposal (Annex 2) and budget covering costs estimates for the entire implementation period (up to 15 months) (Annex 3), where sources of funding shall be specified per each cost line: [a] from the allocated grant, [b] own sources, [c] other sources (clearly stating supporting organization), if any. All procured goods and/or services under this project will be subject to 0 VAT tax (0% - as per the Government Decision) on the right bank and shall be exempted of any taxes on the left bank, being qualified as technical assistance.
- B. Qualifications of the project team (CVs of team members using same template) including resumes of the project coordinator and involved staff of partner organizations.
- C. Registration certificate issued by the Agency of Public Services, for organizations from the right bank and proof of an MDL bank account operated specially for the project. Similar certificate for organizations registered on the left bank and a proof of existing MDL bank account should be included (by both, main applicant, and partner organization).
- D. Upon submission of the project proposal the applicant shall demonstrate that there are no financial debts (unpaid taxes and fines) to the public authorities.

The deadline for submission of project proposals is **16.30 (local time), 04 February 2022.**

Applications will be accepted only before the deadline and shall be delivered to the e-mail address (incomplete or handwritten proposals, including annexes will not qualify):

[elena.cabac@undp.org](mailto:elena.cabac@undp.org) and [vladimir.paraschiv@undp.org](mailto:vladimir.paraschiv@undp.org)

The project proposal shall be titled as follows: **Eol 22/02415 - CREATING SYNERGIES FOR COMPETITIVE BUSINESS COMMUNITIES**

E.

Applications will be selected based on a thorough evaluation according to the established evaluation criteria process described in the chapter VI and awarded accordingly with a grant. If selected, the partnering parties will have to sign and present a detailed partnership Agreement stating clear milestones, implementation deadline and responsibilities of parties in order to reach the project objectives in due time.

## VI. EVALUATION CRITERIA

Evaluation criteria for project proposals:	Score	Weight
<b>Impact and relevance on improving business sophistication on both banks of the river Nistru</b> ( <i>cross-river cooperation for the development of solutions that would contribute to addressing business community problems</i> )	40	20%

<b>Implementation logic</b> - contains a) formulation of the problem for the target beneficiaries; b) proposed solution; c) training/integration module, c) communication, awareness raising plan and follow up); d) ICT component	30	15%
<b>Quality and sustainability</b> (e.g. best possible returns on investment (economically, socially (jobs and inclusiveness) and environmentally) proven by, for example: number of SMEs supported, degree of community endorsement, improved the competitiveness of SMEs within targeted value chains proposed (i.e. textile, aromatic herbs, tourism, agri-food, etc.); increased cross-river trade; increased ability to comply with EU standards; take better advantage of EU trade arrangements in the region; integration of women empowerment principles (WEPs), green and energy efficiency activities promoted, etc.)	30	15%
<b>Financial reliability</b> (e.g. management fees should not exceed 20% of the budget, own financial contribution of at least 7% of total budget from the lead partner, co-financing of other partners will be strongly encouraged, receiving additional score)	30	15%
<b>Confidence building</b> (generate and advocate for cross-river synergies in inclusive economic growth, by bringing together stakeholders across the two banks and beyond, to work on mutual problems, giving the EU-CBM V portfolio a regional dimension)	30	15%
<b>Experience of the consortium partners in implementing development projects for the business community</b> (e.g. portfolio and CVs of the involved experts and technical specialists, as well as communication partners, etc.)	20	10%
<b>Level of involvement of implementing partners</b> (e.g. clear description of responsibilities of partners, implementation deadlines, proportional distribution of tasks and responsibilities between implementing partners according the share of administered funds, etc.)	20	10%
<b>TOTAL:</b>	<b>200</b>	<b>100%</b>

**Note:** Project proposals can accumulate max. 200 points. Only projects that will pile a minimum of 140 points will be recommended for financing. Incomplete and/or hand-written project proposals (including annexes), as well as projects that do not meet the eligibility criteria will not be admitted.

## VII. SELECTION PROCEDURE

Selection shall be based on such principles as merit, transparency, equality, and rational use of funds.

Assisted by the Responsible party contracted by EU-CBM, the UNDP will review proposals through a five-step process: (i) determination of eligibility of the applicant; (ii) technical review of eligible proposals; Only the projects that passed the administrative verification stage shall be admitted for the next evaluation stage, (iii) scoring and ranking of the eligible proposals by the Evaluation Committee based on the evaluation criteria outlined hereafter to identify highest ranking proposal; (iv) round of clarification and discussion within the Evaluation Committee Meeting; and (v) Grant agreement signature between UNDP Moldova and the Beneficiary.

Selection of project proposals commences upon termination of the submission procedure. Extension of the deadline could be considered, but it's not guaranteed, thus all applicants are encouraged to fit proposed deadlines. Selection will be based on principles of merit, transparency, equality and rational use of funds. Evaluation of project proposals includes two stages:



**Stage I:** EU-CBM V team will check compliance of submitted documents and eligibility of applicants. They will also evaluate available expertise, experience of applicants, but also budget relevance and financial reliability. Project proposals which comply with eligibility criteria will be admitted to the second stage of the selection procedure.

**Stage II:** Evaluation Committee will examine qualified applications in the 1<sup>st</sup> stage as per the evaluation criteria described above and will approve 4 grant awards to project proposals with best scores.

#### **VIII. PROJECT IMPLEMENTATION PROCESS. MONITORING**

Once the selection procedure is over, the applicants will be informed whether their project proposals have been selected for funding. Grant agreements will be signed with main applicants of partnerships representing winning project proposals. Awarded grants will be disbursed in 3-5 tranches, depending on complexity of submitted projects.

First tranche will be disbursed in advance for the implementation of actions embedded in the inception phase of the project. Following tranches will be disbursed after previous deliverable will be provided, to be confirmed through financial and detailed narrative reports provided by benefiting organization (main applicant). All submitted reports will be endorsed by a representative of the EU-CBM V Programme.

Beneficiaries of the Programme will assume the responsibility to participate or to delegate a representative to attend trainings, roundtables, and public events (forums, exhibitions) organized in the frame of EU-CBM V Programme. Granted organizations will ensure that all written and visual content on project activities are compliant with EU-UNDP communication and visibility rules.

The last tranche (10% of the grant value) will be transferred upon finalization of the project, but not later than in the 15th month from the date of commencement of the project. Upon disbursement of the last tranche, the following conditions shall be valid:

- Committed activities and agreed deliverables (in-line with the grant agreement to be signed) will be fully provided, being seconded by required narrative and financial reports;
- The established partnership will prove its long-term sustainability, continuing to implement activities described in the roadmap (submitted in the initial phase of the project);
- All trainings and public events related to the business component, organized by EU-CBM V Programme have been attended by benefiting organizations (main applicant and partner organizations).

Upon finalization of the project, beneficiaries will assume responsibility for provided high quality deliverables and services, facilitating at the same time monitoring visits, communication products and tight cooperation with representatives of the EU-CBM V Programme, EU Delegation, other relevant stakeholders (audit missions, media, etc.) when necessary.