



APPLICATION GUIDELINE

GRANTS COMPETITION

INSTITUTIONAL CAPACITY DEVELOPMENT FOR BUSINESS SUPPORT ORGANISATIONS

IMPLEMENTED BY

ADVANCED CROSS-RIVER CAPACITIES FOR TRADE (AdTrade) PROJECT

October 2024

TABLE OF CONTENTS

BACKGROUND	3
I. GOALS AND OBJECTIVES OF THE INITIATIVE	3
II. TIMEFRAME AND PROJECTS BUDGET	6
III. ELIGIBLE PROJECTS PROPOSALS	6
IV. ELIGIBILITY OF THE APPLICANTS	8
V. BUDGET	9
VI. SELECTION CRITERIA FOR PROJECT PROPOSALS	10
VII. APPLICATION PROCEDURE	12

BACKGROUND

Following a period of crisis caused by the global pandemic and regional tensions due to the war in Ukraine, the micro-, small- and medium-sized enterprise (MSME) sector on both banks of the Nistru River continues to face significant challenges. These include: a significant decline in business activity, demand for products and services, especially in trade-intensive sectors, due to reduced purchasing power and economic uncertainty, limited access to external markets, supply chain disruptions, security of energy supply, rising energy prices and risks related to timeliness of supply.

In the current context, most MSMEs face major challenges in promoting their interests and navigating the volatile economic environment. Business Support Organizations (BSOs) and business associations are crucial in facilitating public-private sector dialogue, helping to improve the business climate and assisting MSMEs to enter new markets and adopt the necessary standards.

The current situation has clearly highlighted the impact of the crisis on women in the economic sector, who, despite being a large part of the workforce and contributing significantly to economic development, are often more vulnerable to economic crises. For example, women have been hit harder by job losses, especially in the unskilled and informal sectors, where they are overrepresented. In addition, the rising cost of living has placed a heavy burden on female-headed households, many of whom are the sole breadwinners. This situation has reduced women's ability to invest in their personal and professional development, thus reducing their chances of actively participating in the economic recovery. Supporting women in the economic sector, not only as workers but also as leaders and decision-makers in businesses and economic organisations, is therefore of paramount importance.

The Project "Advanced cross-river capacities for trade" (AdTrade), implemented by the United Nations Development Programme (UNDP) with financial support from Sweden and the United Kingdom, continues to provide essential support to business associations and business support organisations (BSOs). The new round of the grant competition aims to strengthen the institutional capacities of BSAs, promote the interests of MSMEs, and create a more robust business environment on both banks of the Nistru River.

The overall objective of this call is the transfer of knowledge and skills between business associations and BSOs on both banks of the Nistru River. This approach fulfils a multi-faceted strategic vision by stimulating the creation of a more robust business environment to align standards on the left bank with those on the right bank, thereby facilitating trade and opening up new markets. In addition, this call seeks to promote gender equality and women's economic empowerment by assessing and adjusting SMEs' internal processes so that they are relevant and responsive to the current needs of women in the economic sector.

I. GOALS AND OBJECTIVES OF THE INITIATIVE

The aim of this call is to continue supporting the business environment on both banks of the river through business associations and support organisations. Through a strengthened public-private dialogue and partnerships between BSOs on both banks of the Nistru River, the main objectives are to facilitate the creation of a more favourable business environment in line with current conditions and to support and further develop SMEs, especially trade and export-oriented SMEs.

The call also seeks to transfer knowledge and successful experiences between the two banks and to facilitate women's access to economic resources.

This call is structured into two lots, as follows:

Lot 1: Trade and Export Promotion through Institutional Capacity Development of Business Support Organisations

Objectives:

- Improve the capacities and services of stakeholders on both banks
- Facilitate and promote alignment with national and international standards that enable and promote the development of economic sectors and SMEs
- Develop studies, analyses, guidelines, manuals that contribute to the development of certain economic sectors and SMEs
- Organise capacity building activities aimed at strengthening the knowledge of BSOs and their members
- Implement activities such as training, skills development and analysis to make the business environment more resilient to existing challenges

This competition seeks to identify at least 2 (two) partnership initiatives, each worth up to USD 40,000.00, developed and submitted by a consortium of BSOs/associations from both banks of the Nistru River, with a focus on fostering trade and exports. Business support organisations (sectorial business associations, producers' unions, employers' associations, chambers of commerce, other non-state and non-private business support organisations) from both banks of the Nistru River will support the private sector to address business challenges and improve the business environment on both banks of the Nistru River. Through joint efforts, the applicant organisations will identify private sector support needs, strengthen public-private dialogue and propose feasible solutions to improve the business climate.

The final outcome is to support businesses on the left bank of the Nistru River, especially export-oriented businesses, in overcoming access barriers, including those related to energy resources and infrastructure constraints. This support will enable them to maximise their potential, develop in a sustainable manner, and improve competitiveness, by strengthening energy resource management capacity, improving the efficiency and diversification of energy sources, increasing technological efficiency and labour productivity, promoting gender equality in the business environment, strengthening public-private dialogue to identify and implement regulatory solutions that support the business environment and promote access of local businesses to external markets. This would include building the capacity of BSOs to improve their strategic planning and technical expertise in foreign trade, the Deep and Comprehensive Free Trade Area with the EU (DCFTA) and the UK-Moldova Strategic Partnership, Trade and Cooperation Agreement (SPTCA), so that business support organisations can make a sound case to the public sector for improved policies and regulations.

More initiatives may receive support, contingent upon the availability of additional funding.

Lot 2: Women's Economic Empowerment through Business Support Organisations

This lot aims to improve economic opportunities for women and promote best practices in the private economic sector on both banks of the Nistru River. This competition will identify at least one implementation initiative worth up to USD 40,000.00, developed and submitted by a consortium of BSOs/associations from both banks of the Nistru River, with a focus on women's economic empowerment.

The initiative will support business support organisations and/or business associations to develop and implement interventions focused on the integration and advancement of women in the economy, building women's capacity, facilitating women's access to economic spheres, financial and non-financial resources for their economic empowerment. The main objective is to challenge and overcome the traditional norms associated with women's roles and occupations and to promote a societal environment conducive to women's economic participation and leadership. The ultimate goal is to create a more equitable and inclusive economic environment that fully realises women's potential and promotes long-term economic stability and growth, in line with the principles of the Gender Equality Seal (GES) for the private sector¹.

Objectives:

1. Integrating gender equality in the organisational management, company's governance and strategy
2. Detecting and eliminating gender-based pay gaps
3. Increasing women's role in decision-making at middle and upper management positions
4. Improving work-life balance embracing a shared social responsibility
5. Integrating the gender equality the company's recruitment and selection processes
6. Harassment prevention and management. Ensuring zero tolerance to sexual harassment and gender-based violence in the workplace.
7. Ensuring an inclusive and non-sexist communication is used internally and externally
8. Include a gender perspective across the supply chain and include women-owned businesses. To realise these objectives, business support organisations from both banks will form partnerships to generate impact for SMEs from different sectors of the economy. The proposals will cover a range of activities related to integrating and promoting gender equality principles in the private sector, developing action plans to achieve the outlined objectives. Business support organisations will ensure that at the end of the project implementation, a minimum of four SMEs from both banks will have successfully:
 - Conducted a gender analysis of internal processes under the guidance of the BSOs
 - Obtained reliable data and evidence on the needs of women in their companies from various sectors of the economy under the guidance of the BSOs through surveys, questionnaires, etc.

¹ The Gender Equality Seal for the Private Sector (GES) is an innovative program that engages the private sector in achieving standards of excellence in promoting gender equality and empowering women in business. GES is a tool for private enterprises to collaborate and contribute to the achievement of the Sustainable Development Goals (in particular SDGs 5, 8, 10 and 17) by reducing gender gaps and promoting gender equality and competitiveness for equitable, inclusive and sustainable growth. The program has created a dynamic partnership between the private sector, public sector, trade unions and UNDP, providing a tool for public policy development, promoting constructive dialogue, inviting companies to move from commitment to action and providing clear evidence of their efforts to address the most pressing gender inequalities. For more information, visit <https://www.gendersealprivatesector.org/programme/>

- Participated in the development of action plans, initiated the process of adjusting internal procedures to integrate equal opportunities and gender perspectives in all personnel policies (from recruitment and working hours to career development and special assistance to employees)
- Assessed the existing business model from a gender mainstreaming and equal opportunities perspective, with a view to women's economic empowerment
- Committed to implementing action plans and institutionalising the guidelines in internal processes and the business model in line with the principles of the Gender Equality Seal for the Private Sector for women's economic empowerment
- Adopted strategies through which they will engage in promoting gender equality and women's economic empowerment, in line with the principles of the Gender Equality Seal for the Private Sector
- Participated in capacity building sessions conducted by BSOs, specialised trainers, consultants

II. TIMEFRAME AND PROJECTS BUDGET

The implementation timeframe for Lot 1 and Lot 2 initiatives is up to 12 months each, but not less than 10 months.

The maximum amount the applicants may request under the submitted project proposals shall not exceed USD 40,000.00 each.

The applicant's own contribution to the project must be at least 10% (calculated based on requested grant amount). Co-financing by applicants and partners will only be accepted as a financial contribution.

III. ELIGIBLE PROJECTS PROPOSALS

Lot 1: Trade and export promotion through institutional capacity development of business support organisations

The applicants have considerable flexibility in identifying the actual needs and priorities of the respective sector of the economy and are encouraged to come up with well-grounded creative proposals. A complex approach considering more/multiple measures is recommended. Potential activities for strengthening the organisational capacities of BSOs and providing services to member organisations, with particular focus to the exporters from both banks of Nistru river could refer to the below:

- Conducting assessment of regional crisis impact on business activity on both banks of Nistru river and mapping sectorial needs and formulate proposals and recommendations for the public sector to take strategic decisions for the development of the sector, considering the existing national policies, international commitments. A replication of the approaches used for the studies already done on the right bank and alignment with the relevant sectoral standards on the right bank are welcomed.
- Development of knowledge management products (analyses, studies, guides, manuals, research, etc.).
- Development of new policies to support a specific sector of the economy, providing policy recommendations to the relevant bodies. Development of position papers, legislative and normative proposals, etc.
- Creation or strengthening of solution-oriented joint working groups with the representatives

of both banks to discuss sectorial issues and to propose joint solutions. Establishing sectorial joint working groups that will facilitate the communication between the private sector and public sector is highly recommended.

- a) Establish solution-oriented sectorial or public-private platforms for tackling issues related to: green transition, initiation of partnerships in the circular economy domains and other areas prioritised for advancing the green transition and implementation of environmental, social and governance (ESG) principles dedicated to environmental, social and corporate governance (e.g. support to operationalisation of the new business models – manuals, regulations, internal procedures).
 - b) External trade, DCFTA and SPTCA, in particular, related to technical regulations and adjustments for trade;
 - c) Integration of the companies from the left bank of Nistru river in the local and international value chains, etc.
 - d) Promotion and development of social entrepreneurship;
 - e) Improvement of regulatory framework for MSMEs development, increasing export opportunities, improvement of business climate;
 - f) Facilitation of refugees integration
- Capacity development activities for applicant organisations and their members.
 - Training and re-training the employees, as part of the BSO strategy to adapt to the changing realities and support its adaptation strategy (e.g. using digital solutions for doing business, learning new production patterns etc.)

Participatory, inclusive and gender-sensitive approaches and methods, corporate social responsibility in establishing the dialogue between different private sector actors and decision-makers are encouraged.

Lot 2: Women's economic empowerment through business support organisations

Proposals that support the integration and advancement of women in the economic sector on both banks of the Nistru River are welcomed. A comprehensive and evidence-based approach that takes into account the real needs of women in the economy and business, as outlined in the GES, is recommended.

Examples of activities under the proposals include the following:

- Conducting comprehensive assessments to identify the specific challenges and needs of women in the economic sector (mapping barriers to access to economic opportunities and resources, analysing the impact of economic crises on female employees and entrepreneurs, etc.)
- Addressing gender-based inequalities and discrimination regarding access to economic opportunities, ensuring equal leadership opportunities at all decision-making levels
- Integrating gender equality and opportunities into organizational management
- Increasing women's role in decision-making at middle and upper management levels (including mentoring programs, training, development courses, coaching, creating support networks among women on both banks of the Nistru River)
- Public awareness and education campaigns aimed at changing social norms and stereotypes related to the role of women in the economy. These campaigns may include publicising success stories of women in business and promoting the importance of women's economic participation for sustainable developments including for women refugees

- Creation or strengthening joint working groups with the representatives of both banks to discuss and find solutions to the specific problems of women in the economy (harmonise the policies and practices of both banks, thereby promoting economic co-operation)
- Initiatives to encourage businesses to adopt corporate social responsibility principles in line with GES, including by promoting gender equality and supporting initiatives to improve working conditions for women, including for women refugees

IV. ELIGIBILITY OF THE APPLICANTS

The applications will be submitted in line with the following principles:

Lot 1: Trade and export promotion through institutional capacity development of business support organisations

- Cross-river partnerships of at least two organisations from different banks. Under this competition, organisations will be able to submit only one project proposal as main applicant, at the same time being allowed to participate as co-applicant in several applications. The thematic areas covering one bank and their replicability to another bank are encouraged
- Main applicant and co-applicant will be business support organisations (profile professional association, sectorial business associations, product professional organisation, unions of producers, employers' associations, chambers of commerce, other non-state and non-private business support organisations) from the left or right bank of the Nistru river.
- Main applicant and co-applicant should be a registered legal entity
- Main applicant will have an experience of minimum 2 (two) years of relevant activities related to the application thematic area
- The consortium of organisations applying will have the financial capacity to provide their own contribution of the eligible project amount and to finance non-eligible costs (if applicable).

Lot 2: Women's economic empowerment through business support organisations

- Partnerships between business support organisations from across the river, demonstrating a commitment to collaboration and inclusion. Organisations will be able to submit only one project proposal as main applicant, at the same time being allowed to participate as co-applicant in several applications.
- Both applicants should be registered legal entities and have at least two years' experience in the relevant activity each
- One of the applicants is an organisation/association of women entrepreneurs or is engaged in promoting economic and/or social empowerment of women.
- The minimum contribution is 10% in addition to the requested grant amount

Non-eligibility criteria:

- The main applicant, or the partners organisation was found liable for serious professional or financial mismanagement, proven by such evidence as recognized by UNDP Moldova
- The main applicant and/or the partner organisation has a history of failing to comply with contractual obligations arising from previous arrangements with donor organisations
- The main applicant and/or co-applicant(s) is a private entity

- The main applicant and/or co-applicant(s) is a legal entity under the state property or founded by public authorities
- The main applicant has an ongoing implementation of a grant initiative, under the project component
- The project proposal implementation period is less than 10 months or exceeds 12 months.

V. BUDGET

- The project budget, as part of the application form, should be in US dollars.
- The budget should contain clear information about the ways the funds will be spent and a detailed breakdown of expenses, separated by each involved organisation.
- The budget should be realistic and cost-efficient.
- The budget must correspond to the activity plan as it is described in the project proposal.
- The cost of all goods and services to be procured should be stated exclusive of VAT.
- The financial contribution of each partner must be clearly stated in the project budget.
- The budget will be split with a proportion of maximum 70% for one partner of the BSOs consortium.

Eligible expenses include:

- Expenses for experts, consultants, trainers and IT support.
- Expenses for the service providers to deliver services to both implementing organisations and benefiting companies.
- Expenses for trainings.
- Transportation expenses (rent of transportation, gasoline, transportation for participants etc.).
- Expenses for marketing and promotion materials.
- Expenses for the procurement of expendables and other materials required for the project.
- Expenses for events (meals, accommodation, information campaigns and awareness raising, copying, printing, interpretation, and translation etc.).
- Administrative expenses (remuneration of hired staff, communications, rent and utilities, postal and banking services) shall not exceed 25% of the project budget proposed and be well reasoned.
- Expenses for procurement of equipment are allowed only in cases of well-grounded justification. They must be strictly related to the project purpose, activities and represent no more than 20% of the budget.

Ineligible expenses:

- Expenses incurred before the contract has been signed (including expenses related to project submission).
- Fines and penalties.
- Activities already financially covered by another funding program.
- Individual sponsorship for participation at workshops, seminars, and conferences.
- Individual educational scholarships.
- Covering the current costs of an organisation unless it is clearly related to the project goals.
- Expenditures to procure or produce alcoholic beverages, tobacco items, munition, luxury products, other goods prohibited based on UN regulations, including the ones related to gambling organization;
- Exchange rate losses.

VI. SELECTION CRITERIA FOR PROJECT PROPOSALS

Impact on the sector. Successful projects will have high impact on envisaged sectors of economy on both banks, solving core issues for doing business in respective areas, having a positive impact on a significant number of MSMEs. Impact should demonstrate contribution to national, regional and local strategies. Applicants should describe how they will involve different stakeholders in the project activities. They should also seek to reach out wider society including grass roots organisations, local administration, local and central authorities, and academia. Priority will be given to energy efficiency, technological efficiency and labour productivity projects on both banks.

Confidence-building approach should be applied, so that the activities encompassed in the project proposal will enable businesses from both banks to cooperate and benefit from cross-river interaction being supported in areas of mutual interest. Confidence building between both banks business communities shall be ensured through regular business-to-business activities with mutually advantageous relationship between entrepreneurs and organizations which represent their interests. Clear roles of the partners should be described in the project proposal.

Relevance of the proposed project refers to the way it contributes to improvement of the institutional capacity in regard to private-public dialogue. The selected measures are in line with the core competency (statute) of the organisation and the capacities of the involved staff.

Implementation logic and development modality will be evaluated based on the correlation of proposed activities to the expected results, but also to the feasibility of the action plan. The identified risks to achieving the grant objectives are relevant and mitigation measures that will be taken are well defined. Project Budget relevance should be well justified with clearly defined expenses. Co-financing and partner's contributions will count when evaluating the application.

Innovation of the proposed measure should explain whether the project will lead to multiplication or spillover effects in other areas. Applicants are strongly encouraged to consider using innovation approaches, digital solutions and green economy, establish public-private platforms and networks in the area of circular economy and other areas prioritized for advancing the green transition.

The financial sustainability. The applicants shall make sure that the measures proposed to be implemented will continue to work effectively after project closure date by presenting of a sustainability plan. The proposal must also show whether or to what extent this project is based upon or complements other initiatives implemented by the applicant or others in the same area, as well as ways for preventing the duplication of activities. To ensure sustainability, it will also work with business associations and business development service providers, to enable them to provide improved services, knowledge to companies on both banks.

Lot 1: Trade and export promotion through institutional capacity development of business support organisations

Selection criteria	Description	Score
Impact on the sector	Clearly defined sector issues that will be addressed and number of policy recommendations developed (40 p.)	30
Confidence-building measures	Project interventions offer development opportunities for the business communities from both banks (10 p.)	30
	Enhancing the capacities of left bank stakeholders through collaboration and approximation to right bank standards (10 p)	
	Clear roles of the partners should be described in the project proposal and in the budget (10 p)	
Relevance of the project	The project interventions are fully in line with the applicant's competency according to their statute (10 p)	30
	Project staff have enough qualifications and expertise for the project activities that are consistent with the requested ToR in terms of scope, objectives and eligibility of initiatives	
Implementation logic and development modality	There is a well-defined path for activities to be implemented with a clearly defined logic and well-defined results indicators (15 p)	25
	Risk assessment and mitigation measures are defined and described in the proposal (10 p)	
Innovation of the proposed measure	The project activities indicate elements of innovation, digital, green transition. The project proposal is unique in its kind and will be piloted under this call. Proposed project has multiplication or spill over potential	20
Sustainability of the proposed initiatives	Clearly defined financial sustainability approach is presented. Co-financing is at least 10% of the requested grant amount.	15
Total		150

Lot 2: Women's economic empowerment through business support organisations

Selection criteria	Description	Score
Relevant experience	Evidence of previous initiatives, minimum of 5 references to development projects per consortium focused on women's economic empowerment	30
Relevance of the project	<p>The idea of the initiative covers a wide range of activities (e.g. dissemination and awareness-raising events, trainings for companies, outreach activities for support institutions) (10).</p> <p>The methodology of the proposal includes the development of incentives to utilise the principles of corporate responsibility, i.e. ESG, as well as gender equality and equal opportunities in companies and in the services provided (10).</p> <p>At least 4 companies have conducted internal analyses of business processes and initiated change management to ensure gender equality and women's economic empowerment (10)</p>	30
Confidence-building measures	The proposed interventions offer opportunities to close the gender gap in the private sector on both banks.	30
Implementation logic and solutions	There is a clearly defined roadmap and workplan of activities to be implemented, with a clear logic and defined and described outcome indicators. Roles and responsibilities of partners are clearly stated.	20
Sustainability of the proposed initiative	The proposal includes a sustainability plan describing how the benefits and outcomes of the initiative will continue after the project is completed.	20
Budget	Planned costs and expenses are relevant to the area of activity. Co-financing is at least 10% of the requested grant amount.	20
Total		150

VII. APPLICATION PROCEDURE

Interested organisations shall submit a package of documents, which include the:

- **Application form** (Annex 1 Lot 1, Annex 1 Lot 2)
- Project **budget** (Annex 2).
- Copy of the **registration certificate** for each partner organisation
- A copy of the **statutes** of each partner organisation
- **Partnership agreement**, signed by all Business Support Organisations, envisaging the role of each partner.
- **CVs** of key staff to be involved in project's implementation. CVs of the experts to be contracted and their written consent to participate in the project.

The Application Form and Applicant's Guidelines are posted on the UNDP in Moldova website (<https://sc.undp.md/viewtenders2/>). These documents can also be received by sending a request to Alina Rosca at the following e-mail address: alina.rosca@undp.org

The application dossier will be sent in electronic format via email at the following addresses: crisrina.trifan@undp.org and alina.rosca@undp.org before the **deadline 14th of November 2024, 16:00, GMT+2**. Message subject: **EOI/ BSOs Capacity Development (Lot 1) or EOI/ BSOs Capacity Development (Lot 2)**, respectively.

The applications sent via any other means shall be rejected. The incomplete applications or those submitted after the set deadline shall not be reviewed. The applications submitted via email shall not exceed 20 MB. The applications over 20 MB shall be divided into several messages and the subject of every message should indicate “part x of y” besides “**EOI/ BSOs Capacity Development (Lot 1) or EOI/ BSO Capacity Development (Lot 2)**”, as mentioned above. Large files will be archived in ZIP format.

Please note that an **information session** for prospective applicants **will be organised on 22 October 2024, at 15:00, GMT+2**. Registration link:

<https://docs.google.com/forms/d/1MIBjrvo2uljdrGpFCyhrWiK65-uDhcWETZtQjdYC78k/edit>

Clarifications regarding the application may be requested from cristina.trifan@undp.org, alina.rosca@undp.org. The deadline for **requests for clarification is 30 October 2024, 17:00, GMT+2**.

Selection will be based on principles of merit, transparency, equality and rational use of funds. Evaluation of project proposals includes two stages:

Stage I: Checking eligibility of applicants and compliance of the application package. Evaluation of the relevance of the proposed project, available expertise, proven partnership, as well as budget relevance and completion reliability. Incomplete project proposals (including annexes), as well as projects that do not meet the evaluation criteria will not be considered.

Stage II: Evaluation of project proposals and budget accuracy according to the evaluation criteria. This stage is carried out by the project’s Evaluation Committee. The projects that receive the highest total number of points will be recommended for final endorsement by the AdTrade Project Steering Committee.

Annex 1 – Application form, Lot 1 and Lot 2

Annex 2 – Project budget