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APPLICATION GUIDELINES

LAG Small Grants Programme

Implemented under the EU4MOLDOVA: Focal Regions Programme

DEADLINE FOR APPLICATIONS: **July 14, 2020**

This project is funded by the European Union and implemented by the United Nations Development Programme, and the United Nations Children's Fund

June 2020



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I. IMPLEMENTATION APPROACH

The aim of the EU4Moldova: Focal Regions¹ Programme, funded by the European Union and implemented by the UNDP and UNICEF, is to support two municipalities – Cahul and Ungheni, identified as regional growth poles, to boost their socio-economic development, and to raise the economic and living conditions for the neighbouring local communities constituting the focal region.

Component 1 “Transparency, accountability of local public authorities and citizen participation in local planning and governance” of the Programme will focus to ensure that the focal regions governance for socio-economic development is organized in the most effective way and responds better to the needs of the population and private sector. To achieve these goals, the local public administrations from Cahul and Ungheni municipalities will be capacitated and supported to improve the cooperation with their rural proximity area and to enhance the economic role of ‘regional growth poles’.

The Local Action Groups (LAGs) can play an important role in planning and monitoring of the development strategies as they are important actors at the focal regional level with involvement in creating mutually supportive linkages between rural and urban areas in realizing smart, circular and inclusive local development. The participatory process should also be inclusive, providing opportunities for traditionally marginalized and excluded voices from the local communities - vulnerable groups, including women and youth, from the rural communities of the focal region.

The Programme uses the LEADER approach - a method and programme instrument to support locally driven rural development interventions to develop rural areas and create local jobs-providing grants to support the creation, functioning and management of LAGs in the targeted communities and implementation of their rural development projects and priorities.

The **goal** of the present call of proposals is to support the Local Action Groups from the focal regions in the implementation of projects and initiatives to develop rural areas and create new jobs.

The grant scheme for 2020 envisages up to **4 grants** with a maximum amount of **50,000 EUR** each.

II. TIMEFRAME AND PROJECT SIZE

Applications to be submitted under this call shall include activities to be implemented in a timeframe of **12 months** after the grant agreement will be awarded.

Each successful application can rely on a grant component not exceeding **50,000 EUR** per project.



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III. TERMS AND CONDITIONS

[A] Eligibility

Local Action Groups formalized by signature of the Partnership Agreement are eligible to submit their proposal to answer this call. Applicant LAGs should organize their first LAG Council Meeting before submitting their proposal. Proposal must be signed by the legal representative of LAG's Accountable Body and the President of the LAG.

Only applicants fitting below criteria will be eligible. A LAG can only submit **one application under this call**.

Following eligibility criteria will be used:

- The application is submitted by a Local Action Group that **includes rural communities from Cahul or Ungheni raions**;
- The applicant has submitted only one application;
- The application involves **administrative costs**, which make **up to 20%** of the budget up to a maximum ceiling of 7,000 EUR;
- The application provides the **mandatory contribution** of **at least 20%** of the total budget;
- The budget requested from the Programme does not exceed **50,000 EUR each** per application;
- The priorities indicated in the application are included in the LAG Strategic Action Plan or relevant to address the impact of the COVID-19 outbreak;
- **At least 30%** of the amount requested for financing is for the implementation of measures aimed at supporting the economic development and creation of local jobs of the rural areas of Ungheni and Cahul;
- **At least 50%** of the final beneficiaries are inhabitants from the rural communities of Ungheni or Cahul districts.

Above mentioned eligibility criteria are the requirements which have to be fulfilled in order to be eligible (not excluded) for support under the EU4MD: Focal Regions Programme. It is a **Yes/No** condition: either the condition is fulfilled, and the application is eligible for support or it is not.

[B] Budget

Applications to be submitted under this call shall include activities to be implemented in maximum 12 months after the grant will be awarded. Each of 4 (four) successful applications can rely on a grant component not exceeding 50,000 EUR. All procured goods and/or services under this project will be subject to a 0 VAT tax (0% as per Government Decision).



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Applicants shall provide a mandatory monetary contribution. At least 20 % of the total budget must be met by the LAG's matching own monetary contribution. In kind contributions are not eligible cost and cannot be considered as co-financing.

The budget of the proposal (Annex 2):

- Contain clear information about the way funds will be used, as well as detailed distribution of costs;
- Should be realistic, cost efficient and correspond to the plan of activities annexed to the project proposal;
- Should be max. 50,000 EUR;
- administrative costs should not exceed 20 % of the total budget;
- Is not subject to VAT or similar taxation (international funded technical assistance);
- Co-funding should be clearly mentioned and justified.

Eligible expenses:

- Expenses contracted and performed during the validity of the grant contract;
- Logistic expenses (including rent of transport, gasoline, etc.);
- Expenses for the purchase of equipment and machinery, as well as of expendables and other materials required for the project;
- Other expenses which are necessary for efficient implementation of the project.

Ineligible expenses:

- Payments related to the repayment of debts, interest and credit fees;
- Fines, penalties, court and arbitration costs, exchange rate loses;
- Expenses incurred before the contract has been signed or activities already financially covered by another grant programme/ other persons providing financial support (the project which's expenses are covered by other donor(s) will not be eligible to receive financing (double financing is not allowed))

Administrative costs

The Programme will cover the administrative costs which will not exceed 20 % of the total budget. Administrative costs shall be related to the management and implementation of the proposed activities and cover expenses such as salary of project staff responsible for the implementation, office supplies, office rent, local travel costs, office equipment-related to the functioning of LAG, bank fees and transaction costs, communication and visibility costs, including the National LEADER Network from Moldova membership fee.

Program costs:

At least 80% must be directed to the co-financing of micro-projects selected through an open competition organized by the LAG and may include costs related but not limited to:

- sustainable development of the local economy and creation of local jobs;



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- promoting social innovation and civic participation;
- improving the standard of living in rural areas;
- supporting communities and businesses recover as result of the COVID-19 crisis;
- purchasing equipment and machinery;
- renovation and /or modernization of rural infrastructure (E.g. roads, water supplies, waste facilities);
- renovation and/or modernization of social and cultural infrastructure (E.g. kindergartens, schools, cultural houses, health center, etc);
- supporting the development of rural tourism.

IV. APPLICATION PROCEDURE

Once the competition for the LAG Small Grants Programme is launched, a Webinar will be organized on **June 23, 2020** for LAG's representatives from Cahul and Ungheni, in order to familiarize with the project concept, application and evaluation criteria, as well as with the implementation modality.

The application dossier must be submitted in electronic format to the following e-mail address: natalia.lipca@undp.org not later than **July 14, 2020**

Applicants for the LAG Small Grants Programme shall submit the following set of documents in Romanian, Russian or English:

- Application form (**Annex 1**);
- Budget form covering costs estimates for the entire implementation period of 12 months (**Annex 2**), where sources of funding shall be specified per each cost line;
- LAG Partnership Agreement, signed by all LAG members (scanned);
- LAG Local Development Strategy (Strategic Action Plan) approved by the LAG Council Board (General Assembly);
- LAG Council Board (General Assembly) decision on approval of the Accountable Body of the LAG;
- LAG Council Board (General Assembly) decision (Minutes of the Meeting) confirming the approval of participation in the LAG's Small Grant Programme and selected funding priorities;
- LAG Annual Report for 2019 and a copy of the Minutes of the Meeting which confirms its approval;
- Letter of Guarantee confirming LAG's commitment to ensure financial contribution of at least 20% from the total budget in case the application will be selected for financing.

V. EVALUATION CRITERIA

If the application submitted **does not meet all the eligibility criteria**, such application will be considered as not eligible and therefore not evaluated by the evaluation committee.



The evaluation (selection) criteria are used to:

- a) score the applications from LAGs in order to ensure the better use of EU financial resources;
- b) rank the eligible applications according to their quality and contribution to objectives pursued.

Considering ongoing disruption from COVID-19, it is important that Local Action Groups from Republic of Moldova reflect this new reality and refocus some of the activities to support their communities and businesses.

Submitted proposals from LAGs will preferably include activities to support communities and businesses recover as result of the COVID-19 crisis.

Table 1: Evaluation Criteria

#	CRITERIA	Points
1	<i>Overall evaluation criteria</i>	60
1.1	Is the proposal well described and its objectives clearly stated?	10
1.2	Is the Action Plan designed to be successfully completed within one year?	10
1.3	Is the proposal relevant to respond the COVID-19 impact?	10
1.4	Is the proposal designed to include more than 30% of the activities to support economic development and creation of local jobs of the rural areas of Ungheni and Cahul? (Higher % brings higher points, 70% is considered the max)	20
1.5	Does the proposal include activities where more than 50% of the final beneficiaries are inhabitants from the rural communities of Ungheni or Cahul districts? (Higher % brings higher points, 80% is considered the max)	10
2	<i>Criteria to evaluate LAG's participatory Strategic Action Plan</i>	40
2.1	Does the strategy document meet crosscutting criteria (gender balance, environmental sustainability and social inclusiveness)?	15
2.2	Are the selected strategic priorities clear and relevant to the strategic goals and to the collected local actions (measures) and project ideas?	5
2.3	Is the estimated budget relevant to the planned measures and projects?	5
2.4	Are implementation plans relevant to the values, needs, mission, vision and priorities of the LAG?	5
2.5	Are the strategy and the selected flagship projects innovative?	10
3	<i>Criteria to the evaluation of the one-year LAG Implementation Plan submitted for finance</i>	100



3.1	<i>Relevance 1</i> – Does the plan focus on rural economic and sustainable development?	10
3.2	<i>Relevance 2</i> – Are the proposed solutions effective in addressing the needs of local inhabitants, including vulnerable groups, especially to reduce effects of COVID-19 crisis on these groups?	20
3.3	<i>Results and Impact</i> – Does the plan facilitate direct, quick and broad impact at the local level, with clear and measurable results and replicability potential?	25
3.4	<i>Feasibility</i> - Are the selected measures feasible based on the given technical, financial, social, environmental characteristics and institutional readiness?	25
3.5	<i>Sustainability criteria</i> – Does potential beneficiaries' ability relevant to maintain results after completion of donor support and community contribution?	20
Total Score		200

Note: Project proposals can accumulate max. 200 points. Incomplete and/or hand-written project proposals (including annexes) as well as proposals that do not meet the eligibility criteria will not be admitted.

VI. SELECTION PROCEDURE

Applications will be selected through an evaluation carried out by the Evaluation Committee according to the established evaluation criteria process described above and awarded accordingly with a grant.

Submitted proposals will be evaluated from the perspective of relevance, results and impact, feasibility and sustainability, as well as incorporation of the LAG's strategic goals and objectives.

The Programme will review proposals through a four-stage process:

Stage1: Determination of eligibility, as described in Chapter III

Stage2: Technical review of eligible proposals. The Evaluation Committee will examine qualified applications in the 1st stage as per the evaluation criteria described in Chapter V (Table 1) and will check and verify the applications forms and requested documents.

Stage 3: Scoring and ranking of the eligible proposals. The Evaluation Committee will score and rank the eligible proposals based on the assessment criteria, outlined in Chapter V (Table 1), to identify highest ranking proposal.

Stage4: Round of clarification (if necessary) with the highest scored proposal and decision of award.

Note. Where a minimum or maximum % is requested (*see criteria 1.4, 1.5*) a higher % will bring higher points. Thus, the applications will be scored as follows:

Criteria 1.4: 30% - 49.9% brings 16 points, 50% - 69.9 % - 18, 70% or more – 20.

Criteria 1.5: 50% brings 8 points, 50,1% - 79,9%-9, 80% or more – 10.



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VII. PROJECT IMPLEMENTATION PROCESS. MONITORING

Once the selection procedure is over, the applicants will be informed whether their project proposal has been selected for funding. A Low Value Grant Agreements will be signed between UNDP/EU4Moldova and LAG's Accountable Body.

Awarded grants will be disbursed in several tranches, depending on complexity of submitted proposals. Following tranches will be disbursed after previous deliverable will be provided, to be confirmed through progress reports, including financial and detailed narrative information.

The last tranche (10 - 15% of the grant value) will be transferred upon finalization of the project, **only after the final narrative and financial reports will be provided by LAG's Accountable Body and approved by UNDP.**

A number of micro-projects, developed in accordance with the LAG' Local Development Strategic priorities and Action Plan, will be selected and co-finance from the grant through an open competition organized by the LAG.

In this regard, the LAG's Accountable Body will be in charge with the following:

- To develop the supporting documents and organize a local call of projects (selection and evaluation criteria, guidelines, application form, budget form, evaluation form, etc.);
- To organize an informative campaign and provide assistance to potential applicants;
- To evaluate submitted applications and organize Evaluation Committee meetings;
- To ensure a proper information of the LAG's members about the results of the competition;
- To monitor local projects implementation.

The micro-projects, which will be selected as a result of the local competition organized by the LAG, will have to meet the following requirements:

- Are in line with LAG's Strategic Action Plan, as well as with the priorities selected to receive financing within the EU4Moldova LAG Small Grants Programme, or are relevant to address the impact of the COVID-19 outbreak;
- At least 30% of the amount requested for financing is for the implementation of measures aimed at supporting the economic development and creation of local jobs of the rural areas of Ungheni or Cahul;
- At least 50% of the final beneficiaries are inhabitants from the rural communities of Ungheni or Cahul districts.

The LAG's Accountable Body will be responsible for the whole coordination and implementation of the project and will ensure communication with UNDP/EU4Moldova: Focal Regions Programme, beneficiaries and project partners. The implementation period will not exceed one year (12 months) from the date the Agreement become effective.

Once the selection procedure of micro-projects is over, separate agreements will be signed between LAG's Accountable Body and the beneficiaries. The LAG's Accountable Body will be responsible for carrying out procurements, in accordance with the approved procurement



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procedures, in order to purchase the eligible goods and services for each selected micro-project.

The grant beneficiary's (CSO/LPA/SME) responsibilities include but are not limited to: assisting LAG in carrying out procurement, implementing planned activities, ensure visibility of the project results, as well as reporting to the LAG's Accountable Body, etc.

All grants beneficiaries shall take the necessary measures to ensure the visibility of the European Union financing. All communication and visibility activities should be carried out in close coordination with the EU4Moldova Focal regions Programme and after programme approval.

UNDP UE4MOLDOVA Office (Sciusev Street, No 104, Chisinau, MD-2012) is assigned to serve as contact point for LAG Accountable Bodies as Contractors.

Additional information can be obtained by contacting the reference persons within the EU4Moldova Focal Regions Programme: **Natalia LIPCA**, natalia.lipca@undp.org

All questions regarding the LAG Small Grant Programme competition can be sent to the E-mail address with the following subject "LAG Small Grant Programme Competition Questions", until **11.07.2020**.