

## **GRANTS COMPETITION**

### **DEVELOPMENT OF EXPORT PROMOTION CAPACITIES OF THE BUSINESS SUPPORT ORGANIZATIONS**

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

## TABLE OF CONTENTS

<b>BACKGROUND .....</b>	<b>3</b>
<b>I. GOALS AND OBJECTIVES OF THE INITIATIVE.....</b>	<b>3</b>
<b>II. TIMEFRAME AND PROJECTS SIZE .....</b>	<b>4</b>
<b>III. ELIGIBLE PROJECTS PROPOSALS .....</b>	<b>4</b>
<b>IV. ELIGIBILITY OF THE APPLICANTS .....</b>	<b>6</b>
<b>V. BUDGET .....</b>	<b>6</b>
<b>VI. EVALUATION CRITERIA OF THE PROJECT PROPOSALS.....</b>	<b>7</b>
<b>VII. APPLICATION PROCEDURE .....</b>	<b>9</b>
<b>VIII. SELECTION PROCEDURE .....</b>	<b>10</b>

## BACKGROUND

In April-May 2020, UNDP conducted the assessment and evaluation of COVID-19 impact on private sector with the participation of more than 400 entrepreneurs from 140 communities (urban and rural), including the Transnistria region. The assessment revealed that Micro Small and Medium Sized Enterprises (MSMEs) are mostly affected by the pandemic. Independently of their size, sector, turnover or location, administrative restrictions caused dramatic declines in sales of almost all companies, leading to the full or partial suspension of business operations; while 1/3 of them faced restricted access to raw materials (especially imported ones), and 1/4 - lower demand due to the decline of households' revenues, also a reduced diversification of clients and limited or no access to domestic and external markets.

The Advanced Cross-river Capacities for Trade project (AdTrade Project) financed by Sweden and implemented by UNDP provides tailored support and builds capacities based on specific needs of current and future exporters, but also provisions methodological and practical assistance to establish long-term trade links and to promote exports. In the frame of this initiative existing companies and launched start-ups will be supported to create new jobs, for women and vulnerable groups. These goals will be achieved through cross-river exchange of knowledge and experience, but also by understanding the opportunities provided by DCFTA to companies from the Transnistria region. Also, benefiting companies and associations will learn from best practices of businesses from Eastern and Central Europe. Main efforts will be dedicated to reviving the MSMEs sector which is underdeveloped in the Transnistria region.

As part of the immediate support, UNDP and Sweden, in the frame of the AdTrade project launches a grants competition for the business support organizations aiming at developing their institutional capacities for advocacy and services provision to most effected MSMEs, in particular export led companies from the Transnistria region.

### **I. GOALS AND OBJECTIVES OF THE INITIATIVE**

This competition is launched to identify partnerships established between business support organizations (sectorial associations, chamber of commerce and industry, business services providers) from the both banks of Nistru river that offer support to private sector to deal with disruptions in their entrepreneurial activity, including one caused by Covid-19 and improve business environment on both banks. With joint efforts, the applicant organizations will identify the needs of support, propose feasible solutions, policy improvements and concrete mitigation tools for business recovery.

This support will result in a long-term impact on improvement of business environment, creation of new jobs and establishment of cross-river partnerships, allowing left bank enterprises, especially, export-led companies from the Transnistria region, to overcome the negative impact of the pandemic crisis, to access trade mechanisms available on the right bank, to build knowledge and skills for an increased competitiveness for cross-river trade and access of abroad markets. Persistent confidence building between both banks business communities shall be ensured through regular business-to-business activities with mutually advantageous relationship between entrepreneurs and organizations.

The current call follows three specific objectives:

- A. Strengthening the organizational capacities of business associations for advocating the interests of their members, with particular focus to the exporters from the both banks of Nistru river;
- B. Developing sustainable interventions and solutions for provision of high qualitative services for exporter led companies from the both banks of Nistru river;
- C. As an immediate response to COVID 19, support export capacities of the selected MSMEs from the Transnistria region by offering professional business development services.

In order to achieve the overall goal, the successful project proposal should consider interventions under each of the three objectives contributing to a common objective. The interventions are connected to the overall goal of the grants competition and should rely on the core competencies and capacities of the applicant the staff and may envisage capacity development measures for the staff/experts. The business development services may be offered by either one or both partner organizations.

## **II. TIMEFRAME AND PROJECTS SIZE**

**The implementation timeframe** for the project proposal is up to 16 months, but not less than a year. Projects should start in **September 2020 and finalize by December 2021.**

The maximum amount the applicants can request under the submitted project proposals will not exceed **50,000 USD**. The projects will be implemented by partner organizations from the both banks.

## **III. ELIGIBLE PROJECTS PROPOSALS**

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 to enhance development of exports, cross-river cooperation, additional job creation and overcoming negative effects of COVID 19 pandemic. A complex approach considering more/multiple measures is recommended.

- A. Recommended measures for **strengthening the organizational capacities for advocating** the interests of their members, with particular focus to the exporters from the both banks of Nistru river:
  - Conducting policy analyses that would reflect the impact of COVID 19 on different sectors of the economy on the left bank. These analyses should take into consideration/replicate the approaches used for the studies already done on the right bank;
  - Building or strengthening advocacy capacities for the applicant organization and their members;
  - Creation or strengthening networks on discussions on sectorial issues;
  - Development of sectorial working groups that will facilitate the communication between private sector and public sector;
  - Development of new policies to support a specific sector of the economy;
  - Development of knowledge management products;
  - Development of position papers and legislative and normative proposals, and promote them with relevant actors, etc.

B. Recommended measures for developing **sustainable interventions and solutions for provision of high qualitative services** to be delivered to exporter led companies from the both banks of Nistru river:

- Conducting assessment of COVID 19 impact on business activity on both banks of Nistru river, mapping sectorial needs to take strategic decisions for the sectorial development support to be provided;
- Developing new services and rethink the own portfolio, but also the ways of work when delivering services to companies representing the sector;
- Developing a new curriculum for trainings, consultancy and mentorship updated to COVID-19 context. Creation or improving training and mentorship platforms using digital tools;
- Developing sustainable on-line platforms for webinars and consulting services;
- Training and re-training the employees, as part of the company strategy to adapt to the COVID-19 changing realities and support its re-specialization/restructuring (e.g. using digital solutions for doing business, learning new production patterns etc.), attending international events;
- Supporting cluster cooperation;
- Promotion of joint use of innovative ICT, IT platforms, technologies, other innovative on-line solutions;
- Provide marketing, promotion, communication, and visibility services, development on joint brands for the sector;
- Development of sectorial online B2B platforms for trade, online exhibition, other platforms for trade;
- Organizing joint cross-river study visits, to also present different business practices;
- Creating online platforms for bridging the producers and suppliers from both banks of Nistru, aiming to provide information about the supply and demand of raw materials provided by companies from both banks of Nistru in order to facilitate their matching and encourage the formation and, integration of the companies from the Transnistrian region development of value chains, etc.

C. Recommended **business development services to be provided to the selected export led MSMEs from the Transnistria region** as an immediate response to COVID 19 (in close connection to points A and B above)

- Developing marketing and sales strategies, Improvement of sales capacities, development of export strategies;
- Consultancy and expertise on exporting to abroad markets, including mentorship on preparing the dossiers for exported products (for instance dossier preparation and fulfilment of export certificates EURO1);
- Digitalization of business (development visual identity, on-line presence, on-line shops, digital marketing);
- Developing sectorial marketplaces, with the producers from the both banks
- Consultancy and mentorship on cross-river trade (accessing the opposite bank market)
- Support implementation of innovative technologies in the production of export-oriented products;
- Offering the consultancy and certifications management systems;

- Other relevant support for re-specialization and restructuring the business in order to adapt to COVID-19 realities and tap for arising opportunities, etc.

Note: Business developments services, under the objective C, will be offered to selected export led SMES from the Transnistria region. As a result of the provision of the service, the negative impact of the pandemic will be diminished. The services may be offered by at least one or both partners, according to the competencies and capacities of each organization. A clear distribution of roles will be specified in the application, including in the budget. Selection of beneficiaries will be based on principles of merit, transparency, equality and rational use of funds and endorsed by the AdTrade project.

#### **IV. ELIGIBILITY OF THE APPLICANTS**

##### **Only organizations fitting below criteria will be admitted to the contest:**

- Only cross-river partnerships of at least two organizations from both banks will be admitted. Under this competition both banks organizations will be able to submit only one project proposal as main applicant, at the same time being allowed to participate as secondary partner in several projects;
- Legal entities registered on the right or left banks of the Nistru river;
- Representing one of the forms of business support organizations (unions of producers, business associations, employers' associations, chambers of commerce, private business services providers, NGOs), which have the competency stipulated in the registration documents to carry out project the activities from the project proposal, being directly responsible for management and implementation of the project;
- Under this competition both banks organizations will be able to submit only one project proposal as main applicant, at the same time being allowed to participate as secondary partner in several projects.
- Organizations which at the time of application do not have debts or arrears for taxes, fees and fines.

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

- The main applicant, or the partners organization was found liable for serious professional or financial mismanagement, proven by such evidence as recognized by UNDP Moldova;
- The main applicant or the partner organization has a history of failing to comply with contractual obligations arising from previous arrangements with donor organizations;
- The main applicant or the partner organization is a state-owned legal entity.

#### **V. BUDGET**

- The budget of the project, 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 organization in case of partnerships;
- 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 planned costs in the budget should be presented based on a VAT of 0%;
- Financial contribution of each partner to be clearly stated in the budget of the project;

- The budget will be split with a proportion of appx. 70 % for the main partner, 30 % seconded partner;
- As main partner may be both left and right bank organization.

#### Eligible expenses include

- Expenses for experts, consultants, personnel, and IT support,
- Expenses for the service providers to deliver services to both implementing organizations 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 purchase 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 (communications, office rent, postal and banking services) shall not exceed 25% of the project budget proposed and be well reasoned.

#### 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 grant programme/other persons providing financial support;
- Individual sponsorship for participation at workshops, seminars, and conferences;
- Individual educational scholarships;
- Covering the current costs of an organization, unless it is clearly related to the project goals;
- Exchange rate losses.

## **VI. EVALUATION CRITERIA OF THE PROJECT PROPOSALS**

**Responsiveness to the pandemic crisis.** The proposal shall describe how the selected business development services will contribute to overcoming the negative effects on the crisis provoked by the pandemic. Particular focus will be addressed to export-led companies. The impact should be evaluated in terms of creation of additional jobs, creation of new partnerships and increase of sales volumes;

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 (proposed activities shall be realistic). Monitoring and evaluation methods shall be proposed.

- **Relevance of the proposed project** refers to the way it contributes to improvement of the institutional capacity in regard to offering services to export led companies from the both banks of Nistru river. The submitted proposals should be original and innovative, or at least unique. The services are in line with the core competency of the organizational and the capacities of the involved staff.

**Project Budget relevance** should be well justified with clearly defined expenses. Co-financing and partner's contributions will count when evaluating the application. In the budget of the project proposal, the applicant should indicate their own contribution, the contribution of the partners and co-financing 3<sup>rd</sup> party, if any. In kind contributions (premises, equipment, vehicles, etc.) of the organization

or partner of the project implementation are to be indicated in the Application Form «Project Description» section and the budget.

**Confidence-building approach** should be applied, so that the activities encompassed in the project proposal will enable businesses people 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: chambers of commerce, business associations, others. Clear roles of the partners should be described in the project proposal;

**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, their relevance in the context of COVID 19 and 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 organizations, local administration, local and central authorities and academia.

**Innovation of the proposed measure** should explain whether the project will lead to **multiplication or spillover effects** in other areas. It should also specify whether the project is a **pilot project** and could be reproduced at a different level or with respect to other initiatives. Applicants are strongly encouraged to consider using innovation approaches, digital solutions and green economy.

**The project proposal to be submitted should prove its sustainability**, by describing a consistent and logic set of actions with clearly defined operational scope, tasks and budgets. Interested applicants shall make sure that their platform 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.

**Note:** The business platforms which previously have implemented projects in the frame of EU-CBM Programme are strongly encouraged to participate in the competition.

Project intervention should be designed with the respect to **human rights and gender equality principles**.

Selection criteria	Description	Score
1. <b>Responsiveness to the pandemic crisis</b>	<p>Number of export-led companies that will benefit of business development services which will contribute to overcoming the negative effects on the crisis provoked by the pandemic (5 beneficiaries 10 p, 10 beneficiaries 20 p)</p> <hr/> <p>The impact of the project is clearly described in terms of creation of additional jobs (3 jobs 10 p, 5 jobs 20 p)</p>	<b>40</b>
2. <b>Relevance of the project</b>	<p>The project interventions are fully in line with the applicant's competency according to their statute (20 p)</p> <hr/> <p>The project staff have enough qualifications and expertise for the project activities (10 p.)</p>	<b>30</b>



3. <b>Implementation logic and development modality</b>	There is a well-defined path for activities to be implemented with a clearly defined logic, where each next activity shall result from the deliverables of the previous one. (10 points) Monitoring and evaluation methods are proposed (10 p) Co-financing of the project (10 points)	<b>30</b>
4. <b>Confidence-building</b>	Project interventions offer development opportunities for the business communities from both banks. Clear roles of the partners should be described in the project proposal and the budget	<b>30</b>
5. <b>The budget relevance and consistency</b>	Justification and relevance of the budget. Coherence of proposed costs estimations	<b>20</b>
6. <b>Impact on the sector</b>	Clearly defined sector issues that will be addressed and potential number of beneficiaries of their interventions	<b>20</b>
7. <b>Innovation of the proposed measure</b>	The project activities indicate elements of innovation, digital, green economy. The project proposal is unique in its kind and will be piloted under this call. Proposed project has multiplication or spillover potential	<b>10</b>
8. <b>Human rights and gender equality</b>	Project intervention should be designed with the respect to human rights and gender equality principles	<b>10</b>
9. <b>Sustainability of the proposed initiatives</b>	Clearly defined sustainability approach is presented	<b>10</b>
<b>Total</b>		<b>200</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 evaluation criteria will not be considered.

## **VII. APPLICATION PROCEDURE**

Interested organizations shall submit a package of documents, which include the Application Form and the documents demonstrating the legal status of the applicant, the statute of the organizations, the partnership agreement, describing each organization role, as well as any other information to demonstrate the experience and the ability of the applicant to implement the project. The narrative part of the application form must include detailed data in respect to the means of achieving the results of the project, the benefits that it will bring and the way in which it will contribute to goals designated for the current competition.

### **The application package:**

- **Application Form** (which will include the requested budget and activities timeline), filled in Russian, Romanian or English. Handwritten Application Forms will not be accepted
  - **Copy of the registration certificate** to prove that the partners are registered legal entities
  - **Copy of the Statute** of the organizations
  - **Partnership agreement**, signed by parties in case of applications submitted by two or more organizations
  - **CV of the applicant organizations**, which will describe the relevant experience with the similar projects;
  - **CVs of key staff to be involved**, involved in project's implementation, but also of the **experts** to be involved, and their **written consent** to participate in the project;
  - **Other relevant materials** to increase credibility of the Applicant for the donor and to complement the Project justification **organization** (including, if applicable, recommendation letters from other donors, developed materials: researches, strategies, training aids, newsletters, brochures; any other relevant materials/information: newspaper articles, audio-/video clips, photo reports from events, etc.).
- The **Application Form** and **Applicant's Guidelines** are posted on the UNDP in Moldova website (<http://www.undp.md/tenders/index.shtml>). These documents can also be received by sending a request to Mrs. Cornelia Panico at the following e-mail: [cornelia.panico@undp.org](mailto:cornelia.panico@undp.org).

Applications will be sent in electronic format by email to [natalia.iachimov@undp.org](mailto:natalia.iachimov@undp.org) and [cornelia.panico@undp.org](mailto:cornelia.panico@undp.org) before the deadline 15 October 2020, 16.00.

Message subject: EOI / Incomplete or handwritten proposals, including annexes will not qualify.

Applications sent by any other means will be rejected. Incomplete applications or those submitted after the deadline shall not be examined. Applications sent by mail should not exceed 20 MB. Applications larger than 20 MB should be split into several messages and each message subject should indicate "part x of y" besides the marking mentioned in the announcement and the solicitation documents.

Additional information on the application process may be requested by contacting Natalia Iachimov, project officer at [natalia.iachimov@undp.org](mailto:natalia.iachimov@undp.org).

### **VIII. SELECTION PROCEDURE**

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 compliance of applications and eligibility of applicants. Evaluate relevance of proposed project, available expertise, proven partnership, but also budget relevance and financial reliability. To the second stage of the selection procedure will be admitted project proposals which comply with eligibility criteria and which will accumulate at least 140 points.

Stage II This stage is carried out by an Evaluation Committee. The projects that receive the highest total number of points will be recommended for final approval by the AdTrade Project Board.

Annex 1- Application Form

Annex 2- Project budget