

Contract ENI/2019/412-346 - CALL FOR PROPOSALS “YOUNG SOCIAL ENTREPRENEURS”

ANNEX 1 - GUIDELINES

1. Project Background

This Call for proposals is launched under the “EU4Youth - Unlocking the potential of young social entrepreneurs in Moldova and Ukraine” project (*hereinafter – the Project*) providing a comprehensive approach to contribute to foster social entrepreneurial potential of young people in Moldova and Ukraine through establishment of favourable ecosystem for social enterprises as well as inspire and support more young social entrepreneurs to develop and sustain their innovative solutions to promotion of social inclusion and environmental sustainability across both countries. The Project is funded by the European Union under its EU4Youth Programme.

The Project aims to:

- (1) improve the legal framework for social entrepreneurship (SE) in Moldova and establish this legislation for Ukraine based on Moldova’s best-practices;
- (2) improve capacity of young social entrepreneurs in business administration, fundraising and advocacy activities for promoting social enterprises’ interests via development of a Moldovan-Ukrainian network of young social entrepreneurs;
- (3) motivate more youth in Moldova and Ukraine to start their social start-ups and recognize their contribution to social inclusion and reduction of inequalities;
- (4) to strengthen relevant business support structures for young entrepreneurs in both countries, including start-up funding.

The project will contribute to the promotion of public-private partnerships in Moldova and Ukraine thanks to the active network of 500 social enterprises established by the project. Furthermore, the EcoHub supporting young social entrepreneurs plays an important role to stimulate mutual learning, information and best practice exchanges among those young social entrepreneurs, as well as provide seed funding for 15 best social start-up initiatives with a strong focus on environmental sustainability and proven records on employment opportunities for the marginalised youth. Additionally, 6 Social Entrepreneurship Labs opened in 6 most depressive and remote regions in Ukraine will ensure reach-out to underprivileged youth incorporating young women, single mothers, and indigenous people. Moreover, the project will attract public attention on social enterprise, integrate social entrepreneurship

topics into university curriculum, support young social entrepreneurs to earn public recognitions for their innovative efforts to contribute to resolve social exclusion, inequalities as well as environmental degradation.

The Project is implemented in partnership of the following 6 organisations: Gustav-Stresemann-Institut e.V. (GSI) - lead organisation (Germany), the National Assistance and Information Centre for NGOs in Moldova CONTACT, AXA Management Consulting (Moldova), ECO-RAZENI Association (Moldova), Égalité International (Ukraine) and Pro NGO! e.V. (Germany).

More information about the project can be found under <https://www.euneighbours.eu/en/east/eu-in-action/youth/eunlocking>

2. Objectives and expected results of the Call

Through this 2-stage Call for proposals (concept note & full proposal stages) the Project foresees funding for 15 social start-up projects for both Moldova and Ukraine.

The *overall objective* of the Call is to provide financial and technical support to social enterprises started or developed by young people in Moldova and Ukraine (aged 18-35) that have innovative social service models or ideas with a clear social and environmental impact.

The *specific objectives* are to:

- (1) enhance capacities of young social entrepreneurs in Moldova and Ukraine by coaching, mentorship and learning by doing approaches and
- (2) provide seed funding for young people in Moldova and Ukraine to start their social, entrepreneurial innovations which contribute to creating more employment opportunities for vulnerable youth, reduction of inequalities, and environmental sustainability.

The *expected results* are:

- (1) 15 social start-up projects are kicked off and suggested workplaces for unemployed young people;
- (2) 15 social start-up projects receive high-quality coaching and mentorship during their implementation; and
- (3) 15 teams of young social entrepreneurs' knowledge and skills are strengthened thanks to the support offered by the Project;
- (4) At least 50% of young SEs applied for seed funding for their start-ups are women
- (5) At least 30% of all workplaces established within the assistance of the project are open for disadvantaged people;
- (6) At least 20% of selected grant initiatives are about environmental sustainability.

Financial allocation provided by the Project

The *overall indicative amount* made available under this Call for proposals is EUR 150.000.

Lot 1 for Ukraine: 3,100,000 UAH

Lot 2 for Moldova: 1,050,000 MDL

The contracting authorities reserve the right not to award all available funds, or to change the distribution between the lots if not enough project applications are received.

Size of grants

Any grant requested under this Call for proposals must fall between the following minimum and maximum amounts:

- minimum amount: 280,000 UAH / 190,000 MDL
- maximum amount: 310,000 UAH / 210,000 MDL

Payment process

Financial support to the projects will be given in 2 tranches (advance payment of 90% after contract signature, a closing payment of 10% after approval of the final report and submission of financial documents).

Important notes!

Project budgets are subsidised at 100% of the project's eligible costs. All costs exceeding the maximum agreed project costs must be borne by the applicant and its project partner(s).

Applicants will have to submit a detailed budget for their projects. Before signing a financing contract, their budgets will undergo a review, and if necessary, corrections will be done before the exact amount per contract will be fixed.

3. Eligibility criteria for actions

Definition: An action is composed of a set of activities.

Duration: The initial planned duration of an action may not exceed 6 months.

Location: Geographical preference will be given to the following regions:

Lot 1 for Ukraine: all regions

Lot 2 for Moldova: all regions except Cahul and Ungheni rayons

Types of actions:

Activities supported may include, but are not limited to, the following:

- Establishment of workplaces for disadvantaged youth, especially young women, in Moldova and Ukraine
- Production of innovative services or goods which contribute to address environmental or social problems in the targeted countries, and are undersupplied by the governments
- Marketing & advertisement activities
- Organisation of on-the-job training for employees

Important notes!

An encouragement will be given to the proposals with a strong focus on positive environmental effects and proven records on employment opportunities for disadvantaged and vulnerable youth, especially young women.

If awarded, the grantees must participate in additional activities to be organised by the Project, such as info-sessions, training, coaching, inter-country exchange visits and others (Costs for these additional activities are borne by the contracting authority and do not have to be included in the project budget by the applicants).

The following types of action are ineligible:

- actions concerned only or mainly with individual sponsorships for participation in workshops, seminars, conferences and congresses
- actions concerned only or mainly with individual scholarships for studies or training courses
- actions supporting individual political parties, groups and movements
- actions supporting for religious events or various religious organisations and institutions
- acts that discriminate against individuals or groups on the basis of gender, sexual orientation, religious beliefs or lack thereof, or their ethnic origin
- actions which consist fully and exclusively of the production and maintenance of websites, the production of magazines and newspapers, the organisation of conferences or seminars and the production of academic studies or reports
- purchase of land or buildings
- microfinance and microcredit

4. Eligibility criteria for applicants

To be eligible for financial support, the applicant must:

Lot 1 for Ukraine:

- be registered non-profit organisations (NGOs) in Ukraine for at least 1 year before signature of the financing contract
- or registered businesses (i.e. Ltd.)
- or registered individual entrepreneurs
- or non-registered groups and natural persons (with compulsory registration as Ltd. or individual entrepreneur before signature of the financing contract)

Lot 2 for Moldova:

- be registered non-profit organisations (NGOs)
- or be registered businesses (i.e. Ltd.)
- or non-registered groups and natural persons (with compulsory registration as Ltd. before signature of the financing contract)

Valid for lot 1 and lot 2:

- be directly responsible for the preparation and management of the project, not acting as an intermediary
- involve young people aged 18-35 in implementation of the action (to be proved by CV of the proposed project coordinator, refer to annex 7)
- Potential applicants may not participate in this Call for proposals or be awarded grants if they are in any of the situations listed in Section 2.6.10.1 of the practical guide (available at <http://ec.europa.eu/europeaid/prag/document.do?locale=en>). Short-listed applicants must fill in and sign the declaration on honour (annex 5) certifying that they are not in one of the exclusion situations abovementioned.

Number of applications and grants per applicant

An applicant may not submit more than one application under this Call for proposals.

The applicant may not be awarded more than one grant under this Call for proposals.

5. Eligibility criteria for costs

The following costs are eligible:

- Marketing analysis costs
- Product promotion and advertisement expenses
- Raw materials
- Rent of premises for business start-ups
- Costs incurred with relation to staff training
- Purchase of equipment and relevant spare parts
- Fees for project staff (to be limited to 10% of the overall budget)
- Travel and transportation costs

- Publication of project materials
- Project communication and visibility costs
- Utility and maintenance costs
- Taxes, including VAT, are eligible only when the beneficiaries make an effort and can show official evidence of failure to reclaim them

The following costs are not eligible:

- debts and debt service charges (interest)
- provisions for losses or potential future liabilities
- costs declared by the beneficiary(ies) and financed by another action or work programme receiving a European Union (including through EDF) grant
- purchases of land or buildings
- currency exchange losses
- credit to third parties
- salary costs of the personnel of national administrations

Important note!

There are no lower or upper limits for the individual expenditure items, but it is the applicant's responsibility to submit a realistic and balanced budget that fits the project and reflects the planned activities.

6. How to apply and the procedures to follow

This Call for proposals consists of 2 stages: concept note and full proposal.

A) Concept note procedures

Applications must be submitted using the application form for concept notes (Annex 2).

Applicants must apply in one of the following languages: English, Romanian, Ukrainian, Russian.

Only the concept note form will be evaluated. It is therefore of utmost importance that this document contains all relevant information concerning the action. No additional annexes should be sent.

Hand-written concept notes will not be accepted.

The concept note must be submitted in electronic version to the following email address:

Lot 1 for Ukraine: mini-grants@egaliteint.org

Lot 2 for Moldova: concurs@contact.md

The deadline for the submission of concept notes is **08.10.2021 at 17:00** (local Moldovan / Ukrainian time). Any concept note submitted after the deadline will be rejected.

Questions may be sent by e-mail until 21.09.2021.

Information sessions will be organised by the contracting authority on 23.09.2021.

E-mail address for your questions:

Lot 1 for Ukraine: maina@egaliteint.org

Lot 2 for Moldova: info@contact.md

Important notes!

To ensure equal treatment of applicants, the Project team cannot give a prior opinion on the eligibility of applicants, an action, or specific activities.

No individual replies will be given to questions.

All questions and answers as well as other important notices to applicants during the course of the evaluation procedure will be published at:

Lot 1: www.egaliteint.org

Lot 2: www.contact.md

It is therefore advisable to consult the abovementioned website regularly in order to be informed of the questions and answers published.

B) Full application procedures

The applicants invited to submit a full application following pre-selection of their concept note must do so using a form annexed to these guidelines (Annex 3). Applicants should then keep strictly to the format of the full application form and fill in the paragraphs and pages in order.

The elements outlined in the concept note cannot be modified by the applicant in the full application. Any major inconsistency in the full application may lead to the rejection of the application.

The applicants must submit their full applications in the same language as their concept notes.

Please complete the full application form carefully and as clearly as possible so that it can be assessed properly.

Hand-written applications will not be accepted.

Please note that only the full application form (annex 3) and the published annexes which have to be filled in (annexes 4, 5, 6) along with compulsory supporting documents (annex 7)

will be transmitted to the evaluators. No additional annexes should be sent. It is therefore of utmost importance that these documents contain all the relevant information concerning the action.

Full application forms together with all annexes must be submitted in electronic version to the following email address:

Lot 1 for Ukraine: mini-grants@egaliteint.org

Lot 2 for Moldova: concurs@contact.md

Please note that incomplete applications will be rejected.

The deadline for the submission of full applications will be indicated in the letter sent to the applicants whose application has been pre-selected. Any application submitted after the deadline will be rejected.

Questions may be sent by e-mail no later than 10 days before the deadline for the submission of full proposals to the address below, clearly indicating the reference number of the application given during the concept note evaluation stage:

E-mail address for your questions:

Lot 1 for Ukraine: maina@egaliteint.org

Lot 2 for Moldova: info@contact.md

The Project team has no obligation to provide clarifications to questions received after this date. Replies will be given no later than 5 days before the deadline for submission of full applications.

No individual replies will be given to questions. All questions and answers as well as other important notices to applicants during the course of the evaluation procedure will be published at:

Lot 1: www.egaliteint.org

Lot 2: www.contact.md

It is therefore advisable to consult the abovementioned website regularly in order to be informed of the questions and answers published.

7. Evaluation and selection of applications

To ensure a fair and transparent selection, the evaluation process follows the following steps:

A) *concept note stage*

- 1) pre-check of eligibility of the applicant

- 2) check if the deadline has been met (otherwise the application will be automatically rejected)
- 3) pre-check of proposed project objectives, results and sustainability

Evaluation Grid

Section	Maximum Score
Relevance and capacity of the Applicant	5
Relevance and design of the Project	5
Relevance and competitive advantage of the Product / Service	5
Relevance to the needs of Target Group(s) / Consumers	5
Relevance of the Budget & Business Forecast	5
Maximum total score	25

Once all concept notes have been assessed, a list will be drawn up with the proposed actions ranked according to their total score.

Applicants will receive a letter by email indicating the reference number of their application and the respective results. The pre-selected lead applicants will subsequently be invited to submit full applications.

B) full proposal stage

To ensure a fair and transparent selection, the evaluation process follows the following steps:

- 1) administrative check (eligibility of the applicant)
- 2) check if the deadline has been met (otherwise the application will be automatically rejected)
- 3) check if all criteria of the guidelines of the call have been met.

If the application passed above steps, it will be further evaluated on its quality, including the proposed budget, business plan and capacity of the applicant.

If any of the requested information is missing or is incorrect, the application may be rejected on that sole basis and the application will not be evaluated further.

Full proposals will be evaluated using the following evaluation grid where the evaluation criteria are divided into headings and subheadings. Each subheading will be given a score between 1 and 5 as follows: 1 = very poor; 2 = poor; 3 = adequate; 4 = good; 5 = very good.

Evaluation Grid

Section	Maximum Score
1. Relevance of the Applicant and Action	15
1.1 Technical and management capacity of the Applicant to implement the Action and run a proposed business	5
1.2 Relevance of the Action to the overall and specific objectives, expected results and types of actions of the Call foreseen in the Guidelines (Sections 2 & 3)	5*
2. Reliability of the market research and analysis	10
2.1 Sufficient number of facts to find out whether the proposed product/service will have a target market and whether it will be able to achieve sufficient sales despite competition on the market	5
2.2 Unique features of the proposed product/service	5
3. Effectiveness of the marketing & promotion	10
3.1 Comprehensiveness of the marketing strategy to increase sales of product/service in future and pricing policy to keep the market position and make a profit	5
3.2 Creativity and innovation in implementation tactics to ensure sales and distribution of goods/services and in advertising to attract potential customers to the proposed product/service	5
4. Coherence of the operational plan and competences of the human resources	10
4.1 Availability of adequate resources (e.g., buildings and premises, location, space requirements, capital equipment, and labour) that an enterprise will need to produce a product or provide a service	5
4.2 Capability of the team to be involved to perform the assigned roles in implementation of the Action and running a business	5
5. Efficiency of the financial plan, business plan and budget of the Action	15
5.1 Reliability of the forecast of future activities (incl. sources and usage of funds, forecast for primary expenses and expected incomes, break-even analysis)	5
5.2 Justification for the expected level of profitability of the proposed product/service in the business plan	5
5.3 Cost-effectiveness of the Action, relevance to the eligibility of costs (Section 5 of the Guidelines) and ratio between the estimated costs in the budget and the expected results of the Action	5
Maximum total score	60

****:** *this score is multiplied by 2 because of its importance*

8. Indicative timetable

	DATE	TIME*
Public notice of the Call for proposals	09.09.2021	./.
Deadline for requesting any clarifications from the Project team	21.09.2021	./.
Info session for potential applicants	23.09.2021	To be published 1 week before
Last date on which clarifications are issued by the Project team	30.09.2021	./.
Deadline for submission of concept notes	08.10.2021	17:00h
Information to the applicants on concept note evaluation & invitations to submit full applications	22.10.2021	./.
Deadline for requesting any clarifications from the Project team	09.11.2021	./.
Last date on which clarifications are issued by the Project team	15.11.2021	./.
Deadline for submission of full applications	19.11.2021	17:00h
Information to the applicants on evaluation of the full applications & notification of award	17.12.2021	./.
Contract signature	January 2022	./.
Opening ceremony, start of implementation	February 2022	./.

**All times are in the time zone of the target countries.*

9. List of the Annexes

Documents to be completed at the concept note stage:

- 1) Annex 2 - concept note form

Documents to be completed at the full proposal stage:

- 1) Annex 3 - full proposal form
- 2) Annex 4 – budget
- 3) Annex 5 – declaration on honour
- 4) Annex 6 – business plan
- 5) Annex 7 – registration of the applicant & CV of coordinator, for Lot 2: Excerpt from the state registration authority ASP