

**Guidelines for**

**Call for Proposals for Sub Grant Scheme**

**Youth in Agribusiness- East Economic Region**

**An EU funded project managed by European Union Office in Kosovo**

**Deadline for submission of applications:**

**05th of July 2019, 16:00h**

1. **BACKGROUND DESCRIPTION OF ACTIVITY**

This call for proposal for sub-grants is launched as part of the project “Youth in Agribusiness- East Economic Region” financed by the European Union and managed by the European Union Office in Kosovo and implemented by the Municipality of Gjilan in cooperation with East Region Municipalities.

The project started in August 2018 and will last 22 months. The overall objective of “Youth in Agribusiness- East Economic Region” project is to create gainful employment and income generation for youth in East Economic Region.

The project has the following specific objectives:

* Providing opportunities to rural youth that promote innovative agricultural enterprise and agri-business
* Raising agribusiness skill levels and economic opportunities to rural youth
* Advancing youth lead agribusiness networks and provide interactive information service
* Raising awareness of gender issues among youth and providing equal opportunity for agribusiness advancement to young women.

The specific objectives of this call for proposal are:

* Creating job opportunities for the youth and lowering the unemployment rate
* Supporting the expansion of the businesses.

The initiatives supported by the Sub-Grant Scheme are expected to focus, in particular to the need of the constituent base at business level, within the following fields:

* Agriculture
* Food Processing

This Call for Proposal will be divided into two Lots as follows:

**Lot 1- New Business Projects (start- up enterprises) with an indicative budget of EUR 130,000**

**Lot 2- Existing Enterprises (enterprises under 2 years) with an indicative budget of EUR 60,000**

**Size of sub-grants must fall between the following minimum and maximum amounts:**

**Lot 1**- New business projects (start-up enterprises) - the amount per project proposal varies from **EUR 2,000** up to **EUR 4,000.**

**Lot 2**- Existing enterprises (enterprises, under 2 years) - the amount per project proposal varies from **EUR 5,000- EUR 10,000.**

For all LOTs, the co-financing percentage by the applicants is at least 10%.

The deadline for application is **05th of July 2019, 16:00h.**

1. **ELIGIBILITY**
	1. **Eligibility of applicants**

Applicants must fulfill the following criteria:

**LOT 1**

* be citizens of Kosovo.
* the applicant must legally establish the business in Kosovo prior to signing the Sub-Grant Contract
* be registered as a business for the activities envisaged by the proposed action at the time of receiving a grant;
	+ be directly responsible for the preparation and management of the action.
	+ possession of a business plan for a period of three years
	+ candidate should come from East Economic Region of Kosovo
	+ the candidate must provide a document of ownership for him/her or provide an official document for using land from a member of immediate family
	+ the candidate possesses sufficient labor force for agricultural activities
	+ possess training certificate on Skills and capacity development on agriculture
	+ be able to continue the particular agricultural business after the project is finished
	+ advantage will have families with lower income, applicants from remote rural areas and female farmers.
	+ advantage for youth under 25 years old.

**LOT 2**

* be citizens of Kosovo.
* be 100% privately owned micro or small enterprise registered in Kosovo under Kosovo law Number No.06/L-16
* to possess the list of assets that the business owns,
* be registered as a business for the activities envisaged by the proposed action at the time of receiving a grant;
	+ written proof that the business has no obligation against TAK
	+ be directly responsible for the preparation and management of the action.
	+ possession of a business plan for a period of time of three years
	+ candidate should come from East Economic Region of Kosovo
	+ the candidate must provide a document of ownership for him/her or provide an official document for using land from a member of immediate family
	+ the candidate possesses sufficient labor force for agricultural activities
	+ possess training certificate on Skills and capacity development on agriculture
	+ be able to continue the particular agricultural business after the project is finished
	+ advantage will have families will lower income, applicants from remote rural areas and female farmers.
	+ advantage for youth under 25 years old

The following categories are NOT eligible for this call:

Potential applicants are excluded from the call for proposal if they fall under any of the below mentioned criteria:

* They are bankrupt or being wound up, are having their affairs administered by the courts, have entered into an arrangement with creditors, have suspended business activities, are the subject of proceedings concerning those matters, or are in any analogous situation arising from a similar procedure provided for in national legislation or regulations;
* They, or persons having powers of representation, decision making or control over them, have been convicted of an offence concerning their professional conduct by a judgment of a competent authority of a Member State which has the force of res judicata; (i.e. against which no appeal is possible);
* They are not in compliance with their obligations relating to the payment of contributions or the payment of taxes in accordance with the legal provisions of the national law.
* They, or persons having powers of representation, decision making or control over them, have been the subject of a judgment which has the force of res judicata for fraud, corruption, involvement in a criminal organization, money laundering or any other illegal activity, where such an illegal activity is detrimental to the EU's financial interests;
	1. **Eligible activities: desired actions within the scope of the project**
* **Scope (geographical coverage) –** all actions under this call for proposals will be required to be implemented in Municipalities of East Economic Region of Kosovo.
* **Duration** – For two Lots:

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

* **Eligible activities/type of actions:**

Proposals for financing should be technically and financially independent.

Actions shall have tangible and visible impact on companies and employment growth, increased production capacities, improved or optimized product/service development life cycles, new product/service development and product/service diversification, new sales and distribution channels, increased sales in Kosovo or international market, value chains development and similar.

The following types of activity in line with the Youth in Agribusiness -East Economic Region

Project’s objectives count as eligible expenditure and may be financed under this Call for Proposals:

* investments into tangible assets related either to the purchasing of saplings, irrigation system milking system, equipment, machinery, production line, software, and similar and/or improvement of production processes and methods and including assets that may assist companies to be less dependent on external factors that may occur
* specialized training related to the above-mentioned investments, e.g. training on using new technology or equipment;
* marketing activities (e.g. participation at Trade Fairs company and/or product line website development in more languages, etc.) to promote improved or new products and services related to agriculture
	1. **Non-eligible activities**
* Actions concerned only or mainly with individual sponsorships for participation in workshops, seminars, conferences, etc.
* Actions that are directly affiliated with or supportive to political parties
* Financial support to third parties (re-granting is not eligible activity under this call)
* Actions which consist exclusively or primarily in capital expenditures, such as land
1. **Costs Eligibility**

**3.1 Eligible costs**

Eligible costs are actual costs incurred by the Beneficiary (ies), which meet all the following criteria:

1. They are incurred during duration of the action, as specified under **2.2**
2. They are indicated in the estimated overall budget
3. They are incurred in the connection with the project which is the subject of the grant and are necessary for the implementation of the action
4. They are reasonable, justified and comply with the requirements of sound financial management, particularly in regards with economy and efficiency

**3.2 Ineligible costs**

The following costs are not eligible:

* Debt and debt service charges (interest)
* Provisions for losses or potential future liabilities
* Purchases of land or buildings
* Purchase of vehicles
* Taxes, including value added taxes (VAT)
* Costs declared by the beneficiary and covered by another action or work programme
* Credits to third parties
* Sponsorship for participation in conferences within Kosovo or abroad
* Costs related existing activities, initiatives or items that are usually part of the central or local government funding
1. **APPLICATION PROCEDURES**

The application phase is open for the public from **30th of May 2019 to 05th of July 2019.**

The Application Package to be submitted includes the following documents:

**LOT 1**

* Application Form (which will be provided together with the Application Guidelines)
* Budget Form (which will be provided together with the Application Guidelines)
* Business Certificate ( before signing the contract the start- up business should be registered)
* Identification Farmer Number
* Confirmation of Bank Account
* Evidence of Land Ownership
* Training Certificate on Returns on Investments in Agribusiness
* Training Certificate on Business Plan Development on Agribusiness
* Business Plan
* Confirmation or CRK from BQK that the applicant does not have any bad credit
* Legal Entity Form
* Financial Identification Form

**Lot 2**

* Application Form (which will be provided together with the Application Guidelines)
* Budget Form (which will be provided together with the Application Guidelines)
* Business Certificate
* Identification Farmer Number
* Confirmation of Bank Account
* Evidence of Land Ownership
* Training Certificate on Returns on Investments in Agribusiness
* Training Certificate on Business Plan Development on Agribusiness
* Business Plan
* Confirmation or CRK from BQK that the applicant does not have any bad credit
* Legal Entity Form
* Financial Identification Form

The application procedure is available in two forms:

* Downloading the application forms from the project website www.farmeri.org, and submitting by electronically e-mail at municipalitygjilan@gmail.com
* Through the hand delivery application to the office of the project St. “Mulla Idirizi” no. 148, Gjilan.
* Applicants are encouraged, but not urged to use the e-tool. Those choosing to download the forms from the website and submit them by e-mail, will be treated and evaluated equally.
* The applications downloaded through the project website www.farmeri.org, and electronically submitted MUST be sent by e-mail to municipalitygjilan@gmail.com , **latest by 05th of July, 2019 at 16:00.**

All questions and answers as well as other important notices to applicants will be published on project website www.farmeri.org and Municipality of Gjilan official website, no later than **24th of July 2019**.

Questions regarding the propositions of this Call for Proposals as well as all applications can be written and submitted in Albanian, Serbian, or English language.

1. **EVALUATION AND SELECTION OF APPLICATIONS**

The selection of sub- grant recipients will be a three step process: pre-assessment, assessment and awarding. Each application will be pre-assessed to ensure that the basic requirements are met and that the application is in compliance with the eligibility criteria as follows:

• The applicant is a local farmer registered in Kosovo

• The applicant is 18-30 years old

• Application form is fully completed and includes required attachments

• Application is submitted before the deadline

• The requested financial support does not exceed the maximum grant amount of this call

An application must comply with all these criteria in order to proceed to the assessment phase. Applications not complying with the above criteria will be rejected.

Below, the table of criteria based on what the evaluation will take place.

**LOT 1**

|  |  |  |
| --- | --- | --- |
|  | **Criteria**  | **Maximum coefficient** |
| **1** | **Technical approach** | **60 in total** |
|  | The applicant action belong to the one of the sectors mentioned by this call | 20 |
|  | Relevance to the needs and issues addressed  | 10 |
|  | Registered business  | 10 |
|  | Certificate of Training on Returns on Investments | 10 |
|  | Certificate of Training on Business Plan Development | 10 |
| **2** | **Organizational capacity**  | **20 in total** |
|  | Administrative and managerial capacities | 10 |
|  | Financial capacities | 10 |
| **3** | **Cost proposal** | **20 in total** |
|  | Cost-effectiveness of the budget | 10 |
|  | Adequate financial management capability/transparency | 10 |

**LOT 2**

|  |  |  |
| --- | --- | --- |
|  | **Criteria**  | **Maximum coefficient** |
| **1** | **Technical approach** | **60 in total** |
|  | The applicant and/or its proposed activities qualify as a quality improvement of main product  | 20 |
|  | Relevance to the needs and issues addressed  | 10 |
|  | Registered business  | 10 |
|  | Certificate of Training on Returns on Investments | 10 |
|  | Certificate of Training on Business Plan Development | 10 |
| **2** | **Organizational capacity and past performance** | **20 in total** |
|  | Administrative, financial, and managerial capacities | 10 |
|  | Relevant past experience and results in similar grants | 10 |
| **3** | **Cost proposal** | **20 in total** |
|  | Cost-effectiveness of the budget | 10 |
|  | Adequate financial management capability/transparency | 10 |

1. **CONTRACT**

The Sub- Granting Authority, Municipality of Gjilan, signs the contract with the beneficiary, which will include information of the activities to be carried out, the contract value, the modalities of payment and reporting.

The first pre-financing payment covering 80% of the sub-grant amount will be made after both parties’ signs the contract.

The second and final payment covering the value of 20% will be paid upon completion of the last activity within the applied project and after the approval of the final report delivered by the beneficiary.

1. **MENTORING AND SUPPORT TO BENEFICIARIES**

The Sub-Granting Authority will ensure that potential applicants receive adequate support during, both, the application process and implementation of their projects.

Moreover, coaching and mentoring sessions will be provided for successful applicants, which intend to guide and assist beneficiaries in implementing their activities related to the action.

1. **MONITORING**

The Sub-Granting Authority will monitor the work of successful applicants to ensure the correct project activity implementation. The monitoring will take place through on the spot checks, reporting, and regular meetings.

1. **VISIBILITY**

Beneficiaries must acknowledge the EU-funds contribution in all investments.

1. **REPORTING**

The beneficiary is required to submit the final report no later than 30 days after the end of the implementation of the action. The final report should include:

* Narrative section: in no more than 2 pages, a summary of the activities implemented, the main evidence supporting them and recommendations arising from them
* Financial section: includes details on the expenditures (copies of all invoices)
* Annexes: documents that can verify the implementation of the action such as, offers requested for equipment’s photos and other relevant documentations
* The narrative and financial reporting forms will be provided to grantees in the first phase of the implementation of the project
1. **INDICATIVE TIMETABLE**

|  |  |  |
| --- | --- | --- |
| **Description** | **DATE** | **TIME** |
| Public announcement of the Call for Proposal | 30 May | N/A |
| Deadline for requesting any clarifications | 14 June | 23:59 |
| Deadline for submission of Applications | 05 July | 16:00 |
| Notification of award to applicants after the evaluation | July 2019 | N/A |
| Deadline for Appeals on the Award Decision | July 2019 | N/A |
| Final decision on the Awards | July 2019 | N/A |
| Contract preparation and provision of supporting documentation in correspondence between selected applicants and Granting Authority | July- August 2019 | N/A |