Provision of sub-grants for product and service development of women start-up entrepreneurs in North and South Mitrovica

Open Call for Grant Proposals

**Reference number: CBM-EURED/GRANTS/2016**

**April 2016**

Contents

[1. Background 3](#_Toc438503118)

[2. Introduction 3](#_Toc438503119)

[3. Objectives 6](#_Toc438503120)

[4. Scope of intervention 6](#_Toc438503121)

[5. Rules for this call for proposals 7](#_Toc438503122)

[general eligibility criteria 7](#_Toc438503123)

[duration of projects 7](#_Toc438503124)

[grant amounts 7](#_Toc438503125)

[partnerships 8](#_Toc438503126)

[number of applications and grants per applicant 8](#_Toc438503127)

[eligibility of costs: costs that can be included 8](#_Toc438503128)

[non-eligible activities and expenditures 10](#_Toc438503129)

[sustainability 11](#_Toc438503130)

[the selection criteria 11](#_Toc438503131)

[submitting the project proposals 12](#_Toc438503132)

[implementation and monitoring 13](#_Toc438503133)

[branding and visibility requirements 13](#_Toc438503134)

[deadline for submission of project proposals 13](#_Toc438503135)

[further information 14](#_Toc438503136)

[evaluation and selection of applications 15](#_Toc438503137)

[annexes 17](#_Toc438503138)

# 1. Background

“Supportive business environment for women start-ups in North and South Mitrovica” is project implemented by Community Building Mitrovica (CBM) and D&G Solutions. Project is funded and managed by the European Union Office in Kosovo. The implementation of the project has been started in January 2014, and duration of the project is 20 months..

Overall objective of the project is contribution to sustainable economic and social improvement of North & South Mitrovica through inclusion of women in private sector development. Specific objective of the project is the establishment of supporting business environment for women start-up entrepreneurs in North & South Mitrovica.

Main activities of the project are addressed to improvement of capacities of women to successfully establish and run their own businesses, provision of sub-grants for product/service development of women start-up entrepreneurs in North and South Mitrovica and development of mechanism for provision of sustainable support to women entrepreneurs in North and South Mitrovicë/a through mentoring, consultancy and support over web platform.

The Project works towards achieving three main results:

1. Facilitated networking and competency building of women start-up entrepreneurs in North and South Mitrovica;
2. Established women start-up’ mentorship platform in North & South Mitrovica, and
3. Supported cooperative production and marketing of women start-up entrepreneurs in North and South Mitrovica

Target group of the action are women start-up entrepreneurs from North and South Mitrovica. Final beneficiaries are inhabitants of North and South Mitrovica.

# 2. Introduction

The background of the action is result of the ongoing coordination between the prominent civil society organizations (CBM Mitrovica and D&G Solutions, hereinafter: Contracting Authority) from North & South Mitrovica, which have recognized the importance of bringing more women into the private sector, not only as a tool for economic regeneration of both areas, but also as an incentive of social and ethnic reconciliation. Action it is designed to support achievement of the Strategy for the Economic Region North, specifically, the priority No.2 - Improvement of the Competitive Business Environment. Empowering women to actively participate in the competitive business environment and to the improvement of their economic performance in Kosovo’s North Region through common actions, strengthening capacities, and marketing of products. The objectives of this Action will realize the Kosovo's Medium-Term Expenditure Framework’s (MTEF) main goal on introducing a culture of entrepreneurship for Human Resources improvement and economic regeneration.

According to the EU Progress Report for Kosovo for 2013, businesses consider the lack of access to finance, power cuts, unfair competition and corruption as the main obstacles to doing business. Weak administration, unreliable electricity supply and deficient rule of law have continued to hinder private sector development. Also, there is large informal sector fuelled by weaknesses in tax, expenditure policies and law enforcement, as a major challenge to economic growth. Women’s representation in the public and private sectors remains low. Women participation in the business activity remains significantly low. Low activity and employment rates overall, notably among women, the high share of informal sector, and very high unemployment remains serious concerns for overall Kosovo’s socioeconomic development.

Estimations point to less than 10% of female entrepreneurs in the entire population of entrepreneurs. This figure is substantially less compared to western developed economies where the female entrepreneurial participation ranges from 25 – 45 %. Limited access to new technologies and inadequate market services are some of key barriers for economic development of (women) businesses in the target area. One of the causes for this may lie in lack of clusters organization and lack of networking and cooperation amongst businesses in general and in particular for women businesses.

The territories where the action will focus are municipalities covering population of 130,000 people, of which 17,000 are Kosovo Serbs (according to OSCE Municipal profiles, September, 2009). Economic growth has been proven as the best way to break the vicious circle of political and ethnic impasse. By inclusion of more women in the labor market in Mitrovica, the action will strengthen the role of women in influencing the economic revitalization and ethnic conciliation between North & South Mitrovica. This will be achieved through assisting the women to start their businesses, link them with experienced counterparts and facilitate the marketing and promotion of their products and services.

The target groups of the action are women start-up businesses from the Municipalities of Mitrovica, both North and South. Women have been chosen as they still confront many barriers to starting a business or expanding an existing business. It is expected that 100 women start-ups will receive capacity building, whereas 30 women start-ups will also receive sub-granting for improving the development of their products and services. The purpose of the proposed action is to upgrade the low business skills of women entrepreneurs in North and South Mitrovica, establishing closer economic and social cooperation by:

* Founding a sustainable network of comprehensive support around women engaged in economic activities (experienced women business mentors), in order for women start-ups to get acquainted with basic business skills, business relations, marketing and branding of their products;
* Increasing / improving the (self) employability, productivity and income-generating capacity of women start-ups/new businesses;
* Increasing business revenues for women business start-ups by financing high growth and employment generation projects in both areas;
* Improving economic cooperation between North & South Mitrovica;
* Contribution to reconciliation of people through social and economic cooperation.

The specific problems facing the women in businesses in Mitrovica to be addressed with this action are several. First, minority of women are involved in business activity, due to lack of support and weak business networks. Second, there is lack of capacity to engage with each other and exchange knowledge and skills for business improvement. Third, the lack of business mentorship from peers often is listed as major challenge of women facing both traditional and conservative surrounding in Mitrovica. As the direct consequence of this situation, most of the businesses are not sustainable and profitable, and cannot contribute to the development of the region. Fourth, although good quality products are produced, businesses lack the capacity and finances for product/service development. The particular needs of the target groups that need addressing is informing and supporting them on cooperative production and marketing, overcoming the existing borders, challenges and stereotypes.

A special component of the support to marketing, branding and general cooperation of women start-up/entrepreneurs in North & South Mitrovica is the sub-granting. The main aim of the sub-granting is to support 30 new women start-ups whose business ideas and plans will result in high growth, increasing employment and will lead to economic reconciliation between communities in North & South Mitrovica.

Grants for support to newly established women-led start-up businesses in agriculture, services and light manufacturing sectors within the project “Supportive business environment for women start-ups in North and South Mitrovica” will be awarded only for procurement of the equipment.

# 3. Objectives

The objective of this Open Call for Grant Proposals is to support product/service development of women start-ups in North & South Mitrovica. Expected results awarded projects should achieve are: 1) Sub-granted 30 women start-ups starting business activities (registered businesses), 2) Monitoring and evaluation of the sub-grants’ implementation, and 3) Findings and recommendations for future financial assistance to women start-ups.

The objective of this intervention is to promote and advocate women entrepreneurship and self-employment, by supporting creation of women-owned-and-run business start-ups.

# 4. Scope of intervention

Intervention should contribute the achievement of the Second result of the project “Supportive business environment for women start-ups in North and South Mitrovica”: *Supported marketing of women start-up entrepreneurs in North and South Mitrovicë/a*. Grants provided under this open Call for Grant Proposals will provide small financial assistance to selected women start-ups in North and South Mitrovica.

Contracting Authority, with assistance from the newly formed women mentors’ platform, will select the most promising, high growth and employment generation projects applied by women start-up/entrepreneurs. At the same time, a call for consultancy will be issued to provide additional consultancy for marketing or branding of women entrepreneurs’ products and/or how to increase their business links.

Subject of this open Call for Grant Proposals is to fund eligible start-ups that are to be legally registered (see below for details), owned and run by women, with an equivalent from 2,500 and up to EUR 7,500 per grant, for purchasing machinery, equipment and durable goods only. Up to 30 start-ups will be supported, but the final number may vary reflecting the availability of the funds for this activity.

As the applicant of the project “Supportive business environment for women start-ups in North and South Mitrovica”, Contracting Authority will award grant proposals selected, evaluated and approved in a transparent and structured process, which are addressing one of the following key thematic areas and sectors:

* Services,
* Agriculture,and
* Light Manufacturing (small productions)

# 5. Rules for this Call for Proposals

## GENERAL ELIGIBILITY CRITERIA

Eligible to apply in this Call for Grant Proposals are unemployed women. Those women, who will be successful in this process and sign the grant contract, will be expected to own and run the business. Nascent women-owned business entities not older than 2 years from the day of the announcement of this Call are also eligible to participate.

The applicant must have permanent residence, live and plan to work, in the territory administratively covered by the municipalities of South and North Mitrovica. One applicant can submit only one grant proposal. One applicant can be awarded with only one grant. Only businesses in manufacturing and services provision sectors will be taken into consideration. Proposals for start-ups in trade, production and processing of tobacco, lotteries or betting shops, or production and trade of the substances, materials and product controlled by the Law will not be taken into consideration, nor supported. Only purchase of machinery, equipment and durable goods will be supported.

Other conditions:

* Applicants must be directly responsible for the preparation and management of the action with their partners, not acting as an intermediary;
* Non-profit entities, public bodies and NGOs are not eligible to apply for grants under this Call for Grant Proposals;

## DURATION OF PROJECTS

The implementation of the Provision of sub-grants for product and service development of women start-up entrepreneurs in North and South Mitrovica will last for a maximum of 3 (three) months from the day grant contracts signing process is finalized.

## GRANT AMOUNTS

Eligible size of the grants will be from EUR 2,500.00 to 7,500.00.

Total budget available for this Call for Project Proposals is EUR 112,500.00.

Contracting Authority does not have an obligation to spend all funds available for this activity (EUR 112,500.00) and will fund only quality projects that meet specific criteria, selected in a transparent and competitive process.

Any grant requested under this Call for Proposals must fall between the following minimum and maximum percentages of total eligible costs of the action:

* Minimum percentage: 55% of the total estimated eligible costs of the action
* Maximum percentage: 100% of the total estimated eligible costs of the action

## PARTNERSHIPS

Partnership is not allowed. Each applicant must act individually.

## 

## NUMBER OF APPLICATIONS AND GRANTS PER APPLICANT

Each applicant may not submit more than 1 application per lot under this Call for Grant Proposals.

Each applicant may not be awarded more than 1 grant under this Call for Grant Proposals.

## ELIGIBILITY OF COSTS: COSTS THAT CAN BE INCLUDED

**Eligible costs**

Only “eligible costs” can be covered by a grant. The categories of eligible and non-eligible costs are indicated below.

* Eligible costs are costs actually incurred by the beneficiary of a grant which meet the following criteria:
* They are incurred during the duration of the action;
* They are indicated in the estimated overall budget;
* They are incurred in the connection with the action which is the subject of the grant and are necessary for the implementation of the action;
* They are identifiable and verifiable, in particular being recorded in the accounting records of the beneficiary and determined according to the applicable accounting standards of Kosovo and according to the usual cost-accounting practices of the beneficiary;
* They comply with the requirements of applicable tax and social legislation.

Only costs of purchase of machinery, equipment and durable goods will be considered as eligible. Any other costs will be considered as ineligible and will not be considered, nor approved.

**Ineligible costs**

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 Union (including through EDF) grant;
* purchases of land or buildings, except where necessary for the direct implementation of the action, in which case ownership must be transferred to the final beneficiaries and/or local Beneficiary(ies), at the latest at the end of the action;
* currency exchange losses;
* credits to third parties unless otherwise specified in the Special Conditions;
* conversion costs, charges and exchange losses associated with any of the component specific euro accounts, as well as other purely financial expenses;
* taxes, including value added taxes;
* purchase of second hand and/or used equipment;
* fines, financial penalties and expenses of litigation;
* contributions in kind;
* operating costs
* costs of bank guarantees and similar charges;
* customs or import duties, or any other charges

**Contributions in kind**

Contributions in kind mean the provision of goods or services to a Beneficiary(ies)free of charge by a third party. As contributions in kind do not involve any expenditure for a Beneficiary(ies), partner(s) or associate(s), they are not eligible costs.

Contributions in kind may not be treated as co-financing.

However, if the description of the action as proposed includes contributions in kind, the contributions have to be made.

## NON-ELIGIBLE ACTIVITIES AND EXPENDITURES

Following projects and/or activities will weigh low in evaluation and below listed expenditures will not be considered eligible:

* + - * Projects that do not explicitly tackle the topics listed above
      * Projects aimed at filling up any funding gaps from on-going activities
      * Activities that can be more appropriately funded from other funding sources
      * Activities where a substantial part of the budget covers recurrent costs and/or personnel costs
      * Travel, catering and/or conference services costs not founded in project rationale
      * Projects focused on research, or promotional activities with no specific outcomes
      * Extensive hardware/software purchases without true foundation in project rationale
      * Items from the budget, including office costs, fees or salaries, already funded by other sources (other projects, other organizations – public or civic, etc.)
      * All costs originating before the project beginning or accrued after project closure
* Events of a purely religious or political character;
* Actions concerned with sponsorships for seminars, conferences, congresses;
* Actions concerned only or mainly with individual scholarships for studies, research or training courses;
* Operational costs of applicant organizations;
* Debts and obligations;
* Actions which consists exclusively or primarily in capital expenditure, such as infrastructure, land, equipment;
* Actions intended to raise funds or promote the visibility of the applicant or its partner(s);
* Actions supporting directly political parties.

## SUSTAINABILITY

The applicant is expected to demonstrate in the application in a clear and unequivocal way how the project will continue to function after the grant formally closes. The sustainability will weigh considerably during project evaluation.

## THE SELECTION CRITERIA

Proposals will be selected based on assessment of their various aspects, including the following:

* Relevance of the proposal to the objectives of the Call
* Business plan proposed
* Sustainability of the proposed project
* The Proposed Budget and its Cost-Effectiveness

Contracting Authority reserves the right to have the final say on the selection process results.

An evaluation committee will draft the list of grant proposals selected for possible funding. The responsibility for the final decision will lie with the Contracting Authority. Grant proposals that will be awarded will be selected through a competitive process. It is planned thatminimum 30 planned start-ups to be awarded.

The evaluation committee will assess the following when evaluating grant proposals:

* The project proposal demonstrates that the organization has sufficient expertise, skills and human resources to implement the project.
* The organization demonstrates that it has a clear understanding of the underlying issue that the project is aiming to address and is able to articulate it with specificity and clarity.
* The project’s idea and approach are innovative, yet capable of being completed with the program period.
* The project’s budget is well-organized, detailed and reasonable. There are no budget lines labeled “miscellaneous expenses.”
* The budget demonstrates that the organization has devoted time to plan for and assess actual expenses associated with the project instead of providing rough estimates.
* The organization has clearly articulated how it will assess and measure its own performance throughout the business planning phase using concrete quantitative and qualitative assessment tools.
* The project proposal describes clearly the approach that will be used to ensure maximum sustainability of the project’s results after its completion.

The ethnic and geographical balance will be taken into account when selecting the applicants that will receive the grant and Municipalities that will be monitored. Only grant proposals submitted by the Applicants attended capacity building trainings within the project “Supportive business environment for women start-ups in North and South Mitrovica” will be considered for evaluation.

Grant proposal will be dismissed if it was not submitted according to the requirements and criteria of this Call, or is incomplete, or is submitted after the deadline. This decision will be final.

## SUBMITTING THE PROJECT PROPOSALS

Grant proposals can be submitted in Albanian, Serbian or English, and must contain following application files:

* Business plan
* Pro-forma invoices for the machinery, equipment or durable goods requested in the proposal
* Applicant’s CV

Other necessary documents are listed in the List of Required Documents. Failing to submit either of these documents will mean immediate disqualification of the application.

Any major inconsistency in the application form (e.g. the amounts mentioned in the budget are inconsistent with those mentioned in the application form) may lead to the rejection of the application.

Grant proposals must be submitted as 1) two printed copies of all application files, and 2) in electronic form, all application files, on a CD. Printed copies of application files have to be bound and must have original stamps and signatures on appropriate places. Hand-written applications will not be accepted.

## IMPLEMENTATION AND MONITORING

Contracting Authority will monitor implementation of awarded grant contracts. Contracting Authority will conduct procurement of all equipment awarded to grant beneficiaries under this Call. Equipment purchased by the Contracting Authority will be awarded to grant beneficiaries for disposal and use. Also, the ownership of the equipment purchased by the Contracting Authority will be transferred to grant beneficiaries.

Only registered legal entities are eligible for award of the equipment. In case grant has been awarded to the private person applicant, awarded grantee is obliged to register business entity in Kosovo Business Registers Agency no later than 15 days from the day of grant contract has been signed. If awarded grantee miss to fulfill this obligation grant contract may be terminated and awarded to other candidate(s) from the reserve list.

The grantees must monitor their own projects and make relevant records, including photos if need be. Grantees may not sell, gift or dispose granted equipment in any other way for the period of 7 years. The grantee will be expected to submit the final report on the carried out activities at the end of the project.

## BRANDING AND VISIBILITY REQUIREMENTS

Successful applicant will be expected to comply with communications and visibility requirements as set by the Contracting Authority. Contracting Authority will provide grantees with adequate guidelines and other information prior to beginning of the project implementation.

These requirements cover the written and visual identity of the European Union, project “Supportive business environment for women start-ups in North and South Mitrovica”, Contracting Authority, and they apply to print, electronic and any other material, presentation, banner, invitation, sign, plaque or goods purchased with the funds provided by the donors and managed by Contracting Authority and European Union Office in Kosovo.

**DEADLINE FOR SUBMISSION OF PROJECT PROPOSALS**

The deadline for the submission of the applications is 18 May 2016 as evidenced by the date of dispatch, the postmark or the date of the deposit slip. In the case of hand-deliveries, the deadline for receipt is at 16.00 hours local time as evidenced by the signed and dated receipt. Any application submitted after the deadline will not be considered.

Applications must be submitted in a sealed envelope by registered mail, private courier service or by hand-delivery (a signed and dated certificate of receipt will be given to the deliverer) to the address below:

***Community Building Mitrovica***

NGO House, Isa Boletini/Confidence Area, Mitrovica South 40000, Kosovo

Or alternatively to:

***D&G Solutions***

Str. Rudarskecete 83, Mitrovica North, Kosovo

Applications sent by any other means (e.g. by fax or by e-mail) or delivered to other addresses will be rejected. Applications must be submitted in one original in A4 size, bound. The full application form and other required documents must also be supplied in electronic format (CD-Rom) in a separate and single file (i.e. the full application form must not be split into several different files). The electronic file must contain exactly the same application as the paper version.

The Checklist (attached in Annexes) and the Declaration by the applicant (attached to Business plan form) must be stapled separately and enclosed in the envelope. The outer envelope must bear the reference number and the title of the Call for Grant Proposals, together with the full name and address of the applicant, and the words ‘Not to be opened before the opening session’.

Applicants must verify that their application is complete using the checklist. Incomplete applications may be rejected.

## FURTHER INFORMATION

An information session on this Call for Grant Proposals will be held during month of April 2016 and the exact date, place and time will be published on Community Building Mitrovica website: [www.cbmitrovica.org](http://www.cbmitrovica.org).

Questions may be sent by e-mail or by fax no later than 15 days before the deadline for the submission of applications to the address below, indicating clearly the reference of the Call for Grant Proposals:

E-mail address: [info@cbmitrovica.org](mailto:info@cbmitrovica.org), Fax number: +381 28 530 335

Contracting Authority has no obligation to provide clarifications to questions received after this date. Replies will be given no later than 11 days before the deadline for submission of the applications. To ensure equal treatment of applicants, Community Building Mitrovica cannot give a prior opinion on the eligibility of applicants, partners or associates, an action or specific activities.

Questions that may be relevant to other applicants, together with answers and other important notices in the course of the evaluation procedure, will be published on the Contracting Authority’s web site as the need arises. It is therefore advisable to consult the above mentioned website regularly in order to be informed of the questions and answers published.

## 

## EVALUATION AND SELECTION OF APPLICATIONS

Applications will be examined and evaluated by the Contracting Authority with the possible assistance of external assessors. All actions submitted by applicants will be assessed according to the following steps and criteria.

If the examination of the application reveals that the proposed action does not meet stated eligibility criteria, the application will be rejected on this sole basis.

The following will be assessed:

* Compliance with the submission deadline. If the deadline has not been met, the application will automatically be rejected.
* The application satisfies all the criteria specified in points 1-5 of the Checklist. 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.

The applications that pass the first administrative check will be evaluated on the relevance and design of the proposed action.

Once all application has been assessed, a list will be drawn up with the proposed actions ranked according to their total score. After the evaluation of the applications, Contracting Authority will send letters to all applicants, indicating whether their application was submitted by the deadline, informing them of the reference number they have been allocated, whether the application was evaluated and the results of that evaluation.

The quality of the applications, including the proposed budget and capacity of the applicants, partners and associates will be evaluated using the evaluation criteria in the evaluation grid below. There are two types of evaluation criteria: selection and award criteria.

**The selection criteria** help to evaluate the applicant and operational capacity and to ensure that they:

* have stable and sufficient sources to maintain their activity throughout the proposed action;
* Have the management capacity, professional competencies and qualifications required to successfully complete the proposed action. This also applies to any partners and associates of the applicants.

**The award criteria** help to evaluate the quality of the applications in relation to the objectives and priorities, and to award grants to projects which maximize the overall effectiveness of the Call for Grant Proposals. They help to select applications which Contracting Authority can be confident will comply with its objectives and priorities. They cover the relevance of the action, its consistency with the objectives of the Call for Grant Proposals, quality, expected impact, sustainability and cost-effectiveness.

The applications will receive an overall score out of 50 using the breakdown in the evaluation grid below. The evaluation will also check on compliance with the instructions on the applications, which can be found in Application Form.

The evaluation criteria are divided into headings and subheadings. Each subheading will be given a score between 1 and 10.

|  |  |  |
| --- | --- | --- |
| **Section** | **Maximum Score** | **Assigned Score** |
| **1. Financial and operational capacity** | **10** |  |
| 1.1 Does the applicant have sufficient professional/work experience related to the project? | 10 |  |
| **2. Relevance** | **40** |  |
| 2.1 How well the objective of the project is defined? | 10 |  |
| 2.2 How clear and achievable/realistic the planned activities are? | 20 |  |
| 2.4 How much the results of the project are measureable? | 10 |  |
| **3. Sustainability** | **40** |  |
| 4.1 Is the activity likely to repeat after the grant period expires? | 10 |  |
| 4.2. The projected financial effects of the business. | 15 |  |
| 4.3 Is the funded business sustainable? | 15 |  |
| **5. Budget and cost-effectiveness** | **10** |  |
| 5.1 is the ratio between the estimated costs and the expected results satisfactory? | 5 |  |
| 5.2 Is the proposed expenditure necessary for the implementation of the action? | 5 |  |
| **Maximum total score** | **100** |  |

After the evaluation, a table will be drawn up listing the applications ranked according to their score and within the limits of the funds available. In addition, a reserve list will be drawn up following the same criteria to be used if more funds should become available during the validity period of the reserve list.

Any rejected application will be replaced by the next best placed application in the reserve list that falls within the available financial envelope.

## ANNEXES

* Business plan form
* Checklist
* List of supporting documents
* CV template