

**Palestine**

**Contracting authority: ENABEL**

Call for Proposals under the intervention:

Empowered Youth in a Green Palestine

*PSE22003 and PSE22004*

**Boosting Resilience and Green Growth in Small-Scale Agri-Food Businesses**

Guidelines for Applicants

**Reference: PSE22004-10046**

**Deadline for submission of August 5<sup>th</sup>,2024 by max 15:00pm.**

## Note

This is a call for proposals in two phases. As a first step, only concept notes should be submitted for evaluation. After evaluation of the concept notes including the admissibility of the applicants, the applicants who have been shortlisted will be invited to submit a proposal. Subsequently, the evaluation of the proposals actually received from the preselected applicants will be carried out.

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## 1.1 Boosting Resilience and Green Growth in Small-Scale Agri-Food Businesses Context

Enabel's portfolio "Empowered Youth in Green Palestine" aims to contribute to the following two general objectives:

- Young people in Palestine develop into active and critical citizens, ready for local and global challenges, through improved education, training, guidance, and access to employment.
- The Palestinian population makes use of the opportunities of a sustainable environment.

The first pillar of the portfolio will focus on the empowerment of youth with specific attention to the following Specific Objectives (SOs):

- **SO1:** Education and learning including crucial competencies for youth such as 21st century skills, Science Technology Engineering and Mathematics (STEM), general education as well as access to educational infrastructure.
- **SO2:** Civic engagement and protection including information, awareness, and support with regards to democratisation, human rights, civic space, citizenship, Sexual and Reproductive Health and Rights (SRHR), and Children affected by Armed Conflict.
- **SO3: Pathways to Employment:** Skills, employment, and entrepreneurship addressing the mismatch between education and training and the needs of the labour market, supporting the participation of young women and recent graduates in the labour market, supporting youth and women to start up a business while respecting the highest environmental and human rights standards, and supporting a conducive entrepreneurial ecosystem.

The second pillar of the portfolio is dedicated to climate action, based on support to the development of an emerging green and circular economy and the implementation of the National Determined Contributions (NDC), with the view to contribute to a sustainable and inclusive Palestinian society and reduce environmental hazards and dependency on nonrenewable natural resources. The second pillar consists of two interventions **SO4: Green West Bank** and **SO5: Green Gaza**.

This Call for Proposals is a joint call by the two interventions SO3: Pathways to Employment and SO4: Green West Bank.

Under the result (3) of SO3, Enabel is seeking to increase employment opportunities for young women and men through entrepreneurship promotion and business development support. Under SO4, Enabel aims at transforming specific value chains into green modalities. This Call for Proposal merges both objectives by **providing business development support services to micro- and small enterprises and/or cooperatives in the agri-food sector to cope with the impact of the war and to sustain, grow and green their businesses.**

Enabel has analyzed the value chains of Industrial sectors in the West Bank, where the **agri-food sector** (specifically: olive oil and processed fruits and vegetables) was selected based on specific criteria that include:

- Inclusiveness (women & youth, poor women & men, informal sector, etc.)
- Growth Potential (Sector Size, Market growth potential, Competitiveness, Green Jobs for women and youth, etc.)
- Environment (Negative impact reduction, Adoption of 4Rs "Reduce, Reuse, Recycle and Restore", expanding the use of Renewable Energy and Energy Efficiency, Green Employment: Women & Youth, Possibility of using local raw materials, etc.)
- Feasibility (Green Shift: Government policies & regulations, Willingness of market players, volume of small-medium investment opportunities, etc)

In 2012, the food industries contributed more than 24% to the domestic production value and about 22% of the total Palestinian exports, with a value estimated at USD 170 million. While in 2016, the number of food firms reached 1,735 firms, employing 14,500 workers. The local production has covered about 65%

to 70% of the domestic demand. Besides the local markets, the Palestinian food products are exported to Israel and to some part of the Middle East and Europe. In 2020, the food industry accounted for 20% of total local production in Palestine. It has a total market size of USD 600 million, and a labor force of more than 15,000 workers.

According to data from the Palestinian Central Bureau of Statistics (PCBS), Palestinian family in average spends 37% of its income on food, so there is a permanent growth in the demand curve that require a non-stop development in the supply side.

Developing the food processing industry can have spillover effects on all associated value chains and industries, and in particular on the agricultural value chain that acts as the main supplier of inputs. It also plays a key role in creating an added value to agro-products.

Food Industries used to distribute an average of 25% of their production in Gaza Strip Market (Dairy products 30%), and this has completely stopped since October 2023; affecting operation, income and employment, while production of food items in the West Bank has been reduced by around 35% since October (according to the Palestinian Food and Agriculture Industries Union “PFAIU”); mainly due to people’s reduced purchasing power, While exports to Israel were stopped in the first month of the war before reflow afterwards. Transfer of raw materials and finished products and movement of workers have also been negatively affected. In addition, olive and olive oil season was already weak this year due to the “alternate-bearing” phenomenon , while farmers/ olive tree owners witnessed difficulties to reach their lands and pick up olives in the villages close to Israeli settlements/ main roads where settlers have frequently attack farmers; which led to further drop in the collected quantities of olives, and consequently reflected on the olive oil quantities.

## 1.2 Objectives and Expected results

The **general objective** of this Call for Proposals is: Enhance the economic resilience of young women and men through business development support and promotion of green economy.

The **specific objective(s)** of this Call for Proposals is: Provision of business support services to existing businesses in the agri-food sector to green the businesses and to enhance creation of employment opportunities for youth.

~~Objective~~ Expected **results** for the overall budget of this call are<sup>1</sup>:

1. 170 MSEs/cooperatives received business development services.
2. 115 MSEs/cooperatives received financial support.
3. 70% MSEs/cooperatives reporting improved turnover as a result of acceleration services and technical assistance
4. 70% of MSEs/cooperatives reporting increased capacity to retain or increase staff as a result of acceleration services and technical assistance
5. 100% MSEs/cooperatives adopted green practices
6. 80% of MSEs/cooperatives strengthened the green skills of their teams
7. 90% of MSEs/cooperatives adopted decent work principles

Applicants are expected to use this ratio of targets versus budget when submitting their application. I.e if

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<sup>1</sup> Expected targets are calculated based on support to MSEs. The target will be lower if cooperatives are included, given the added financial cost of grants to cooperatives. (indicative : 1 cooperative grant equals 3 MSEs)

an applicant applies for the maximum budget available (1.700.000 EUR) they must achieve at a minimum 100% of the above targets but if they apply for 50% of the overall budget, Enabel expects to see at least 50% of that overall target.

### 1.3 Amount of the financial allocation provided by the contracting authority

The total indicative amount available under this Call for Proposals is 1,700,000 EUR. The contracting authority reserves the right not to award the full amount..

Indicative allocation per lot/geographical distribution:

**Lot 1:** North and Middle Governorates covering **at least one** of the following governorates Jenin, Nablus, Tulkarem, Qalqilya, Salfeet, Tubas, Jericho, Ramallah and Al-Bireh.

**Lot 2:** South Governorates covering Hebron and/or Bethlehem and Jerusalem (this lot **must** include Jerusalem)

If the financial allocation indicated for a specific lot cannot be used due to an insufficient number of proposals received or due to their poor quality, the contracting authority reserves the right to reallocate any unused fund to another lot.

#### Grant amount

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

- Minimum amount for Lot 1: EUR 900,000
- Maximum amount for Lot 1: EUR 1,000,000
- Minimum amount for Lot 2: EUR 600,000
- Maximum amount for Lot 2 : EUR 700,000

During execution, Enabel reserves the right to modify the minimum and maximum amounts applicable to the requests and to award additional amounts to the beneficiaries having been awarded grants within the framework of this call for proposals.

## 1 Rules applicable to this Call for Proposals

*These guidelines specify the rules of submission, selection and implementation of actions financed under this Call for Proposals.*

### 1.1 Admissibility criteria

There are three categories of admissibility criteria, which concern, respectively:

- (1) The actors:
  - the applicant, i.e. the entity submitting the application (2.1.1)
  - where applicable, its co-applicant(s) [unless otherwise provided, the applicant and co-applicant(s) will hereinafter be jointly referred to as the “*applicants*”] (2.1.1),
- (2) The actions:
  - actions admissible for grants (2.1.3);
- (3) The costs:
  - The types of costs that may be included in the calculation of the grant amount (2.1.4).

**1.1.1 Admissibility of applicants [applicant and co-applicant(s)]**

**Applicant**

(1) To be admissible for grants, the applicant must satisfy the following conditions:

- A. be a legal person; **and**
- B. be a non-profit private entity or a foundation; **or**
- be a legal entity of private law for which profit maximization is not the priority objective
- **and**
- C. be a non-governmental organization (NGOs/INGOs), Civil Society Organization (CSO) or Private Sector Umbrella Organization (PSUO) ]<sup>2</sup>
- D. be established or represented in: Palestine<sup>3</sup> ; **and**
- E. be directly responsible for the preparation and management of the action with the co-applicant(s) and not be acting as an intermediary **and**;
- F. must have an active bank account for the past 24 months; and
- G. Must have audited financial statements (income statement and balance sheet) of the last two financial years.
- H. Must have demonstrated experience and expertise in business development support

The applicant may either act individually, or with one or multiple co-applicants (maximum three co-applicants) in accordance with the requirements below.

(2) The potential applicant may not participate in Calls for Proposals, nor may they be the beneficiary of grants if they are in one of the exclusion situations described in Annex VII of the model grant agreement provided in Annex E of these guidelines:

(3) For applicants under the category: a “legal entity of private law for which profit maximization is not the priority objective “. Companies that meet the following characteristics will be considered in this category:

- a. 1. They aim to achieve a specific social added value:
  - i. Sustainable development through production processes and products that respect the environment and integrated environmental protection.
  - ii. The priority given to work in relation to capital when distributing income. Income is not an objective in itself, but a means to achieve social goals.
  - iii. Democratic decision-making: the people involved have a say in the company's policy.

<sup>2</sup> Optional : a specific type of organisation may be targeted

<sup>3</sup> Optional. Establishment is determined on the basis of the organisation's articles of association, which must show that the organisation was created by an act of law of the country in question and that its registered office is situated in an eligible country. In this respect, any legal entities whose articles of association were created in another country may not be considered to be an eligible local organisation, even where registered locally or where a “memorandum of understanding” has been entered into.

- iv. Maximum transparency, including in the areas of general corporate policy, finance and internal and external relations.
  - v. Quality relationships. In external relations, the goal is a win-win partnership in which costs and benefits are shared equally. In internal relations, attention is paid to opportunities for personal development, non-discrimination and conditions of employment of staff.
  - vi. Positive integration in society. This can be achieved by initiating a dialogue with the local community and non-governmental organizations in the field. Partners work together and build networks.
- (4) 2. They provide goods and services for which there are customers and needs, both current and future. The focus is on continuity, cost-effectiveness and efficient use of resources.

In part A, section 1.3.5 of the grant application file (“applicant’s declaration”), the applicant must declare that neither itself nor its co-applicant(s) fall under any of these situations and that they will be able to provide the following supporting documents:

- Document 1: Registration Certificate (applicant and co-applicant)
- Document 2: Deduction at source Certificate (applicant and co-applicant)
- Document 3: Active bank account for the past 24 months
- Document 4: Audited financial statements (income statement and balance sheet) of the last closed financial year
- Document 5: Declaration from a competent authority of not being in a situation of bankruptcy or insolvency
- Document 6: Non-sentence Certificate from Ministry of Justice (for board members)
- Document 7: The declaration on honour Form (signed and stamped by applicant and coapplicant)
- Document 8: The Integrity statement form (signed and stamped by applicant and coapplicant)

If the grant is awarded to it, the **applicant** becomes the **contracting-beneficiary** identified in Annex E (Grant Agreement). The contracting-beneficiary is the main point of contact for the contracting authority. It shall represent any other beneficiaries and act in their name. It shall design and coordinate implementation of the action.

#### Co-applicant(s)

To be admissible for grants, the applicant may either act individually, or in partnership with a maximum of three (3) co-applicants. The co-applicant may fulfill one or more of the following: cover a different geographic area within the West Bank/East Jerusalem, act as a business development training provider, provide thematic expertise (eg: on greening the business, agri-food sector, advanced business development). The applicant may act individually in case they have the capacity to provide all the different business training services in house, and have all the required thematic expertise.

The co-applicant(s) shall participate in the definition and the implementation of the action, and the costs that they incur shall be eligible in the same way as those incurred by the applicant.

To be admissible for grants, the co-applicant must satisfy the following conditions:

- A. be a legal person; and
- B. be a public entity or



- C. be a non-profit private entity or a foundation; or
- be a legal entity of private law for which profit maximization is not the priority objective and
- D. be a training institution or NGOs with expertise in business development and/or green economy.
- E. be directly responsible for the preparation and management of the action with the lead (and other co-applicants) and not be acting as an intermediary.

The co-applicants must sign the declaration in part B, section 2.6 of the grant application file.

If the grants are awarded to them, any co-applicants will become the beneficiaries of the action, with the contracting-beneficiary.

### 1.1.2 Associates and contractors

The following persons are not co-applicants. They do not need to sign the “mandate” statement:

- Associates

Other organisations may be associated with the action. Associates actively participate in the action, but cannot be eligible for grants, except for daily allowances and travelling expenses. These associates do not need to satisfy the admissibility criteria mentioned in point 2.1.1. The associates must be mentioned in part B, section 2.7 of the grant application file, entitled “Associates of the applicant participating in the action”.

- Contractors

Contracting beneficiaries may award contracts to contractors. Associates cannot at the same time be contractors (services, works, equipment) for the project. The selection of contractors shall be subject to public procurement rules (if Contracting Beneficiary is public) or the rules set forth in Annex VIII of the Grant Agreement template (if Contracting Beneficiary is private).

### 1.1.3 Admissible actions: for what actions may an application be submitted?

#### Definition

An action comprises a series of activities that are necessary to achieve the results and contribute to the specific(s) objective(s) pursued by the proposal.

To be eligible, the actions under this call for proposal must meet the specifications described in this document.

#### Duration

The initial planned duration of an action may not be less than **18 months** nor exceed **22 months of implementation period**. In addition, three months closure period needs to be added. During this period, only costs related to reporting and MEAL can be included.

#### Sectors or themes

1. **Local economic needs assessments** must be the basis for the applicant to demonstrate priority business opportunities in their proposal.
2. **Business development support for micro- and small enterprises (MSEs) and/or cooperatives** in the **agri-food sector** with a preferential, but not exclusive interest in olive oil or processed food production.

The agri-food sector, encompasses all operations within the food supply chain, including farmers,

food industry, food retail, wholesale, food service, as well as their suppliers of inputs and services such as seeds, pesticides, fertilisers, machinery, packaging, repair, transport, finance, advice, and logistics.

Cooperatives are member-owned businesses or organizations where decisions are made democratically for mutual benefit. Members pool their resources, whether it be financial, labor, or other assets, to achieve common goals. They encompass formal structures like consumer or worker cooperatives and informal ones, operating on voluntary membership, democratic control, and concern for community welfare.

3. **Green services or green products** relevant to the agri-food sector that prioritize environmental sustainability and aim to reduce the ecological footprint of agricultural production, processing, distribution, and consumption. Eg. organic farming and cuisine; sustainable/green packaging; sustainably dried foods, services relating to food industry waste management, processing, recycling/re-use/repairing, material resource efficiency, product life-cycle extension, sharing and/or platform economy, equipment pooling.

#### Geographical coverage

The actions must be implemented in the following country: Palestine. Covering the following regions:

- Lot 1: North and Middle Governorates (Jenin, Nablus, Tulkarem, Qalqilya, Salfeet, Tubas, Jericho, Ramallah and Al-Bireh)
- Lot 2: South Governorates covering Hebron and/or Bethlehem and Jerusalem

#### Types of action

To ensure quality services that are relevant to the needs of the targeted beneficiaries and the local economy, and the overall objectives of the Action, **the Call for Proposals will select actions that:**

- Demonstrate **experience in supporting micro-and small businesses and/or cooperatives** in Palestine with both financial (loans/grants) and non-financial (capacity building, business training, mentoring, coaching) support.
- Demonstrate **experience in supporting the greening of businesses** and the development of green services or products, including energy, material efficiency, recycling and material reuse practices, green/circular business models, eco-design and extended product use and lifetime.

#### **The Call for Proposals will specifically prioritize actions that:**

- Provide attention for vulnerable women in the proposal and in the targeting strategy for beneficiaries, as well as adopt relevant and innovative strategies that help overcome access barriers and promote inclusion.
- Follow a community-based approach.
- Provide a detailed needs analysis for business support and relevant skills/ technical training, considering actual needs in the labour market
- Involve private sector expertise (business advisors or mentors);
- Provide attention for and access people with disabilities in the proposal

The following types of action are not admissible:

- actions consisting exclusively or primarily of sponsoring the participation of individuals in workshops, seminars, conferences and conventions
- actions consisting exclusively or primarily of financing individual scholarships for studies or training

#### Types of activity

Applicants will need to include in their proposals the following minimum types of activity that are admissible for financing under this Call for Proposals.

**Outreach and awareness activities** to inform and mobilize targeted Micro and Small Enterprises (MSEs) and/or cooperatives. The Call will prioritize approaches that adopt close collaboration with community leaders and community-based organizations, and work with local business networks.

### **Selection of MSEs/ cooperatives**

The applicant is expected to outline in its proposal how it will select MSEs/cooperatives to support. Selection criteria for businesses should include the following criteria:

- Businesses/cooperatives affected by the war
- Business/cooperatives in the agri-food field
- Economic viability of the business/cooperatives based on the local economic analysis
- Potential to grow and employ additional employees
- Business/cooperatives focused on providing green services or green products, or with a demonstrated commitment and potential to green its practices
- Priority for businesses/cooperatives owned by women or with a commitment and strategy to employ women
- Priority for businesses/cooperatives owned by youth (18-29 years old) or with a commitment and strategy to employ youth

### **Business Development Support:**

1. Business needs assessment for each MSE/cooperative to identify specific needs of the business
2. Develop tailor-made capacity building and business development plan for each business based on the needs assessment
3. Providing the selected participants, with advanced business development training, including:
  - Life skills/21<sup>st</sup> century skills: for example leadership, communication, problem solving and design thinking
  - Advanced business management including accounting, finance, marketing, legal business environment and innovative and sustainable business ideas. This should include the provision of an updated business development plan considering the changing economic context, and include a pitch to access the seed funding outlined below.
  - Green and Circular support services and technical skills: including in the field of sustainable energy, water and waste management, green/circular business models, material efficiency and reuse, extended product use and lifetime, sharing and platform economy, equipment/skills pooling
  - Decent work principles according to the ILO's 4 pillars
  - Risk management
4. Depending on the specific needs of the business, provide specific individual technical training opportunities on topics such as eg. Marketing, branding, labelling and certification, export, greening, legal support
5. Peer-to-peer and business-to-business support

**Access to (green) credit and capital** through:

- Develop a business development plan for each business/cooperative to outline the recommended interventions to assist the business to adapt to the changed context following the outbreak of the war, to grow, and to green. This could include a plan for the use of funds for prototyping, technology upgrading, product development, infrastructure development and upgrading, etc. The selected MSEs/ cooperatives need to adopt green practices while developing their business plans, like using green(er) production techniques and product design, sustainable energy, water and waste management, and resource conservation and efficiency and potentially consider equipment or skills pooling and sharing.
- Select the most promising business development plans for provision of a grant. The applicant is expected to outline selection criteria in the action proposal.
- Provide a grant to selected sustainable and viable businesses. Maximum 9,000 Euro per business or maximum 25,000 Euro per cooperative. The seed fund should represent maximum 80% of the total investment based on the approved business plan, meaning a personal capital investment of 20% from the business or cooperative.
- Prepare beneficiaries to access relevant financing opportunities, including soft loans supported through investment funds of the EU External Investment Plan and European development partners. Collaborate with MFIs (micro-financing Institutions) to ensure end-beneficiaries' access to credit, capital and financial know-how .

**Follow-up coaching and technical assistance** for at least 6 months following the selection for grant support aimed at monitoring the use of the grant, maximizing the value of the businesses supported, provide technical backstopping support, as well as mentoring and psychosocial support and follow-up to ensure continuous participation of vulnerable beneficiaries. Individual coaching should be used to make each business more green and circular (how to adapt new green practices and technologies).

Sub-grants to sub-beneficiaries<sup>4</sup>

Applicants must propose sub-grants to sub-beneficiaries to help achieve the objectives of the action.

The maximum amount for the sub-grants is 9,000 Euro per business or maximum 25,000 Euro per cooperative, and should represent max 80% of the total investment

Grants to sub-recipients cannot be the main objective of the action.

Applicants wishing to redistribute sub-grants must specify in section 2.2.1 of the grant application file the following 8 topics:

1. *The description of the objectives and results to be achieved with these sub- grants, the fundamental principles, the key concepts, the mechanisms, the actors and their role in the management process;*
2. *The criteria and modalities for the allocation of grants, accessibility conditions, sub-beneficiaries, conditions for the admissibility of sub-projects, eligibility conditions for activities, costs and expenses;*
3. *The procedures for examining and awarding applications;*
4. *The maximum amount that can be allocated by sub-beneficiary;*
5. *The terms of contractualisation with the sub-beneficiary;*

<sup>4</sup> These sub-beneficiaries are neither associates nor contractors

6. *The procedures and modalities for disbursing resources;*
7. *The procedures and modalities for technical and financial monitoring;*
8. *The procedures and modalities of control.*

The applicant must ensure that the sub-grant system is clearly and fully described in the proposal. This needs to integrate the minimum guidance and requirements provided below. Candidates can add criteria, conditions, principles, processes and procedures to these minimum guidelines.

***The selection criteria of Sub-Beneficiaries should meet the following minimum requirements:***

- *MSEs/cooperatives affected by the recent war.*
- *MSEs/cooperatives active in the market for at least one year.*
- *Working directly in the agri-food sector, including supportive services and production ( such as packaging, marketing, logistics,..etc.)*
- *Economic viability of the business/cooperative based on the local economic analysis. Proven potential for growth, and scaling up, particularly in terms of creating new decent jobs.*
- *Business/ cooperative focused on providing green services or green products, or with a demonstrated commitment and potential to green its practices. The selected MSEs/ cooperatives need to adopt green practices in their business plans, like using green(er) production techniques and product design, sustainable energy, water and waste management, and resource conservation and efficiency and potentially consider equipment or skills pooling and sharing*
- *Priority for businesses/ cooperative owned by women or with a commitment and strategy to employ women*
- *Priority for businesses/ cooperative owned by youth (18-29 years old) or with a commitment and strategy to employ youth*

***Technical criteria to be eligible to receive a sub-grant should include at a minimum:***

- *Completing the training on advanced business management and green circular economy, and fulfilling its requirements.*
- *Passing business development plan evaluation, and getting approval from the selection committee.*
- *Completing the tailored coaching and consultation sessions to follow up on the implementation of the business development plan.*
- *Submit all supportive documents for their own contribution, minimum 20% of the amount of the total investment as per the business plan, as supplying fixed assets, raw materials, or goods or as in-kind contribution.*
- ***Decent work practices:*** *The selected MSMEs/ Cooperative need to adopt decent work principles, including; protection of rights at work for workers (of the formal and informal economy); freedom of association, the prohibition of all forms of forced labor, non-discrimination, Consider workers health and safety.*

*The terms of contractualization (sub-grant to sub-beneficiary agreement) should at least include the following:*

- ***Objective of the agreement:*** *the objective of the agreement is to support the sub beneficiary with a*

grant to support, grow and green their businesses.

- **Value of the grant:** the maximum of the seed fund grant for each sub-beneficiary is **9,000 EURO maximum per business and 25,000 EURO maximum per cooperative** based on the selection criteria and should represent max 80% of the total investment

- **Duration of the agreement:** The duration of the agreement with the sub-beneficiary should be within the overall duration of the grant agreement.

- **Types of activity eligible for sub-granting:**

- Support for micro- or small business to grow and green.
- Costs that are necessary and indispensable costs for businesses.
- Equipment and machinery.
- Raw materials and inventory
- Marketing and advertising
- Basic infrastructure can be considered after a technical needs assessment. Eg. replacement of outdated infrastructure due to a changing market or to introduce new technologies, greening of existing infrastructure.
- Rent and salaries can be approved on a case-by-case basis by the lead applicant but should never be the main objective of the seed fund.

- **The following are ineligible costs for sub-granting:**

- **Personal expenses:** Grants are intended for business-related expenses and not for personal use or personal expenses unrelated to the business.
- **Debt repayment:** Funding is not provided for the purpose of repaying existing debts or loans.
- **Purchase of personal assets:** Funding is usually not granted for purchasing personal assets that are not directly related to the business.
- **Non-business-related activities:** Expenses for non-business-related activities or hobbies are typically not eligible for funding.

- **Payment modality:** The fund will be transferred via bank wire in 3 instalments on the basis of a request submitted by the sub-beneficiary and approved by the contracting beneficiary. The value of all these instalments shall not exceed in any case the total value of the grant. The first instalment will be disbursed upon signing the sub-grant to sub-beneficiary agreement. The remaining instalments will be disbursed upon fulfilling the obligations due the contracting parties .

- **General terms and Obligations:** The sub-beneficiary should use the fund for the purpose mentioned in the objective of the sub-grant to sub-beneficiary agreement and according to the agreed terms and conditions. The contracting beneficiary should provide the sub-beneficiary with the financial and non-financial support needed to maintain his/her own micro business.

- **Rejection, suspension and termination:** The contracting beneficiary reserves the right to defer or definitively reject any request for payment and to suspend or terminate the agreement in case the sub-beneficiary fails to fulfil the contractual terms mentioned in the sub-grant to sub-beneficiary agreement.

## Visibility

Applicants must take all measures necessary to ensure the visibility of the financing or co-financing by the Belgian Development Cooperation<sup>5</sup>. The contracting beneficiary always mentions "the Belgian State" as donor or co-donor in the public communications relating to the subsidized action. All visibility actions that include Enabel logo should be sent to Enabel via email for approval.

## Number of requests and Grant Agreements per applicant

The applicant may apply for both lot 1 and lot 2. In that case he submits a distinct application for each lot.

The applicant may not submit more than one application per lot under this Call for proposals. The applicant may be awarded more than 1 Grant Agreement under this Call for Proposals.

The applicant may not be at the same time a co-applicant in another application.

A co-applicant may submit more than 1 application under this Call for Proposals.

A co-applicant may be awarded more than 1 Grant Agreement under this Call for Proposals.

### **1.1.4 Eligibility of costs: what costs may be included?**

Only "eligible costs" may be covered by grants. The types of eligible and ineligible costs are indicated below. The budget is both an estimate of costs and an overall cap on "eligible costs".

The reimbursement of eligible costs may be based on one of the following formats, or any combination of these:

- direct costs (management costs and operational costs) actually borne by the contracting-beneficiary;

To be eligible for the purposes of the Call for Proposals, the costs must comply with the conditions provided for in Article 4 of the Grant Agreement template (see Annex E of these guidelines).

- Structure costs (overheads): these are maximum 7% of the Operational Costs
- The maximum amount of the structural costs (sum of the structural costs of the contracting beneficiary and the sub-beneficiary) remains the same (7% of the operational costs of the initial grant), whether or not there are sub-grants to sub-beneficiaries.

The structure costs are calculated on the basis of actual expenditure. Once accepted, the structure costs are lump sums and do not need to be justified. Enabel may use an outside agency to estimate the actual structure costs of an organization.

## Reserve for contingencies

The budget may include a contingency reserve up to a maximum of 5% of the estimated eligible direct costs. It may only be used **with the prior written authorisation** of Enabel.

## Contributions in kind

"Contributions in kind" means goods or services provided free of charge by a third party to the contracting-beneficiary. As contributions in kind do not involve any expenditure on the part of the contracting-beneficiary, they shall not constitute eligible costs.

## Ineligible costs

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<sup>5</sup> Or other donor if applicable

The following costs shall not be eligible:

1. Accounting entries not leading to payments;
2. Provisions for liabilities and charges, losses, debts or possible future debts;
3. Debts and debit interests;
4. Doubtful debts;
5. Currency exchange losses;
6. Loans to third parties;
7. Guarantees and securities;
8. Costs already financed by another grant;
9. Invoices made out by other organisations for goods and services already subsidised;
10. Subcontracting by means of service or consultancy contracts to personnel members, Board members or General Assembly members of the organisation subsidised;
11. Any sub-letting to oneself;
12. Purchases of land or buildings;
13. Compensation for damage falling under the civil liability of the organisation;
14. Employment termination compensation for the term of notice not performed;
15. Purchase of alcoholic beverages, tobacco and derived products thereof.

## **1.2 Presentation of application and procedures to be followed**

In the first stage, the applicant sends only the concept note and in the second stage, after notification of its being shortlisted, it sends the proposal along with the required annexes.

### **1.2.1 Content of the concept note**

Applications must be submitted in accordance with the instructions on concept notes appearing in the grant application file annexed to these guidelines (Annex A, Part A).

Applicants must submit their request in English.

In the concept note, applicants need only provide an estimate of the amount of the contribution requested from the contracting authority. Only applicants invited to submit a complete application in the second stage will then present a detailed budget.

Elements defined in the concept note may not be modified by the applicant in the proposal. The Belgian contribution may not vary more than 10% in relation to the initial estimate.

Any errors or major inconsistencies concerning the points mentioned in the instructions on concept notes may result in its rejection.

The contracting authority reserves the right to request clarification where the information provided does not enable it to carry out an objective evaluation.

Handwritten concept notes will not be accepted.

The following annexes must be attached to the concept note:

1. The statutes or articles of association of the applicant and any co-applicants.
2. An external audit report produced by an approved auditor, certifying the applicant's accounts for the last available financial year where the total grant amount requested is above EUR 200,000 (not applicable to public contracting-beneficiaries). Any co-applicants are not required to submit an external audit report.



3. A copy of the applicant's most recent financial statements (income statement and balance sheet for the last closed financial year)<sup>6</sup>. Any co-applicants or affiliated entities are not required to provide a copy of their financial statements.
4. [The legal entity file (see Annex D of these guidelines) duly completed and signed by each of the applicants (i.e. the applicant and each of the co-applicants), along with any supporting documents requested.

### 1.2.2 *Where and how to send the concept note*

The concept note must be submitted in one original in A4 format.

An electronic version of the concept note must also be provided. A USB containing the concept note in electronic format will be put in a sealed envelope, along with the paper version, as indicated below. The electronic file must be exactly **identical** to the attached paper version.

Where applicants are sending several concept notes (if this is authorized in the guidelines of the Call for Proposals in question), they must each be sent separately.

The external envelope must bear the **reference number and title of the Call for Proposals**, the full name and address of the applicant, and the note "Do not open before the opening session".

Concept notes must be submitted in a sealed envelope, sent by registered post or by private courier service or hand-delivered (a signed and dated acknowledgement of receipt will be issued to the carrier in this latter case), to the address set out below:

- East Jerusalem office: 5 Baibars Street, Sheikh Jarrah
- Ramallah office: Royal Center, 7th Floor, Al Balou', Mecca Street, Al Bireh - Ramallah and AlBireh Governorate

Concept notes sent by other means (for example by fax or e-mail) or sent to other addresses will be rejected.

**Applicants must ensure that their concept note is complete. Incomplete concept notes may be rejected.**

### 1.2.3 *Deadline for the submission of concept notes*

The deadline for submission of concept notes is **August 5, 2024 by max 15:00 pm** as evidenced by the date sent, the postmark or date of acknowledgement of receipt. All concept notes submitted after the deadline date and time will be rejected.

### 1.2.4 *Further information on concept notes*

An information session on this Call for Proposals will be held on **July 11, 2024 = 11:00am.**

[\*\*Join the meeting now\*\*](#)

Meeting ID: 379 068 363 165

Passcode: 7Vb9ER

<sup>6</sup> This does not apply to public bodies, nor where the accounts are in practice the same documents as the external audit report already provided pursuant to point 2.

Applicants may send their questions by e-mail, at the latest 21 days before the concept notes submission deadline, to the address(es) set out below, making sure that they clearly indicate the Call for Proposals reference:

E-mail address: [maram.saeed@enabel.be](mailto:maram.saeed@enabel.be)

The contracting authority will not be obliged to provide clarification on questions received after this date.

Questions will be answered at the latest 11 days before the concept notes submission deadline.

In order to ensure the equal treatment of applicants, the contracting authority cannot give a prior opinion on the admissibility of applicants, an action or specific activities.

The answers to these questions and other important information communicated during the evaluation procedure will be published in due course on the Enabel website. As such, regular consultation of this website is recommended in order to be informed of the questions and answers published.

### 1.2.5 *Proposals*

Applicants invited to submit a proposal following the shortlisting of their concept notes must do so using part B of the grant application file annexed to these guidelines (Annex A). Applicants must carefully observe the proposal format and complete the paragraphs and pages in order.

The elements set out in the concept note may not be modified by the applicant in the proposal. The Belgian contribution may not differ more than 10 % from the initial estimate and the minimum and maximum amounts, as indicated in section 1.3 of these guidelines, must be observed.

Applicants must submit their complete applications in the same language as their concept note.

Applicants must fill in the proposal as carefully and clearly as possible in order to facilitate its evaluation.

Any error or major inconsistency in the proposal (inconsistency of amounts included in the budget calculation sheets, for example) may result in the immediate rejection of the application.

Clarifications will only be requested where the information provided is not clear and therefore prevents the contracting authority from carrying out an objective evaluation.

Handwritten applications will not be accepted.

It should be noted that only the proposal and annexes which need to be completed (budget, logical framework) will be evaluated. It is therefore very important that these documents contain ALL the relevant information regarding the action. **No supplementary annex must be sent.**

### 1.2.6 *Where and how to send proposals*

Applications must be submitted in a sealed envelope, sent by registered post or private express courier service or hand-delivered (a signed and dated acknowledgement of receipt will be issued to the carrier in this latter case), to the address set out below:

- East Jerusalem office: 5 Baibars Street, Sheikh Jarrah
- Ramallah office: Royal Center, 7th Floor, Al Balou', Mecca Street, Al Bireh - Ramallah and AlBireh Governorate

Applications sent by other means (for example by fax or e-mail) or sent to other addresses will be rejected.

Applications must be submitted in one original in A4 format. An electronic version of the proposal, budget and logical framework must also be provided. A USB will be put in the sealed envelope, along with the

paper version. The electronic file must contain **exactly the same** application as the paper version provided.

Where the applicants submit several applications (if this is authorized in the guidelines of the Call for Proposals), they must each be sent separately.

The external envelope must bear the **reference number and title of the Call for Proposals** as well as the lot number and its title, the full name and address of the applicant, and the note “Do not open before the opening session” and < “*equivalent note in the local language*” >.

**Applicants must ensure that their application is complete. Incomplete applications may be rejected.**

### 1.2.7 *Deadline date for the submission of proposals*

The deadline date for submission of proposals will be communicated in the letter sent to applicants whose concept notes have been shortlisted.

### 1.2.8 *Further information on proposals*

Applicants may send their questions by e-mail, at the latest 21 days before the deadline date for the submission of applications, to the address or one of the addresses set out below, making sure that they clearly indicate the Call for Proposals reference:

Email address: maram.saeed@enabel.be

The contracting authority will not be obliged to provide clarification on questions received after this date.

Questions will be answered at the latest 11 days before the deadline date for the submission of applications.

In order to ensure the equal treatment of applicants, the contracting authority cannot give a prior opinion on the eligibility of applicants, or an action.

Individual responses will not be given to questions. All questions and answers and other important information communicated to applicants during the evaluation procedure will be published on [www.enabel.be](http://www.enabel.be). As such, regular consultation of this website is recommended in order to be informed of the questions and answers published.

## 1.3 **Evaluation and selection of applications**

Applications will be examined and evaluated by the contracting authority with the help, where applicable, of external evaluators. All actions submitted by the applicants will be evaluated according to the stages and criteria described below.

If the examination of the application shows that the proposed action does not satisfy the admissibility criteria described in point 2.1.4, the request will be rejected on this sole basis.

### (1) **1<sup>st</sup> STAGE: OPENING, ADMINISTRATIVE CHECKS, ADMISSIBILITY CHECKS AND EVALUATION OF CONCEPT NOTES**

The following elements will be examined:

#### **Opening:**

- Compliance with the submission deadline. If the deadline date is not observed, the application will be automatically rejected.

#### **Administrative and admissibility checks**

- The concept note satisfies all the criteria specified in points 1 to 12 of the verification and evaluation grid provided in Annex Fa.

- If any of the information is missing or incorrect, the application may be rejected on this **sole** basis and it will not be evaluated.

## Evaluation

Concept notes satisfying the conditions of the first administrative and admissibility check will be evaluated for the relevance and design of the proposed action.

The concept note will be given an overall mark out of 50 in accordance with the breakdown specified in points 13 to 18 of the evaluation grid available in Annex Fa.

The evaluation criteria are divided by headings and sub-headings. Each sub-heading will be given a score between 1 and 5 as follows: 1 = very poor, 2 = poor, 3 = average, 4 = good, 5 = very good.

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

Firstly, only concept notes with a minimum score of 30 points will be considered for shortlisting.

Secondly, the number of concept notes will be reduced according to their ranking in the list, by the number of concept notes whose total cumulative amount of contributions requested is equal to at least 200% of the budget available for this Call for Proposals.

After evaluation of the concept notes, the contracting authority will send a letter to all applicants, notifying them of the reference number they have been allocated, whether their concept note has been evaluated and the results of this evaluation.

The applicants whose concept notes have been shortlisted will then be invited to submit a complete application

## (2) 2<sup>nd</sup> STAGE: EVALUATION OF PROPOSALS

Firstly, the following points will be evaluated:

- Compliance with the submission deadline. If the deadline date is not observed, the application will be automatically rejected.
- The proposal satisfies all the criteria specified in points 1 to 12 of the verification and evaluation grid provided in Annex Fb.
- If any of the information is missing or incomplete, the application may be rejected on this **sole** basis and it will not be evaluated.

The quality of the applications, including the proposed budget and the capacity of the applicants, will be given a score out of 100 on the basis of evaluation criteria 13 to 26 of the verification and evaluation grid provided in Annex Fb. The evaluation criteria may be broken down into selection and award criteria.

The evaluation criteria aim to ensure that the applicants:

- have stable and sufficient sources of financing to maintain their activity for the duration of the proposed action and, if necessary, to participate in its financing;
- have the management capacity and professional skills and qualifications required to successfully carry out the proposed action.

The evaluation criteria also help evaluate the quality of the applications against the objectives and priorities set, and to award grants to projects that maximise the overall effectiveness of the Call for Proposals. They help in selecting applications which assure the contracting authority that their objectives and priorities will be observed. They concern the relevance of the action and its consistency with the Call for Proposal's objectives, its quality, its intended effect, the sustainability of the action and its cost-

effectiveness.

#### *Provisional selection*

After evaluation, a table will be drawn up, containing all the applications ranked according to their score and subject to the funds available. A reserve list will additionally be drawn up following the same criteria, to be used if more funds become available during the validity period of this list.

Before finalizing the table, the supporting documents relating to the grounds for exclusion will be requested from the applicants that are temporarily selected. In the event of failure to provide these documents, the corresponding proposals will not be accepted.

### **1.4 Notification of the contracting authority's decision**

#### **1.4.1 Content of the decision**

The applicant will be notified in writing of the decision taken by the contracting authority concerning its application and, in case of rejection, the grounds for this negative decision.

If an applicant feels that it has been adversely affected by an error or mistake allegedly committed in an award procedure, or believes that the procedure has been vitiated by an instance of maladministration, it may file a complaint with the contracting authority.

In this case, the complaint will be sent to the person who made the disputed decision, who will endeavour to deal with the complaint and give a reply with 15 working days. Alternatively or in case the reply is deemed unsatisfactory by the applicant, this latter may contact the competent Operations Manager at Enabel's head office, via the mailbox [complaints@enabel.be](mailto:complaints@enabel.be)

See <http://www.Enabel.be/fr/gestion-plaintes>

Complaints relating to issues of integrity (fraud, corruption, etc.) should be sent to the Integrity Office through the Internet address [www.enabelintegrity.be](http://www.enabelintegrity.be).

The purpose of the complaint cannot be to request a second evaluation of the Proposals without any other grounds than that the applicant disagrees with the award decision.

#### **1.4.2 Indicative timetable**

	<b>Date</b>	<b>Time*</b>
<b>Information meeting</b>	July 11th,2024	11 :00 AM
<b>Deadline for clarification requests to the contracting authority</b>	July 16, 2024	16:00
<b>Last date on which clarifications are given by the contracting authority</b>	July 26, 2024	-
<b>Submission deadline for concept notes</b>	August 5th,	15:00
<b>Information of applicants on the opening, administrative checks and evaluation of concept notes (stage 1)</b>	August 6th,2024	-
<b>Invitations to submit the proposals</b>	August 27,2024	-
<b>Deadline for the submission of the proposals</b>	September 30 ,2024	-

<b>Request certificates and supporting documents relating to the grounds for exclusion (see 2.1.1 (2))</b>	October 15,2024	
<b>Receipt of certificates and supporting documents relating to the grounds for exclusion</b>	October 25,2024	
<b>Notification of the award decision and transmission of signed grant agreement</b>	November 15,2024	-
<b>Signature of the Agreement by contracting beneficiary</b>	No later than 15 days after notification of the grant	-

\* **Provisional date.** All times are in the local time of the contracting authority.

This indicative timetable may be updated by the contracting authority during the procedure. In this case, the updated timetable will be published on the Enabel [website](#) [<other websites>].

### **1.5 Implementation conditions following the grant award decision of the contracting authority**

Following the grant award decision, contracting beneficiaries will be offered an agreement based on the contracting authority's Grant Agreement template (Annex E of these guidelines). By signing the proposal(Annex A of these guidelines), applicants accept the contractual conditions of the Grant Agreement template, should the grants be awarded to them.

#### **1.5.1 Implementation contracts**

Where the implementation of an action requires public procurement by the contracting beneficiary, contracts must be awarded in accordance with:

Annex VIII of the Grant Agreement template for private sector contracting-beneficiaries.

Or

Belgian or partner country public procurement law or own regulation for public sector contracting beneficiaries.

For private contracting beneficiaries, it is not permitted to subcontract all of an action by means of a contract. In addition, the budget of each contract financed by means of the grant awarded may only correspond to a limited part of the total amount of the grant.

#### **1.5.2 Separate bank account**

In case a grant award, the contracting beneficiary shall open a separate bank account (or a separate sub-account allowing for the identification of the funds received). This account will be in euros, if this is possible in the country.

This account or sub-account must allow to:

- Identify the funds transferred by Enabel;
- Identify and follow up the operations performed with third parties;
- Distinguish between the operations performed under this agreement and other operations.

The financial identification form (Annex VI of the Grant Agreement) relating to this separate bank account,

certified by the bank<sup>7</sup>, will be sent by the contracting beneficiary to Enabel at the same time as the signed copies of the Grant Agreement after it has been notified. the award decision.

The account will be closed once any reimbursements owed to enabel have been made (and after settling the final amount of the funds used).

### 1.5.3 *Processing of personal data.*

Enabel undertakes to treat the personal data communicated in response to this call for proposals with the greatest care, in accordance with the legislation on the protection of personal data (the General Data Protection Regulation, GDPR). In cases where the Belgian law of July 30, 2018 on the protection of individuals with regard to the processing of personal data contains more stringent requirements, the adjudicator will act in accordance with this legislation.

More specifically, when you participate in a call for proposals within the framework of the allocation of grants by Enabel, we collect the details of the contact persons ("authorized representative") of the entity submitting the grant application, such as the name, first name, professional telephone number, professional e-mail address, professional function and name of the organization represented. In some cases, we must also collect the extract from the criminal record (or equivalent) of the leader of the organization applying for the grant.

We process this information because we have a legal obligation to collect this information in the context of the administration and award of our grants.

For more information on this subject, please consult Enabel's privacy statement at the following link: <https://www.enabel.be/fr/content/title-1> "

### 1.5.4 *Transparency*

For the sake of transparency, Enabel undertakes to publish an annual list of contracting-beneficiaries. By signing the Grant Agreement, the contracting-beneficiary declares that he agrees with the publication of the title of the contract, the nature and object of the contract, its name and location, and the amount of the contract.

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<sup>7</sup> This bank must be situated in the country where the applicant is established

## list of Annexes

### DOCUMENTS TO BE COMPLETED

ANNEX A: GRANT APPLICATION FILE (WORD FORMAT)

ANNEX B: BUDGET (EXCEL FORMAT)

[ANNEX C: LOGICAL FRAMEWORK (WORD FORMAT)]

[ANNEX D: LEGAL ENTITY FORM (WORD FORMAT)] (PRIVATE OR PUBLIC, TO BE DETERMINED)

### DOCUMENTS FOR INFORMATION

ANNEX E: GRANT AGREEMENT TEMPLATE

Annexe III:	Payment request template.
Annex IV	Transfer of ownership of assets template]
Annex V	Legal entity form (private or public)
Annex VI	Financial identification form
Annex VII	Exclusion grounds
Annexe VIII	Procurement principles

ANNEX Fa: CONCEPT NOTE VERIFICATION AND EVALUATION GRID

ANNEX Fb: PROPOSAL VERIFICATION AND EVALUATION GRID

ANNEX G: DAILY ALLOWANCE RATES (PER DIEM): current rate at the Representation of the country concerned