

Call for Proposal

Content, rules & regulations

Grants

for Micro, Small and Medium-sized Enterprises or
producer's organisations in Africa

Reference number: BEL1806811-003



Trade for Development Centre

Enabel, the Belgian development agency

The TDC programme is implemented by:



Financed by :



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1 Introduction and objectives

1.1 Context

Enabel (hereinafter referred to as the contracting authority) is the Belgian development agency. The Trade for Development Centre (TDC), a programme implemented by Enabel, aims to promote fair and sustainable trade, by improving market access for micro, small and medium-sized enterprises and producer's organizations engaged in this process.

1.2 Objective of the call for proposals

As part of its mission, the TDC manages a fund allowing grants to be awarded to finance actions aimed at improving the management and market access (local, regional or international) of micro, small and medium-sized enterprises or producer's organisations involved in fair or sustainable trade.

1.3 Amount of the financial allocation provided by the contracting authority

The total indicative amount available under this call for proposals is **500.000 EUR**. The contracting authority reserves the right not to award all of the available funds.

Amount of the grant

All applications for grants under this call for proposals must fall between the following minimum and maximum amounts:

- minimum amount of the contribution from the contracting authority : 10.000 EUR
- maximum amount of the contribution from the contracting authority: 30.000 EUR

The contracting beneficiary will have to co-finance at least 10% of the total granted budget. This means that if the contribution requested from the contracting authority amounts to e.g. EUR 10.000, the contracting beneficiary will have to finance at least EUR 1.000 of a project with a minimum total amount of EUR 11.000.

The TDC will finance the action presented up to a maximum of 90% of the eligible expenditure presented in the final financial report. The remaining minimum 10% will be borne by the contracting beneficiary.

2 Rules applicable to this Call for Proposals

These guidelines set out the rules for the submission, selection and implementation of the actions financed under this call for proposals.

2.1 Eligibility criteria

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

The actors:

- the applicant, i.e. the entity submitting the application (hereunder 2.1.1);

The actions:

- the actions eligible for grants (hereunder 2.1.2);

The costs:

- the types of costs that may be included in the calculation of the granted amount (hereunder 2.1.3).

2.1.1 Eligibility of applicants

In order to be eligible for grants, the applicant must meet the following conditions:

- (a) This call for proposals is only open to **micro, small and medium-sized enterprises (MSMEs)** or **producer's organisations** which do not exceed the definition of a medium-sized enterprise¹.
- (b) **which do not have as primary objective the maximisation of benefits.** As matter of example, cooperatives, associations, foundations and mutual societies meet this objective. In this category, enterprises which meet the following characteristics will be considered:
 1. They aim to achieve a specific **social added value**:
 - Sustainable development through environmentally friendly production processes and products and integrated environmental protection.
 - The priority given to labour over capital in the distribution of income. Income is not an objective in itself, but a means to achieve social objectives.
 - Democratic decision-making: the people involved have a say in company policy.
 - Maximum transparency, including in the areas of general company policy, finance and internal and external relations.
 - Quality relationships. In external relations, the aim 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 for staff.

¹ United Nations' definition: medium-sized company = less than 250 employees and an annual turnover of less than €50 million or a balance sheet of less than €43 million.

- Positive integration into society. This can be achieved through dialogue with the local community and non-governmental organisations in the field. Partners work together and build networks.
2. They **provide goods and services** for which there are customers and needs, both current and future. Emphasis is placed on continuity, cost-effectiveness and efficient use of resources.
- (c) having a **legal status** since at least 2 years.
- (d) growing, processing and/or trading **cocoa, coffee, fruits, vegetables or leguminous plants, nuts**; or extracting, transforming and/or selling **precious metals**; or developing **tourism services**.
- (e) **engaged in sustainable production and trade**. Please provide a proof of strong focus on economic, social and environmental sustainability, either:
- an up-to date certificate, proof of membership or proof of being in the process of getting certified of:
 - Organic (PGS² included), Fairtrade, WFTO, ECOCERT, FairWild, Naturland, Rainforest Alliance, UTZ, SPP small-producers symbol, Fair for Life, Fairmined, Initiative for Responsible Mining Assurance (IRMA), Fair Trade Tourism, Garantie tourisme équitable et solidaire (ATES)³ or any other certification body accredited by the Global Sustainable Tourism Council (GSTC), or issued by other members of the ISEAL Alliance;
 - evidence of the compliance with economic, social and environmental principles and criteria comparable to one of the certification schemes mentioned above, credibly verified and issued by a third party;
 - a proof of membership of a formal international, national or regional network of:
 - fair trade;
 - fair, sustainable, solidarity or community-based tourism;
 - a copy of a sales contract with a member of a fair trade network in Europe is also a valid proof.
- (f) located⁴ in one of the following countries: **Benin, Burkina Faso, Burundi, DR Congo, Ghana, Ivory Coast, Mali, Morocco, Rwanda, Senegal, Tanzania or Uganda**.
- (g) to dispose of **accounts** of the 2 preceding years: please provide the accounts for 2018 and 2019.
- (h) be directly responsible for the preparation and management of the action for which the grant is requested (not acting as an intermediary).

The potential applicants **may not participate in calls for proposals** should one of the following situations be applicable to them:

² Participatory Guarantee Systems

³ Fair and responsible tourism guaranteed (ATES).

⁴ The establishment is determined on the basis of the organisation's statutes, which will have to demonstrate that the organisation has been established by an act of domestic law of the country concerned and that its registered office is located in an eligible country. In this respect, any legal entity whose statutes were created in another country cannot be considered as an eligible local organisation, even if it is locally registered or a "memorandum of understanding" has been concluded.

- a) they are in a state of or the subject of proceedings relating to bankruptcy, winding-up, administration by the courts, arrangement with creditors, cessation of business activities, or are in any similar situation arising from proceedings of the same nature provided for in national legislation or regulations;
- b) they have been the subject of a judgement which has the force of res judicata (i.e. against which no appeal is possible) for any offence involving their professional conduct;
- c) they have been guilty of grave professional misconduct proven by any means, which the contracting authorities can justify;
- d) they have not fulfilled their obligations relating to the payment of social security contributions or the payment of taxes in accordance with the legal provisions of the country in which they are established or with those of the contracting authority's country or those of the country where the project is to be performed;
- e) they have been the subject of a judgement which has the force of res judicata for fraud, corruption, involvement in a criminal organisation or any other illegal activity;

In the Application form (Annex 1), the applicant must declare that he does not fall under any of these situations.

If the grants are awarded, the applicant becomes the contracting beneficiary identified in Annex V of the Grant Agreement (see example of agreement at Annex 6). The beneficiary-contractor is the main contact point for the Contracting Authority. He represents and acts on their behalf and designs and coordinates the implementation of the action.

2.1.2 Eligible actions: for which actions may an application be submitted?

Definition

An action comprises a series of activities.

Duration

The action for which a grant is requested shall end at the latest on December 31st 2022.

Sectors or themes

Agriculture, precious mineral resources or tourism.

Geographical coverage

The actions must be implemented in at least one of the following countries: Benin, Burkina Faso, Burundi, Ivory Coast, Ghana, Mali, Morocco, DR Congo, Rwanda, Senegal, Tanzania or Uganda.

Types of actions and activities

As matter of example, you will find below some eligible actions (with proposals for eligible activities) for funding from the Trade for Development Centre:

- **Capacity building.** Improvement of the organisation's capacities and tools for general management and product cycle management (production, processing, marketing).
- **Product development.** Adaptation/development of products for local, regional or international markets.

- **Equipment.** Supplies and machinery (not land or real estate).
- **Quality.** Implementation of quality improvement and quality control systems.
- **Certification.** Feasibility studies guiding the organisation prior to affiliation to either certification programme; implementation of activities enabling the organisation to achieve or maintain certification.
- **Market research.** Research on local, regional or international markets, including feasibility studies.
- **Development of promotional and/or communication tools.** Website, company brochures, catalogues, videos, product images, advertising...
- **Company matching/commercial visits.** Introduction of the organization to potential buyers, whether local, regional or international.
- **Participation in trade fairs.** Presentation of products at local, regional and international trade fairs.
- **Digitalization.** Use of applications and use of digital tools for better management of the organization (customer management ...) or the collection and use of market data (big data, price trends ...).
- **Resilience and durability.** Training and/or implementation of circular economy practices, agro-ecology, etc. to increase the resilience of organizations to crises (climate change, sanitary, financial, etc.).
- **Preservation of ecosystems.** Development of techniques to reduce environmental impact.
- Adaptation measures to the situation caused by the **Covid-19** sanitary crisis.
- **Other.** Their relevance will be assessed by the TDC, but as with all the above activities, they must also contribute to improving management and/or access to markets while aligning with the organization's strategy.

The following types of action are not eligible:

- actions consisting solely or mainly of sponsoring the participation of individuals in workshops, seminars, conferences and congresses;
- actions consisting solely or principally of the financing of individual scholarships or training grants (except where explicitly stated in these guidelines).

Financial support to third parties⁵

Applicants may not offer to support third parties financially (sub-granting) to help in achieving the objectives of the action.

Visibility

Applicants must take all necessary **measures** to ensure the visibility of the financing or co-financing by the Belgian cooperation. The beneficiary-contractor always mentions the "**Belgian State**" as donor or co-financier in public communications relating to the subsidised action.

⁵ These sub-beneficiaries are neither partners nor contractors.

Number of grant applications and agreements per applicant

Applicants may not submit more than 1 application under this call for proposals.

The applicant may not be awarded more than 1 grant agreement under this call for proposals.

2.1.3 Eligibility of costs: what cost can be included?

Only "eligible costs" can be covered by grants. The types of eligible and ineligible costs are listed below. The budget constitutes both an estimate of costs and an overall ceiling of 'eligible costs'.

Reimbursement of eligible costs concerns **operational costs**: costs necessary and indispensable for achieving the objectives and results of the action, including the cost of achieving verifiable deliverables.

If daily allowance rates (per diem) are requested, these will be capped in accordance with the applicable scales of the Belgian Federal Public Service of Foreign Affairs.

To be eligible under the call for proposals, costs must comply with the conditions set out in Article 4 of the model Grant Agreement (see Annex 6).

Contingency Reserve

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

Contributions in kind

"In-kind contributions" means goods or services provided free of charge by a third party to the beneficiary-contractor. As contributions in kind do not involve any expenditure for the beneficiary-contractor, they do not represent eligible costs.

Ineligible costs

The following costs shall always be considered **ineligible**:

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.
16. Grants to sub-beneficiaries.

2.2 Proposal and procedures to be followed

This call for proposals is organised in a single phase. At the same time, the applicant shall submit the proposal and its annexes in a complete file.

2.2.1 Application file for grants

The application needs to be submitted according to the instructions below.

The file must include the following elements:

- the application form, duly completed (see Annex 1) ;
- the budget foreseen for the actions (see Excel file Annex 2);
- the file containing key operational data of the organisation (see Excel file Annex 3);
- a document setting out the organisation's strategy (business plan, marketing plan, etc.).
- the articles of association (regulations, bylaws), internal regulations (if applicable) and explanations of the allocation of profits in previous years (if applicable) ;
- proof of commitment to sustainable trade: see chapter 2.1;
- a copy of the applicant's financial statements for the previous two years (income statement and balance sheet for the last two financial years closed). Potential co-applicants are not required to submit a copy of their financial statements.
- the legal entity sheet (see Annex 5) duly completed and signed by each of the applicants (i.e. the applicant and each of the possible co-applicants), together with the requested supporting documents.

Applicants must submit their application in **English** or **French**.

Please note that only items from the above list will be evaluated. It is therefore very important that these documents contain ALL relevant information concerning the subsidised action.

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

Any major error or inconsistency in the application file (for example if the amounts mentioned in the budget calculation sheets do not correspond) may lead to the rejection of the application.

Clarifications will only be requested where the information provided is unclear and therefore prevents the Contracting Authority from carrying out an objective assessment.

Handwritten applications will not be accepted.

2.2.2 Where and how to send the complete file

Complete applications must be submitted electronically.

The grant application file must be complete and include all the required documents (see list above): e-mail address: tdc@enabel.be

If you do not receive an e-mail confirmation of receipt of the file from us, please contact us.

Applicants must ensure that their grant application file is complete. Incomplete applications may be rejected. The size of the emails cannot exceed 10 Mb. E-mails larger than this size will be automatically rejected by the system.

The title of the e-mail must bear the reference number and title of the call for proposals, the full name and address of the applicant and the words 'Not to be opened before the opening session'.

2.2.3. Deadline application

The deadline for the applications is **10 September 2020** (inclusive), as evidenced by the inbox of the above-mentioned e-mail address. Any application received after this deadline may be rejected.

2.3 Evaluation and selection of applications

Applications will be reviewed and evaluated by the Contracting Authority with the assistance, where appropriate, of external assessors. All projects submitted by applicants will be evaluated according to the steps and criteria described below.

If examination of the application reveals that the proposed project does not meet the eligibility criteria described in point 2.1.1, the application will be rejected on that basis alone.

The following elements will be examined:

Opening

- Respect of the submission deadline. Failure to meet the deadline may result in the rejection of the application.

Administrative and eligibility check

- The applicant meets all the eligibility criteria (see point 2.1.1).
- The proposal complies with all the criteria specified in the annexed check and evaluation grid.
- If any information is missing or incorrect, the application may be rejected on that **basis alone** and will not be assessed.

Evaluation

Applications meeting the conditions of the first administrative check and eligibility will then be assessed with regard to the relevance and design of the proposed action.

The Contracting Authority will select on the basis of the application form and the annexed documents submitted by the potential beneficiaries.

First, the following points will be assessed:

- The proposal complies with all the criteria specified in the verification and evaluation grid provided in Annex 4.
- If any of the information requested is missing or incomplete, the proposal may be rejected on this sole basis and will not be evaluated.

The quality of the proposals, including the proposed budget and the capacity of the applicants, will be assessed on the basis of the evaluation criteria in the verification and evaluation grid

provided in Annex 4. The evaluation criteria are broken down into selection criteria and award criteria.

The TDC may request additional information or to complete incomplete data and figures.

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

2.4 Notification of the Contracting Authority's Decision

The applicant will be notified in writing of the Contracting Authority's decision on the application and, in case of rejection, the reasons for the negative decision.

Where an applicant considers himself wronged by an error or irregularity allegedly committed in connection with an award procedure or considers that the procedure has been vitiated by an act of maladministration, he may lodge a complaint with the contracting authority.

In that case, the complaint shall be addressed to the person who took the contested decision, who shall endeavour to investigate the complaint and reply within 15 working days. Alternatively, or in the event of a response considered unsatisfactory by the applicant, the latter may contact the competent Operations Director at the head office, via the mailbox complaints@enabel.be

<https://www.enabel.be/content/complaints-management>

Complaints related to integrity issues (fraud, corruption,...) should be addressed to the Integrity Office through www.enabelintegrity.be

The complaint may not relate to a request for a second evaluation of the proposals without other grounds than the applicant's disagreement with the award decision.

2.5 Indicative timetable

Deadline for clarification requests to the Contracting Authority	20/08/2020
Last date at which clarifications are provided by the Contracting Authority	31/08/2020
Deadline for submission of complete application files	10/09/2020
Notification of the grant decision and transmission of the grant agreement signed	12/10/2020
Signature of the agreement by the contracting beneficiary	No later than 15 days after notification of the award

This indicative timetable may be updated by the Contracting Authority in the course of the procedure.

2.6 Conditions for implementation after the decision of the contracting authority awarding the grants

Following the grant award decision, the contracting beneficiaries will be offered an agreement based on the Contracting Authority's model grant agreement (Annex 6 to these Guidelines). By signing the application form (Annex 1), applicants accept, if the grants are awarded to them, the contractual conditions of the model grant agreement.

Separate bank account

In the event that a grant is awarded, the beneficiary-contractor shall open a separate bank account (or a separate sub-account to identify the funds received). This account will be opened in euros, if this possibility exists in the country.

This account or sub-account must allow:

- to identify the funds paid by Enabel ;
- to identify and monitor the transactions carried out with third parties;
- to distinguish between transactions carried out under this agreement and other transactions.

The financial identification form (Annex VII of the Grant Agreement) relating to this separate bank account and certified by the bank⁶ will be sent by the contracting beneficiary to Enabel, together with the signed copies of the Grant Agreement, after he has been notified of the grant decision.

The account will be closed as soon as any repayments to be made to Enabel have been made (after the final amount of the funds used has been determined).

NB: the opening of a separate bank account may be abandoned. This can be discussed after the decision to grant the subsidies has been taken.

⁶ The bank must be located in the country where the contracting beneficiary is established.

3 Annex

REQUIRED DOCUMENTS

ANNEX 1: GRANT APPLICATION FILE (WORD FORMAT)

ANNEX 2: BUDGET (EXCEL FORMAT)

ANNEX 3: FINANCIAL DATA (EXCEL FORMAT)

ANNEX 5: LEGAL ENTITY FORM (WORD FORMAT)

INFORMATION DOCUMENTS

ANNEX 4: VERIFICATION AND EVALUATION GRID

ANNEX 6: EXAMPLE OF GRANT AGREEMENT AND ITS ANNEX

ANNEX OF THE GRANT AGREEMENT TEMPLATE

- *Annex I: Action proposal including the logical framework, the operational planning, the budget and the financial planning*
- *Annex II: Reporting templates*
- *Annex III: Template Disbursement request*
- *Annex IV: Template Transfer of assets ownership]*
- *Annex V: Legal (private or public) entity form*
- *Annex VI: Public procurement principles (for a private contracting beneficiary)*
- *Annex VII: Financial identification sheet*

*****end*****