

## Guidelines Call for Proposal

This is an additional call for proposals (CfP) organized by MFC and CERISE within the project **TRANSFORM TOGETHER FUND (TTF)**: Green and digital transition fund for social finance actors and microentrepreneurs. This call invites social finance actors from Serbia and Montenegro to submit proposals.

The project is funded by the **European Commission** under the Employment and Social Innovation (EaSI) strand of the European Social Fund Plus (ESF+)<sup>1</sup>.

### Background:

Microenterprises represent over 90% of European enterprises and are thus decisive for boosting jobs, growth, and investment in Europe. Among microbusinesses many are set up by marginalized and/or vulnerable groups such as low-income people, migrants/refugees, and women. These businesses, however, often lag in the digitalization or green effort due to the lack of sufficient information about available solutions: e.g. how to minimize environmental risks, how to be more resilient to changes, how to use certain new technologies to strengthen or expand their business. They often perceive investment in green or digital solutions as expensive and with no return on investment in the medium term (2-3 years). The COVID-19 pandemic revealed female microentrepreneurs were able to use financial services to a much lesser extent than male microentrepreneurs, due to lower digital skills and as a result, their income generating activities diminished. The arriving energy crisis will most impact the vulnerable, smallest businesses, both in urban and rural areas. Moreover, year to year, we observe the small farming businesses in rural areas are impacted most from climate change, as their size hardly allows for tackling challenges related to lower yields and smaller incomes. The recent disasters related to climate change (floods, fires, etc.) invading Europe showed the microbusinesses sites are weakly secured and subject to asset losses.

### Definitions:

Please note that whenever it is used:

“Applicant” means entity applying for a grant

“Grantee” means a selected and awarded applicant

“Application” means project/proposal submitted by the applicant

“Action” means activities described in the application by the applicant

“Beneficiary” means target group selected by the applicant – end/final beneficiary (vulnerable microentrepreneurs groups) of the action proposed by the applicant

“Audience” means people or organizations you work for as an institution (example: clients in case of financial institution, members in case of association)

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<sup>1</sup> Co-funded by the European Union. Views and opinions expressed are however those of the author(s) only and do not necessarily reflect those of the European Union. Neither the European Union nor the granting authority can be held responsible for them.

**Scope and objectives:**

This Call for Proposals (CfP) aims at supporting social finance actors, in Serbia and Montenegro to develop and test specific **green and/or digital solutions among vulnerable microentrepreneurs groups**.

The TTF is looking to support **new, innovative green or/and digital approaches or solutions which will benefit vulnerable microentrepreneurs groups**.

**TIP:**

**The new, innovative approach** is considered as something new in the market where an applicant operates, or new for a specific target group (solution may exist in the market but no one has adopted and provided such solution to the proposed target group), or new for the institution (in such a case a justification will be requested on how it will be similar and differ from other social economy players in the market).

The applicant may choose to focus on one theme: green or digital in their application (it is not necessary to work on both themes).

**Eligible participants (applicants):**

To be eligible, the applicant must:

- be a legal entity;
- be established in Serbia or Montenegro;
- be a social finance actor: microfinance institution (any legal entity providing microfinance), social finance provider, national microfinance / social finance association, non-governmental organization or regional network working on financial inclusion.

**TIP:**

**A social finance actor is organization** either 1) providing loans (or other financial instruments) directly to the target group defined in the call for proposal, or 2) supporting the target group with various non– financial services activities (e.g. capacity building, financial education, technical support), which leads to accessing funding or other financial services in financial institutions. The organization strategy on improving financial inclusion should be clearly defined. The proposed project should be included in a sustainable strategy.

**Target groups (beneficiaries) which should benefit from the proposed action:**

Vulnerable microentrepreneurs groups (including farmers): low income, women, migrants/refugees based in Serbia or Montenegro.

**The expected results and outcomes of the action co-financed under this call are the following:**

- New knowledge or skills related to green or digital approaches/solutions gained by beneficiaries;
- Attitude change towards new solutions related to green/digital when conducting/running business (by beneficiaries);
- Implementation of solutions, that enable beneficiaries to apply green or digital practices in their businesses;
- New green or digital solutions implemented by the beneficiaries.

**Examples of activities that can be funded:**

- Capacity building activities (e.g. trainings) for beneficiaries or applicant organization (if the capacity building activity is for the applicant staff, it must clearly demonstrate how the beneficiary will benefit from knowledge gained by the organization staff).
- Actions that lead to developing and testing new social innovation approaches/solutions related to green and/or digital from which beneficiary will benefit (e.g., their business will introduce new digital/green solutions).
- Developing and testing solutions which will help to reach beneficiaries to offer already developed educational activities or products which will make them more digital/green.
- Research activities that lead to developing and testing a solution (though research results cannot be the outcome of the project).
- Creating ecosystem (partnerships) that will help beneficiaries apply green or digital practices (i.e. ecosystem to utilize business waste that destroys the environment).
- Activities related to innovative green/digital product development.
- Promoting green/digital microentrepreneurs and their relevant practices.

**Eligible costs:**

- incurred during the project duration.
- relevant for proposed activities; examples:
  - staff costs
  - external experts' costs
  - software/equipment relevant for project activities
  - travel costs
  - rental
  - subcontracting
  - banking fees (related to the project activities)

**Non eligible cost (activities) examples:**

- Activities covering organization debt
- Re-granting

**Available budget:**

Each applicant can apply for **a grant ranging from 20.000 to 40 000 EUR**

- The grant can cover a **maximum of 90%** of costs.
- Each applicant is required to co-finance the remaining (at least) 10% of costs.
- The in-kind contribution will not be considered as co-financing.
- The administrative cost can be up to 7% of total project costs (lump-sum).

MFC and CERISE restrict the right to award grant amount lower than the amount requested. The grant will reimburse **ONLY** certain types of costs (eligible costs) and costs that were actually incurred during the project period (**NOT** the budgeted/planned costs occurring after the project).

**Compulsory costs to be included into the budget:**

The project budget must include costs to cover the following activities:

- (1) mandatory grantees' meetings, organized by MFC and CERISE:
  - mid-term progress review meeting in Warsaw (September 2024),
  - final meeting in Brussels (April 2025).

Each meeting will last two working days.

These meetings aim at building capacity of grantees in the selected topic of their actions (digital or green) and at peer-to-peer learning. Each meeting has to be attended by at least 1 person (project coordinator) from grantee who speaks fluent English.

- (2) In addition, the grantee is expected to participate in online coaching sessions (circa 5 sessions up to 1 hour per grantee) and monthly online peer learning meeting with other grantees (12 online meetings).
- (3) Furthermore, it is required to conduct a local dissemination event where grantee organization's results, including lessons learned, will be presented to a larger local audience, relevant to the grantee's activities and context.

#### **Timetable and deadlines:**

- **Deadline for grant application submission: 29 February 2024 at 17.00 CET.** Application (Application Form and Budget) must be submitted before the call deadline, must be complete and contain all the requested information and all required annexes stated in the grant application form.
- Please submit only via e-mail at [tffgrants@mfc.org.pl](mailto:tffgrants@mfc.org.pl) including the reference to TRANSFORM TOGETHER FUND and applicant entity name in the subject line.
- Evaluation results: March 2024
- Contract signing: Within 30 days from results announcement.
- Expected project starting date: **May 1, 2024 (maximum 12 months long project)**

You can download Application Form [here](#) and Budget Template [here](#)

**The applicant can submit only one application.**

Please submit the application form and annexes in PDF format. Please submit the budget in PDF and Excel format.

#### **Duration:**

Projects should last a maximum of **12 months**.

#### **Evaluation process:**

Upon receipt, an email will be sent to the applicant to acknowledge receiving the application. It will be followed by an email informing if the proposal met administrative and eligibility criteria. Proposals found admissible and eligible will be evaluated and ranked according to their scores by selected qualified independent evaluators.

Their scores and opinions will serve as a base for the evaluation committee (including MFC and CERISE staff) to award the best projects.

All applicants will be informed about the evaluation results via e-mail. Successful applicants will be invited for contract signing; the others will be informed about the result.

The TTF plan to select 1-3 applicants.

**Evaluation criteria:**

<b>Criteria</b>	<b>Description</b>	<b>Scores</b>
Relevance	Clarity and consistency of proposal, objectives, and planning. Extent to which the proposal matches the theme (green or digital) and the target group Extent to which the project is innovative.	1-6 points
Project design	Logical links between the identified problems, needs and solutions proposed. Feasibility of the action within the proposed time framework. Coherent and proportionate budget (sufficient and reasonable resources are planned to ensure project implementation) Project management: monitoring of results, procedures, timetable, risk management is set.	1-6 points
Applicant capacities	Quality of the team's experience in working with the proposed target groups and their proficiency in implementing green or digital solutions Quality of the organization to manage the project (e.g. financial, organizational)	1-6 points
Impact	Ambition and expected long-term impact of the results on target groups. Strategy for ensuring sustainability and long term impact	1-6 points

**Reporting and other requirements:**

Selected grantee commits to providing to MFC:

- A mid-term technical report, including evidence of implemented activities (e.g. sign-up sheets from training sessions or list of participants from online event, research results, website screenshots, photos, summaries of feedback from beneficiaries, etc.) as well as a financial report, including summary of costs, copies of proof of expenses such as invoices)
- A final technical report, including the same elements as the mid-term report.

The selected grantees will be provided with reporting templates together with the grant agreement.

Selected grantees commit to referring to the TRANSFORM TOGETHER FUND in their official communications and including following information: "The Project "[insert the title of the project]" is co-financed by the European Union", along with the EU emblem. In addition, all materials (e.g. online content, publications) must include this sentence: "Co-funded by the European Union. Views and opinions expressed are however those of the author(s) only and

do not necessarily reflect those of the European Union. Neither the European Union nor the granting authority can be held responsible for them.”

Selected grantees commit to accept any control MFC or CERISE or the European Commission may need to make within the project.

### **Payment arrangements**

The grant will be paid in three tranches:

- 40% as a prefinancing installment
- 30% upon submission and approval of the mid-term technical report and financial report
- Final payment once the final technical report and financial report is submitted and approved

### **Contact:**

If you have any questions, please submit them through email: [tftgrants@mfc.org.pl](mailto:tftgrants@mfc.org.pl). The answers to the questions asked will be also published at <https://mfc.org.pl/transform-together-fund/>.

Please note that questions submitted after 20 February 2024 may not be answered.

### **Important information:**

- **Balanced project budget** — applications must have a balanced project budget and sufficient resources to ensure successful project implementation (e.g. own contributions, income generated by the action, financial contributions from third parties, etc).
- **No-profit rule** — grants must NOT generate a profit (i.e., a surplus of revenues or EU grant higher than project costs). MFC will verify this at the end of the project.
- **No double funding** — There is a strict prohibition of double funding for the same activities. Under NO circumstances can the declared activities be funded by two or more different grants.
- **Data protection** — The submission of a proposal under this call involves the collection, use and processing of personal data. This data will be processed in accordance with the European Union's data protection law (General Data Protection Regulation). It will be processed solely for the purpose of evaluating your application, subsequent management of your grant and, if needed, program monitoring, evaluation, and communication. Additionally, applicants have the right to access, rectify, and erase their personal data in accordance with applicable data protection laws.