



The European Union
for Georgia
ENPARD



ENPARD-funded project:

**“PROMOTING INCLUSIVE & PARTICIPATORY LOCAL
DEVELOPMENT IN AKHMETA MUNICIPALITY”**



AKHMETA LAG

Grant Manual

2020/21

About the project and this grant manual

With the support of the European Neighbourhood Programme for Agriculture and Rural Development (ENPARD), Action Against Hunger is implementing the project “Promoting inclusive and participatory local development in Akhmeta Municipality” in partnership with the Kakheti Regional Development Foundation (KRDF).

Akhmeta Local Action Group (LAG) is the main decision-making body of this community-led development project. Through a participatory approach the LAG has developed a Local Development Strategy (LDS) which outlines the main priorities and actions to be financially supported by the LAG in 2020/21 (see Table 1).

On August 4th, 2020 Akhmeta LAG is launching the first phase (2020/21) of a grant competition to support the realisation of the goal and priorities of the strategy. All information about the grant competition is included in this grant manual, including eligible applicants, eligible/non-eligible costs, the application and selection process, scoring of proposals and the awarding of grants. Please read all sections to have a clear understanding of how this grant process works.

The importance of the Local Development Strategy to the Grant Competition

The aim of grant competition is to help realise the **GOAL** of Akhmeta LAG Local Development Strategy which is **the improvement of the quality of life and economic development of Akhmeta Municipality**.

To achieve this goal three priorities were identified by the LAG:

- 1. Improvement of public infrastructure and environment through the cooperation of public, private and civil society sectors**
- 2. Development of local economy by supporting self-sustainability in the agriculture, business and tourism sectors**
- 3. Strengthening of the social sector through the development of social infrastructure and promotion of citizens engagement**

The following table provides the 12 actions that have been identified by the LAG to be supported under these priorities in 2020/21 to assist the development of communities and businesses and to mitigate the social and economic effects of the COVID-19 pandemic.

All project ideas **must be in line with at least one of the actions** provided in the strategy table to receive funding and you must clearly explain which action your project will support in your application.

Also, your project budget must fit within the **minimum and maximum budget allowance** provided in the table for that particular action.

All applicants must be able to provide **co-financing** and the minimum co-financing per action and whether it needs to be in cash or in-kind is also provided in the table.

The table also provides some project ideas – these are only a guideline and we will welcome other **creative and innovative ideas** from the applicants that fit the priority and action.

Table 1: Akhmeta LAG Strategy Priorities and Actions to be funded through the grant competition 2020/21

Priority	Action	Range of financial support per project	% of grant support	Co funding	Indicative project ideas
1. Improvement of public infrastructure and environment through the cooperation of public, private, and civil society sectors	1.1. Small-scale rehabilitation of water supply systems in villages	Minimum support 3,000 Maximum support 10,000	Maximum 80%	Minimum 20% Cash Contribution	<ul style="list-style-type: none"> ○ Arranging village water supply systems ○ Rehabilitation of wells ○ Arrangement/protection/rehabilitation of water supply head gate
	1.2. Renovation of education and health-care public infrastructure	Minimum support 3,000 Maximum support 10,000	Maximum 80%	Minimum 20% Cash Contribution	<ul style="list-style-type: none"> ○ Rehabilitation and equipping of kindergartens, libraries, schools and informal education centers ○ Rehabilitation and equipping of village health clinics
2. Development of local economy by supporting local self-sustainability in the agriculture, business, and tourism sectors	2.1. Modernization of farms	Minimum support 3,000 Maximum support 10,000	Maximum 70%	Minimum 30% Cash Contribution	<ul style="list-style-type: none"> ○ Purchase of agricultural machinery and equipment ○ Purchase of equipment for agricultural processing ○ Training in energy-efficient and innovative approaches
	2.2. Support for food processing	Minimum support 3,000 Maximum support 10,000	Maximum 70%	Minimum 30% Cash Contribution	<ul style="list-style-type: none"> ○ Equipping processing enterprises
	2.3. Support for investments into innovations in the SMEs	Minimum support 3,000 Maximum support 10,000	Maximum 70%	Minimum 30% Cash Contribution	<ul style="list-style-type: none"> ○ Upgrading of technical capacity, equipment, inventory etc. ○ Establishing of online platforms ○ Provision of new customer services and new product lines
	2.4. Support the establishment of start-up SMEs	Minimum support 1,500 Maximum support 6,000	Maximum 80%	Minimum 20% Cash Contribution	<ul style="list-style-type: none"> ○ Procuring equipment, inventory etc. ○ Purchase of hardware and software ○ Enhancing technical capacity
	2.5. Strengthening catering, accommodation and tourism services	Minimum support 3,000 Maximum support 8,000	Maximum 70%	Minimum 30% Cash Contribution	<ul style="list-style-type: none"> ○ Supporting mobile, open/indoor catering facilities/shops, guesthouses etc. ○ Organising master classes, festivals etc. ○ Popularising and showcasing of traditional cuisine
	2.6. Support for life-long training and capacity building for business sector	Minimum support 1,500 Maximum support 5,000	Maximum 95%	Minimum 5% Cash Contribution	<ul style="list-style-type: none"> ○ Hosting trainings for upskilling ○ Facilitating exchange programmes and study visits ○ Hosting educational seminars, conferences, workshops etc.

3. Strengthening of social sector through the development of social infrastructure and promotion of citizens engagement	3.1. Provision of stationary and mobile social services for the vulnerable people	Minimum support 3,000 Maximum support 8,000	Maximum 95%	Minimum 5% Cash or in-kind Contribution	<ul style="list-style-type: none"> ○ Provision of delivery services ○ Purchase of machinery and equipment ○ Provision of stationary and mobile food/canteen services ○ Provision of laundry services ○ Provision of transport services ○ Encouraging youth volunteerism
	3.2. Establishment and arrangement of community facilities for provision of cultural, leisure activities and services	Minimum support 3,000 Maximum support 9,000	Maximum 90%	Minimum 10% Cash or in-kind Contribution	<ul style="list-style-type: none"> ○ Establishing a Knowledge café with studio space, media hub, library ○ Establishing and outfitting sports and fitness facilities ○ Establishing cinema and amateur drama theatre clubs ○ Training of youth workers, tour guides etc.
	3.3. Support for youth activities and initiatives	Minimum support 1,500 Maximum support 5,000	Maximum 95%	Minimum 5% Cash or in-kind Contribution	<ul style="list-style-type: none"> ○ Organising sports and intellectual competitions ○ Establishing youth banks and youth centres ○ Hosting youth events
	3.4. Raising awareness on community health, safety, mobilization, and public engagement	Minimum support 1,500 Maximum support 3,000	Maximum 95%	Minimum 5% Cash or in-kind Contribution	<ul style="list-style-type: none"> ○ Organising campaigns, competitions, photo contests etc. ○ Provision of First aid, health and safety training courses ○ Training on COVID-19 mitigation practices ○ Training of volunteers, public servants etc.

Who can apply for a Grant?

Applicants for grant projects can be:

- Citizens (18 years and above) of Georgia
- Legal entities (businesses) registered in Georgia (applicants may apply without a legal business status, but must be registered prior to receiving grant funding)
- Non-Governmental Organisations
- Akhmeta Municipality Self-Government Public Law Legal entities
- Non-formal community groups

The projects submitted by applicants must:

- be implemented in Akhmeta municipality.
- be in compliance with the Akhmeta LAG Strategy and meet at least one action of the strategy.
- be within the eligible grant amounts
- have the required co-financing

You can use the funding for...

- ✓ Procurement costs of goods, equipment, material & services;
- ✓ Costs of technical assistance, trainings, workshops & seminars;
- ✓ Printing costs of promotional materials (leaflets, brochures, books and other);
- ✓ Travel and accommodation expenses (for lectures, trainings etc);
- ✓ Office supplies and supplies needed for carrying out workshops, seminars, lectures etc.

You can NOT use the funding for...

- ✗ Buying or leasing of land and facilities;
- ✗ Fines and other pecuniary punishments and court expenses;
- ✗ Bank costs, guarantee costs and other similar costs;
- ✗ Costs related to lease contracts, such as lessor's margin, overhead expenses and insurance costs;
- ✗ Utility costs (i.e. fuel, energy bills, water bills, etc.)
- ✗ Investments into land that is formally or informally occupied or used by third party, which would result in their displacement;
- ✗ Investments that may have a negative impact on protected or important natural habitats, ecosystems or biodiversity;
- ✗ Drugs and nicotine production;
- ✗ Purchase of livestock (including bee families);
- ✗ Promotion of political parties and religious subjects.

What is the application process?

The call for applications will be held in two stages:

- Stage 1 - Expression of Interest application submission
- Stage 2 - Full Application submission

The application forms are available at Akhmeta LAG website www.akhmetalag.ge and the LAG Facebook page. The deadline for the Call for Expression of Interest application and the Full Application will be shared with the applicants. The call for submitting applications (both the Expression of Interest and the Full Applications should last approximately 3-4 months.

The applicant is obliged to complete all the points of the application and submit it before the set deadline. All applications must be submitted electronically to the following e-mail address: akhmetalag@gmail.com

Each applicant will then receive a confirmation message.
Note: Manuscript (hard copy) versions will not be accepted.

STAGE 1

Expressions of Interest application

The Expression of Interest application is to see if all applicants and costs are eligible and the project idea is in line with at least one of the actions of the Local Development Strategy. A selection committee will evaluate the Expression of Interest application form based upon the eligibility criteria. All representatives of the section committee must agree that the Expression of Interest application meets the eligibility criteria.

The eligibility checklist will contain the following criteria:

- ✓ The application is submitted before the deadline;
- ✓ An application is submitted in the approved Expression of Interest form;
- ✓ All necessary sections of the Expression of Interest are completed;
- ✓ The proposed project is clearly in line with at least one of the strategic priorities/actions;
- ✓ The project activity is implemented in the area of Akhmeta municipality;
- ✓ The registration document or ID of an applicant/partner is attached;
- ✓ The grant requirement is within the range of financial support;
- ✓ The grant co-financing rate has been met;

After the Expression of Interest application review procedure, all applicants will receive an e-mail advising them of the review result and informing successful applicants that they will move to Stage 2 of the application process

STAGE 2

Full Application process

All successful Expression of Interest applicants will then be asked to submit a full application by a new deadline and submit a complete dossier of necessary documentation. This dossier will include relevant business and training plans, budget, property ownership titles, certifications etc.

The administrative checklist will make sure that the following criteria have been met:

- ✓ An application is submitted in the approved application form;
- ✓ The declaration in the application form is signed by the applicant;
- ✓ The registration document or ID of an applicant/partner is attached;
- ✓ An application is complete and properly filled in;
- ✓ The application remains in line with one of the strategy priorities/actions;
- ✓ The grant requirement is within the range of financial support;
- ✓ All necessary supporting documents are in place or a note is provided explaining when a document may be provided.

Final check of final applications

If the full application meets all the above criteria, then the final following two checks will be made:

a) Check for double funding.

To avoid double funding for the same investment in the same area a verification process using the databases of previous projects from other donors and agencies. In case there is an intervention proposed which has been financed in a previous project in the same area, it will be decided through a spot control whether or not this application may be supported. In the case where an applicant has used funds from other sources for the same investment the application will be declared ineligible.

b) On-the-spot control.

The purpose of the on-the-spot control is to determine whether the factual situation is in compliance with the information provided in the application. During the on-the-spot control all the representatives will prepare and sign a single report from the spot check. The applicant also signs and can give remarks related to the on-the-spot control findings.

How are applications scored? (please see Annex 1 for update)

A selection committee composed of LAG members and independent experts will score the applications according to the scoring criteria provided below. This process will be overseen by Action Against Hunger representatives. It will be ensured that none of the evaluators has a conflict of interest with any given application. In the case of a conflict of interest a reserve selection committee member will be appointed. There is a separate scoring system for commercial projects and a separate system for social projects. These are provided in Table 2 and 3 below.

Table 2: Scoring Grid for Commercial projects

#	Priority criteria	Points (max)
1	Project meets at least one action of the LDS	5
2	Project/Business Plan is well described and documented	5
3	Applicant has relevant background/understanding to implement project	5
4	Type of Product/Services being offered	5
5	Competition	5
6	Target market and projected sales	5
7	Employment	5
8	Project shows clear sustainability	5
9	Project shows linkage with environmental protection	5
10	Financial plan	5
	Total (Max)	50

Table 3: Scoring Grid for Social projects

#	Priority criteria	Points (max)
1	Project meets at least one action of the LDS	5
2	Impact of the project is achievable and explained clearly	5
3	Applicant has relevant background/understanding to implement project	5
4	Demand, rationale and commitment are clearly presented and justified	5
5	Project is well described and documented	5
6	Project shows clear sustainability (sustainability plan in place)	5
7	Project is achievable in given timeframe (action plan in place)	5
8	Project shows linkage with environment protection	5
9	Coherent and realistic budget in place	5
10	Co-finance (cash or in-kind) committed	5
	Total (Max)	50

Each section will be given a score between 1 and 5 in accordance with the following guidelines. These scores are added to give the total score for the section concerned. The totals for each section are then listed in the final section and added together to give the total score for the final application.

Score	Meaning	Explanation
1	Weak	Application fails to address the criterion and cannot be assessed due to missing or incomplete information.
2	Fair	Application fairly addresses the criterion and there are some general weaknesses in provision of information and evidences needed.
3	Average	Application broadly addresses the criterion, but there some places where details are lacking, or information is insufficient.
4	Good	Application addresses the criterion well, provides clear information and almost all evidence, although some small improvements can be made.
5	Very good	Application addresses all relevant aspects of the criterion, provides all information and evidence needed.

Each evaluator assesses the application separately and prepares a consolidated final ranking list. The selection committee will rank the applications and check the budget of each project to ensure that the amount of grant aid requested does not exceed the maximum allowable.

Approval of the Grant Award

The completed provisional scoring lists together with proposed provisional decisions for the grant awards are then brought to the LAG Board for the final decision. When the project is being discussed at the LAG Board meeting if a member of the Board has a conflict of interest, the member will leave the meeting for the duration of discussion and decision-making. After the approval of the projects, Action Against Hunger will notify the applicants of LAG EB decision.

Signing Grant Award Contract

The contracting of the selected applicants can start only after the grant award decision is issued by the LAG Board. Action Against Hunger will notify the applicants on the approval of their application and invite them to sign the grant award contract with Action Against Hunger.

The grant award contract will include the rights and obligations of Action Against Hunger and the grant recipient. Two (2) copies of the grant award contract will be signed by both parties, the grant recipient, and Action Against Hunger, one copy for each side.

Once the application is approved and grant award contract signed, the recipient will be required to begin implementation of the project and cooperate with Action Against Hunger in carrying out the procurement procedure using European Union and Action Against Hunger procurement procedures.

If the recipient does not provide the agreed co-funding within the specified and agreed timeframe, without providing valid reasons for any delay, the contract will be deemed null and void.

Finances and Procurement

Financial payments are not made directly to the applicants, as the grant holding authority Action Against Hunger will be responsible for public procurement of assets and financing of all the investments foreseen in the applications. Action Against Hunger reserves the right to perform additional controls on site, during the implementation of investment and for all the period of contract duration.

Procurement of goods, materials and works, financed by the grants, will be undertaken by Action Against Hunger in accordance with procurement procedures.

The grant recipient will assist Action Against Hunger in the procurement process by doing the following:

- Prepare a list of required items of goods (including quantities) or works;
- Provide technical specifications or characteristics of goods, services or works needed to;
- Prepare a list of suppliers or contractors broad enough to generate fair competition and to yield at least three quotations, as required. Such a list may be prepared based on past experience and/or direct market research.

Monitoring and Reporting

As part of regular implementation support the Action Against Hunger team, together with LAG members, will visit all grant recipients in order to verify the condition of the investment and measure the impact against the indicators which will be provided to the LAG Board and the European Union.

Annex 1

Updated Scoring Grid for Commercial and Social projects

Scoring Grid for Commercial Projects

#	Priority criteria	Points (max)
1	Description of business idea, problem and activities	16
2	Contributing prerequisites	5
3	Project implementation approaches	17
4	Organizational relevance of the applicant	10
5	Strategic approaches to the project	12
6	Financial analysis of the project	15
7	Sustainability	10
8	Project impact	7
9	Social diversity of the project	8
	Total (Max)	100

Scoring Grid for Social Projects

#	Priority criteria	Points (max)
1	A description of the project idea, problem and activities	16
2	Contributing prerequisites	5
3	Project implementation approaches	17
4	Organizational relevance of the applicant	10
5	Strategic approaches to the project	15
6	Financial analysis of the project	11
7	Sustainability	11
8	Project impact	7
9	Social diversity of the project	8
	Total (Max)	100