



Contracting authority: Greening Ethiopian
Manufacturing Project (GEM-P/ECCSA)



SWITCH Africa Green

**Guidelines
for grant applicants**

Budget line(s):6.5 under contract Number ENV/2017/391-389

Reference: GEM-001/2020

Deadline for submission of Grant Proposal: 22June 2020



Table of contents

1.	Switch Africa Green /Greening Manufacturing Ethiopia	3
1.1	Back Ground	3
1.2	Objectives of the programme and Priority Issues	3
1.3	Financial Allocations	4
2.	Rules for this call for proposal	5
2.1	Eligibility Criteria	5
2.1.1	Eligibility of Applicants	5
2.1.2	Eligible actions	5
2.1.3	Eligibility of costs	6
2.2	How to apply	7
2.2.1	Proposal content	7
2.2.2	Where and how to send proposal	8
2.2.3	Deadline for submission of proposals	8
2.2.4	Further information about proposals	8
2.3	Evaluation and Selection of Applicants	9
2.4	Notification of the Contracting Authority Decisions	11
2.4.1	Content of the Decision	11
2.4.2	Indicative time table	11
2.5	Conditions For Implementation	11

1. SWITCH AFRICA GREEN- GREENING ETHIOPIAN MANUFACTURING

1.1. BACKGROUND

The **“Greening Ethiopian Manufacturing” (GEM) project**, hosted by the Ethiopian Chamber of Commerce and Sectoral Associations (ECCSA), PRECISE Consult International and Innovative Organizations (Inoa) is aiming at generating major opportunities for value addition for Ethiopian MSMEs focusing on the "green market segment."

Funded by the European Union, the main objective of **“Greening Ethiopian Manufacturing” (GEM)** is to support Ethiopian Micro and Small scale Manufacturing Industries (MSMEs) in adoption of SCP practices and seizing green growth opportunities.

GEM is considering targeting textile, leather, and handicraft sub sectors. The project will contribute to capacity upgrading of micro, small, and medium enterprises through organizing skill upgrading training programs and small scale financing for introduction of sustainable practices. This will be inspired by awareness raising programs, good practices from the experiences of Slovenia, Europe, and other countries.

The project will initiate and support manufacturing clusters within which enterprises, researchers, designers, technologists, and other key value chain actors will come together, among others, to network with each other, learn best experiences, and jointly implement practical initiatives.

1.2. OBJECTIVES OF THE PROGRAMME AND PRIORITY ISSUES

The overall objective of the Greening Ethiopian Manufacturing (GEM) project is to support Ethiopian micro and small scale manufacturing industries in adoption of SCP practices and seizing green growth opportunities.

The specific objectives of the program/project are

1. To conduct assessment of most promising green growth manufacturing industries in Ethiopia;
2. To launch 3 pilot green manufacturing clusters and develop their action plans;
3. To implement actions for green-growth reorientation of MSMEs within pilot clusters, build their capacity on SCP practices and contribute to their increased sales and job creation;
4. To facilitate SCP practice-based collaboration among key stakeholders within each cluster's value chain and disseminate lessons learned

The overall objective of the financial support is to catalyse the adaptation of SCP practices and principles in the manufacturing sector in general and in the textile, leather and handicraft sector in particular.

The specific objective of the financial support is to enable model cluster member MSMEs to implement innovative SCP practices. The support will demonstrate new SCP practices and increase the likelihood of replication by more MSMEs

Beneficiaries of the financial support should be MSMEs operating in the project target sectors (i.e textile, leather and handicraft) and, which are a member and active participants of cluster activities are eligible for the project's financial support. The project will financially support MSMEs to implement SCP practices, which will contribute to:

- a. Resource (water, power, raw material, etc.) saving and/or
- b. Reduction of potential air emissions, as well as wastewater and solid waste discharges.
- c. Technology transfer and innovation in relation to those stated in "a" and "b" above.

1.3. FINANCIAL ALLOCATION PROVIDED BY THE CONTRACTING AUTHORITY

The overall indicative amount made available under this call for proposals is **EUR 164,924.48**. The contracting authority reserves the right not to award all available funds.

The total fund is allocated in the following manner.

- Out of the total amount **30% or EUR 47,881.30** is allotted to firms either owned or managed by women
- Out of the total amount **70% or EUR 117,043.18** is for all firms including women owned or managed firms

If the allocation indicated for a specific lot cannot be used due to insufficient quality or number of proposals received, the contracting authority reserves the right to reallocate the remaining funds to (an) other lot(s).]

Size of grants

Any grant requested under this call for proposals must fall between the following [minimum and] maximum amounts:

- [minimum amount: **EUR 500.00**
- maximum amount: **EUR 5,320.14**

Any grant requested under this call for proposals must fall between the following [minimum and] maximum percentages of total eligible costs of the action:

- [Minimum percentage: **50%** of the total eligible costs of the action.
- Maximum percentage: **90%** of the total eligible costs of the action (see also Section 2.1.3).
- Any grant requested under this call for proposals which includes in the proposed budget in-kind contributions and/or non-eligible taxes not accepted.

Eligible costs are costs directly related to the intended project implementation and may include but are not limited to:

- a. Costs incurred directly for the intended purpose and have direct implication with the result/output/impact.
- b. Costs included in the approved budget and detailed in the approved work plan.
- c. The costs are identifiable and verifiable in the accounting records of the beneficiary. The beneficiary's accounting system should be consistent with the applicable accounting standards of the country.
- d. Must be reasonable, justifiable and comply with the requirements of sound financial management, specifically cost effectiveness and efficiency

Wherever in the call for proposals a reference to the percentage of eligible costs is made, the further limitation to the percentage applicable to the total accepted costs will apply. As a reminder, before sending your application please check that the requested contribution is equal to or less than the maximum percentage of the estimated total accepted costs allowed.]

The balance (i.e. the difference between the total cost of the action and the amount requested from the contracting authority) must be financed from sources other than the GEM

2. RULES FOR THIS CALL FOR PROPOSALS

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

2.1 ELIGIBILITY CRITERIA

There are three sets of eligibility criteria, relating to:

(1) the actors:

- The ‘**Applicant**’, i.e. the entity submitting the application form (2.1.1),

(2) the actions:

Actions for which a grant may be awarded (2.1.2);

(3) the costs:

- Types of cost that may be taken into account in setting the amount of the grant (2.1.3).

2.1.1 *Eligibility of applicants*

Applicant

(1) In order to be eligible for a grant, the applicant must:

The following firms are eligible to receive funding from the project:

- a. The applicant should [be a legal person i.e SME [or an entity without legal personality] [or a natural person]
- b. The applicant could be [be non-profit-making i.e an association]
- c. The applicant [s] should be Member[s] of the GEM clusters,
- d. The applicant should be Women owned/managed firms. If applied for the finance strictly arranged for women and/or women managed companies.
- e. The applicant must be capable and ready to contribute 10% of the financial support in cash
- f. the applicant should have experience on implementing energy and water saving exposure in its facility atleast for the last two years .
- g. The applicant[s] that are members of BMO’s
- h. The applicant should be directly responsible for the preparation and management of the action with the affiliated entity(ies), not acting as an intermediary
- i. The applicant [may act individually or with other (s)] but, the other must full fill the conditions set from a to g

2.1.2 *Eligible actions: actions for which an application may be made*

Definition:

An action is composed of a set of activities which properly addresses or enhances the implementation of implement SCP practices, which will contribute to:

- Resource (water, power, raw material, etc.) saving and/or
- Reduction of potential air emissions, as well as wastewater and solid waste discharges.

Duration

The initial planned duration of an action may not [be lower than three months nor] exceed six months.

Sectors or themes

The action will encompass only leather and textile garments, handicrafts and fashion

Location

Actions must take place in Addis Ababa and Lalibala.

Types of action

May 2020

GEM e3a_guidelines_en

The following types of action are ineligible:

- actions concerned only or mainly with individual sponsorships for participation in workshops, seminars, conferences and congresses;
- actions concerned only or mainly with individual scholarships for studies or training course

Financial support to third parties

Proposal for financial support to third parties not applicable.

Visibility

The applicants must take all necessary steps to publicise the fact that the European Union /GEM-Project has financed or co-financed the action.

Number of applications and grants per applicants / affiliated entities

The applicant submits only one application(s) under this call for proposals.

3 <i>Eligibility of costs: costs that can be included</i>

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

Eligible direct costs

To be eligible under this call for proposals, costs must be

- a. Costs incurred directly for the intended purpose and have direct implication with the result/output/impact.
- b. Costs included in the approved budget and detailed in the approved work plan.
- c. The costs are identifiable and verifiable in the accounting records of the beneficiary. The beneficiary's accounting system should be consistent with the applicable accounting standards of the country.
- d. Must be reasonable, justifiable and comply with the requirements of sound financial management, specifically cost effectiveness and efficiency.

Contributions in kind

Contributions in kind are normally not eligible costs.

Ineligible costs

The following costs are not eligible:

- debts and debt service charges (interest);
- provisions for losses or potential future liabilities;
- costs declared by the beneficiary(ies) and financed by another action or work programme receiving a European Union (including through EDF) grant;
- Items already financed from another agreement by financing agencies
- Purchase of land or building
- Credit to a third party
- All administrative costs
- Travel costs for business or first class
- Costs associated with preparing proposals in response to the solicitation
- Costs not exclusively stated as eligible

Ethics clauses and Code of Conduct

a) Absence of conflict of interest

The applicant must not be affected by any conflict of interest and must have no equivalent relation in that respect with other applicants or parties involved in the actions. Any attempt by an applicant to obtain confidential information, enter into unlawful agreements with competitors or influence the evaluation committee or the contracting authority during the process of examining, clarifying, evaluating and comparing applications will lead to the rejection of its application and may result in administrative penalties according to the Financial Regulation in force.

b) Respect for human rights as well as environmental legislation and core labour standards

The applicant and its staff must comply with human rights. In particular and in accordance with the applicable act, applicants who have been awarded contracts must comply with the environmental legislation including multilateral environmental agreements, and with the core labour standards as applicable and as defined in the relevant International Labour Organisation conventions (such as the conventions on freedom of association and collective bargaining; elimination of forced and compulsory labour; abolition of child labour).

Zero tolerance for sexual exploitation and sexual abuse:

The Project Applies European Commission policy of 'zero tolerance' in relation to all wrongful conduct which has an impact on the professional credibility of the applicant.

Physical abuse or punishment, or threats of physical abuse, sexual abuse or exploitation, harassment and verbal abuse, as well as other forms of intimidation shall be prohibited.

c) Anti-corruption and anti-bribery

The applicant shall comply with all applicable laws and regulations and codes relating to anti-bribery and anti-corruption.

d) Unusual commercial expenses

Applications will be rejected or contracts terminated if it emerges that the award or execution of a contract has given rise to unusual commercial expenses.

e) Breach of obligations, irregularities or fraud

The contracting authority reserves the right to suspend or cancel the procedure, where the award procedure proves to have been subject to breach of obligations, irregularities or fraud. If breaches of obligations, irregularities or fraud are discovered after the award of the contract, the contracting authority may refrain from concluding the contract.

2.2 HOW TO APPLY AND THE PROCEDURES TO FOLLOW

2.2.11 *Proposal content*

Applications must be submitted in accordance with GEM-project full application form (Format E). Applicants must apply in English, or Amharic.

2.2.2 *Where and how to send proposal*

The proposal must be submitted in one original and one copies in A4 size.

An electronic version of the proposal must also be submitted. A CD-Rom. with the proposal in electronic format will be included, along with the paper version, in a sealed envelope as described below. The electronic file must contain **exactly the same** application as the paper version enclosed.

The envelope must bear the **reference number and the title of the call for proposals**, together with [the lot number and title] the full name and address of the applicant, and the words 'Not to be opened before the opening session' and <'ከመክፈቻው ቀን በፊት የማይክፈት'>.

Proposals must be submitted in a sealed envelope by private courier service or by hand-delivery: or by postal service to the address

POSTAL ADDRESS
ECCSA/GEM
P.O.BOX 517
ADDIS ABABA
ETHIOPIA

ADDRESS FOR HAND DELIVERY
MEXICO SQUARE
ROOSEVELT ROAD
CHAMBER BUILDING
7TH FLOOR, OFFICE NUMBER 715

2.2.3 Deadline for submission of proposals

The applicants' attention is drawn to the fact that there are two different systems for sending proposals: one is by post or private courier service, the other is by hand delivery

In the first case, the proposal must be sent before the date for submission, as evidenced by the postmark or deposit slip, but in the second case it is the acknowledgment of signature given at the time of the delivery of the proposal which will serve as proof.

The deadline for the submission of proposal is <22 June 2020> as evidenced by the date of dispatch, the postmark or the date of the deposit slip. In the case of hand-deliveries, the deadline for receipt is at < 22 June 2020, before 17:30 hours local time>, as evidenced by the signed and dated receipt. Any proposal submitted after the deadline will be rejected.

The contracting authority may, for reasons of administrative efficiency, reject any proposal submitted on time to the postal service but received, for any reason beyond the contracting authority's control, after the effective date of approval of the proposal evaluation, if accepting proposals that were submitted on time but arrived late would considerably delay the evaluation procedure) or jeopardise decisions already taken and notified (see indicative calendar under Section 2.4.2)

2.2.4 Further information about proposals

An information session on this call for proposals won't be held on physical presence due to COVID-19 Pandemic but, Questions may be sent by e-mail [or by fax] no later than 21 days before the deadline for the submission of concept notes to the address(es) below, indicating clearly the reference of the call for proposals:

E-mail address: heyeru.h@gmail.com>

[Fax: +251-11-5517699

The contracting authority has no obligation to provide clarifications to questions received after this date.

Replies will be given no later than 11 days before the deadline for submission of concept notes.

To ensure equal treatment of applicants, the contracting authority cannot give a prior opinion on the eligibility of lead applicants, co-applicants, affiliated entity (ies), an action or specific activities.

No individual replies will be given to questions. All questions and answers as well as other important notices to applicants during the course of the evaluation procedure will be published on the website of GEM-Project www.ethiopianchamber.com/gem. It is therefore advisable to consult the abovementioned website regularly in order to be informed of the questions and answers published.

2.3 EVALUATION AND SELECTION OF APPLICATIONS

Applications will be examined and evaluated by the contracting authority with the possible assistance of external assessors. All applications will be assessed according to the following steps and criteria.

If the examination of the application reveals that the proposed action does not meet the eligibility criteria stated in Section 2.1, the application will be rejected on this sole basis.

OPENING & ADMINISTRATIVE CHECKS AND PROPOSAL EVALUATION

During the opening and administrative check the following will be assessed:

- If the deadline has been met. Otherwise, the application will be automatically rejected.
- If the application satisfies all the criteria specified in the grant application form, **Form B and Form E, section 1**. This includes also an assessment of the eligibility of the action. If any of the requested information is missing or is incorrect, the application may be rejected on that **sole** basis and the application will not be evaluated further.

The applications that pass this check will be evaluated on the quality of application and budget of the proposed action (Form F).

Evaluation factor	Score assigned	Score Provided
1. Quality of Application	90	
1.1. Quality of the project design	25	
1.1.1. To what extent is the project intervention clear?	5	
1.1.2. To what extent is a specific strategy on addressing key intervention areas in the grant application?	5	
1.1.3. To what extent is the project goal clearly formulated? Does it address the core problem and express the impact the project will have on the beneficiaries (community, environment & employee)?	5	
1.1.4. To what extent are the results realistic?	4	
1.1.5. To what extent are the indicators measurable?	4	
1.1.6. To what extent have external factors and risks been identified that can affect the implementation of the application? Are appropriate measures proposed?	2	
1.2. Relevance	25	
1.2.1. Relevance of proposed objective	15	
1.2.2. The proposals alignment with the objectives of GEM project	10	
1.3. Feasibility	15	
1.3.1. Are the formulated objectives and results achievable?	8	

Evaluation factor	Score assigned	Score Provided
1.3.2. Are the proposed implementation and time frame of the activities of the financial support application realistic?	7	
1.4. Impact	8	
1.4.1. What will happen as a result of the project?	4	
1.4.2. How will this project change beneficiaries' lives and opportunities of the business community in general and, excluded groups in particular?	4	
1.5. Sustainability	17	
1.5.1. The degree of achieving sustainability on the ground after the grant project is ended. [It refers to the probability of continued long-term benefits.]	15	
1.5.2. Will the proposed activities have influence beyond its intended results and beneficiaries, either directly or indirectly	2	
2. Budget	10	
2.1.1. Fairness, reasonableness and related to the proposed project's activities.	4	
2.1.2. Inclusion of eligible/ ineligible costs	2	
2.1.3. Estimated amount is realistic and correspond with the anticipated activities	4	
Total Score	100	

Once all proposals have been assessed, a list will be drawn up with the proposed actions ranked according to their total score.

Firstly, only the proposals with a score of at least 50 will be considered for pre-selection.

Secondly, the number of proposals/applications will be reduced, taking account of the ranking, to the number of proposals whose total aggregate amount of requested contributions is equal to <90% > of the available budget for this call for proposals. The amount of requested contributions of each proposal will be based on the indicative financial envelopes for each lot, where relevant.

After the evaluation of proposals, the contracting authority will send letters to all applicants to inform them whether their application is accepted or rejected using Form C and D respectively. After the project hears grievances, if any will call the winning proposals to sign a contract using Form G.

NB! Getting letter using form C doesn't necessary mean you will called for contract signing.

2.4 NOTIFICATION OF THE CONTRACTING AUTHORITY'S DECISION

2.4.1 Content of the decision

The applicant[s] will be informed in writing of the contracting authority's decision concerning their application and, if rejected, the reasons for the negative decision.

An applicant believing that it has been harmed by an error or irregularity during the award process may lodge a complaint using format U.

2.4.2 Indicative timetable

	DATE	TIME
1. Information meeting (if any)	[Not applicable]	Not applicable]
2. Deadline for requesting any clarifications from the contracting authority	<Date 21 days before the submission deadline>	< 17:30 >
3. Last date on which clarifications are issued by the contracting authority	< Date 11 days before the submission deadline>	-
4. Deadline for submission of Proposals	< 22 June 2020 >	< 17:30>
5. Information to applicants on opening, administrative checks and proposals evaluation	< 24 June 2020 >	-
6. Notification of award (after the eligibility check) (Step 3)	< 8 July 2020 >	-
7. Contract signature	< 10 July 2020 >	-

2.5 CONDITIONS FOR IMPLEMENTATION AFTER THE CONTRACTING AUTHORITY'S DECISION TO AWARD A GRANT

Following the decision to award a grant, the beneficiary (ies) will be offered a contract based on the grant contract (see Format I).