



Funded by the
European Union

Contracting authority: Municipality of Përmet

Project “Key People -Key Knowledge”
Grant contract IPA/2022/434-967

Guidelines
for sub grant applicants

Reference: **IPA/2022/434-967/GRANTS/1**

Deadline for submission of applications:
19.07.2024 at 14:00

NOTICE

This is a call for sub grants in the frame of the project financed by the European Union “Key People-Key Knowledge”, which is implemented by Municipality of Permet and Independent Forum of Albanian Woman. The call aims at raising public awareness, creating and promoting the legitimate economic activity, providing direct support and raise capacities of individuals to prevent and fight the phenomenon of cultivation and use of cannabis. This guideline provides information about the sub grant call, including eligibility criteria, the application submission process, the evaluation process as well as general information about the project.

Applicants should have read through these guidelines before applying, to ensure an adherence to the sub grant rules and criteria.

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1. SUB-GRANTS IN THE FRAMEWORK OF THE EU FUNDED PROJECT “KEY PEOPLE-KEY KNOWLEDGE”

1.1. INTRODUCTION

The EU funded project “Key People, Key Knowledge”, Grant contract IPA/2022/434-967, is part of the support provided under EU for Socio-Economic Development Programme for Albania (as alternative to drugs cultivation and trafficking), second call. It started on 10 October 2022 and has a duration of 36 months, until October 2025. The overall objective of the project is to create new working/business opportunities for women and unemployed youth, reducing inequality by supporting female leadership inside business start-ups and self-employment initiatives and to give an answer adapted to the risks of economic, political and cultural marginalisation of the targeted territory. Moreover, the project intends to reinforce and facilitate development of a culture of civil society and to help increase the level of cooperation and mutual knowledge between civil society and local authorities in the area of Përmet. The project has two expected results:

- Created a comprehensive system of supporting tools to consolidated entrepreneurship at local level.
- Enhanced social relations and dialogue in the rural areas through the promotion of tourism, cultural and sport activities.

In order to achieve the first result of the project:

- At least 50 persons (women, young people, etc) were supported by experts through trainings and mentoring for the creation and management of a non-profit organization and business.
- A business incubator with all the necessary facilities was created and is being used by the project beneficiaries and other young people, start-ups etc.
- A public call for supporting new start-up ideas will be opened.

In order to achieve the second result of the project:

- The ping pong room in Permet has been reconstructed and it is used daily by children and young people.
- A ping -pong room in the school of Petran has been created to offer the possibility to be trained to the people in the rural area.
- A recreational/ tourism info point has been created inside the building of the Petran Administrative Unit and it is functional.
- A van that serves as a mobile library has been purchased and it travels in the rural area involving young students, teachers and parents in book promotion.

1.2. OBJECTIVES OF THE CALL AND PRIORITY ISSUES

The **overall objective** of this call is related to the overall objective of the project, aimed at raising public awareness, creating and promoting the legitimate economic activity, providing direct support and raise capacities of individuals to prevent and fight the phenomenon of cultivation and use of cannabis.

The **specific objectives** of this call are:

- Provide the opportunity to the beneficiaries to put to life their start-up idea.
- Improve their economic situation by starting their own initiative.
- Raise the employment rate, considering that the new start-ups will hire new workers.
- Improve the service delivery and production of goods and services in the area of Përmet.
- Inspire the community

This call for sub-grant will contribute to the achievement of the first expected result of the project “Created a comprehensive system of supporting tools to consolidated entrepreneurship at local level”.

The **result** to be achieved through this call is: At least five start-up initiatives financially supported to start their new business or to improve their existing business by creating more economic opportunities for other people and by promoting the legitimate economic activity.

The **priorities** of this call are:

- To support new start-up ideas in the Municipality of Permet, that will contribute to the improvement of the socio-economic conditions of the vulnerable groups.
- To support the small business operating in Permet to improve their existing business by creating more economic opportunities for other people.

The proposed action should address one of the above-mentioned priorities.

This Call for Proposals targets two groups:

Target Group 1: Youth, women, vulnerable persons (people at risk on engaging themselves in no-legal cultivation of cannabis) who want to start a new business in Permet.

Target Group 2: Existing small businesses that want to improve their business by creating more economic opportunities for other people.

1.3. FINANCIAL ALLOCATION PROVIDED BY THE CONTRACTING AUTHORITY

The overall indicative amount made available under this call for proposals is EUR **40,000** (forty thousand). The contracting authority reserves the right not to award all available funds.

Size of grants

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

- **minimum amount: EUR 4,000 (four thousand)**
- **maximum amount: EUR 8,000 (eight thousand)**

Any action supported under this call for sub-grants must have a **capital investment component** (work and supplies to be procured) which must fall between the following minimum and maximum percentages:

- minimum percentage: 30% of the total eligible costs of the sub grant.
- maximum percentage: 60% of the total eligible costs of the sub grant.

At least 2% of the sub grants will be allocated for communication and visibility activities.

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, in conformity with the practical guide, which is applicable to the present call (available on the internet at this address <https://wikis.ec.europa.eu/display/ExactExternalWiki/ePRAG>).

2.1. ELIGIBILITY CRITERIA

In order to be eligible for the sub grant the applicant must:

-Be an Albanian citizen over 18 years of age, resident in the Municipality of Permet, who has an idea to create a business that affects the local development of the area.

or

-Be a physical person registered in the National Business Center in the last five years, which operates in Permet.

and

- be responsible for the preparation and implementation of the activities outlined in the application.

Potential applicants may not participate in this call or be awarded a grant if they are in any of the situations listed in section 2.6.10.1 of the practical guide.¹

2.1.1. Eligible actions: actions for which an application may be made

Duration: The initial planned duration of an action may not be lower than 3 months and may not exceed 6 months.

Location: Actions must take place in the Municipality of Permet.

Types of actions which may be financed under this call:

- Starting up a new economic activity.
- Improving products/services/processes in existing small businesses.

¹ <https://wikis.ec.europa.eu/display/ExactExternalWiki/2.+Basic+rules#id-2.Basicrules-2.6.10.1.Exclusioncriteria>

- Interventions that apply innovative, integrated and smart approaches and technologies for supporting start-ups and improving products/services/processes in existing small businesses.
- Interventions that promote environmental protection, youth and women empowerment and legitimate economic activity, especially in the rural area.
- Actions under the following economic sectors:
 1. Agrotourism
 2. Agroindustry
 3. Agriculture
 4. Creative industry/Crafting
 5. Sustainable tourism & hospitality
 6. Medicinal Aromatic Plants
 7. Digital marketing
 8. Environmental protection

The list is indicative and not exhaustive.

The following types of actions 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 courses.
- preparatory studies or preparation of preliminary design for works to be carried out within the project.
- actions linked to political parties.
- actions which fall within the general activities of competent state institutions or state administration services, including local government.
- actions confined to charitable donations.
- actions covered and financed by other EU funded programs.

The following **indicative activities** might be financed under this Call:

- Activities in support to economic empowerment initiatives undertaken by women and young people, especially in rural areas.
- Activities bringing innovative and creative solutions and smart technologies for supporting start-ups and improving products/services/processes in existing small businesses.
- Activities that support the promotion of small businesses in Permet.
- Procurement of works, equipment and supply necessary for starting an economic activity in the economic sectors mentioned above.
- Procurement of works, equipment and supply necessary for improving products/services/processes in existing small businesses in the economic sectors mentioned above.
- Activities that will contribute to the improvement of socio-economic conditions of vulnerable groups.

The above-mentioned list of types of activities is not exhaustive, they are only indicative. Other appropriate or innovative activities that are not mentioned above may also be considered for financing when they clearly contribute to the achievement of the Call's objectives.

- Financial support to third parties

Applicants may not propose financial support to third parties.

Visibility

The applicants must take all necessary steps to publicise the fact that the European Union has financed or co-financed the action. Unless the European Commission agrees otherwise, actions that are wholly or partially funded by the European Union must ensure the visibility of EU financing by displaying the EU emblem in accordance with the guidelines set out in the Operational guidelines for recipients of EU funding, published by the European Commission. If applicable, communication activities may be undertaken to raise the awareness of specific or general audiences of the reasons for the action and the

EU support for the action in the country or region concerned, as well as the results and the impact of this support.

All measures and activities relating to visibility and, if applicable, communication, must comply with the latest Communication and Visibility Requirements for EU-funded external action, laid down and published by the European Commission ([Communication and Visibility Requirements for EU External Actions | International Partnerships \(europa.eu\)](https://ec.europa.eu/eas/communication-visibility-requirements)).

Number of applications and grants per applicants

The applicant may not submit more than one application under this call.

The applicant may not be awarded more than one grant under this call.

2.1.2. Eligibility of costs: costs that can be included

Only 'eligible costs' can be covered by a grant. The categories of costs that are eligible and non-eligible are indicated below. The budget is both a cost estimate and an overall ceiling for 'eligible costs'.

Eligible direct costs

The following costs are eligible:

- The cost of staff assigned to the action, corresponding to actual gross salaries including social security charges and other remuneration-related costs (excluding bonuses)
- Costs of consumables specifically dedicated to the action.
- Bank account maintenance costs (not transfer fees)
- Rent of the space to exercise the business activity.
- Costs related to the functioning of the business (local taxes & fees, registration costs, tel/internet, electricity/heating, maintenance etc)
- Supplies and services for activities supporting the implementation of the action.
- Costs for communication and visibility of the action.
- Purchase costs for equipment and supplies specifically dedicated to the purposes of the action and functioning of the business.
- Purchase of technical equipment, and information and communication technology (ICT) equipment and programs.
- Small scale infrastructure interventions for the upgrade of the facilities that will be used for business purposes.

Contingency reserve

Not applicable

Eligible indirect costs

Not applicable.

Contributions in kind

Not applicable

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.
- salary costs of personnel of national administrations.
- purchases of land or buildings.
- currency exchange losses.
- Value Added Tax (VAT);
- in kind contributions (except for the volunteers' work).
- customs and import duties or any other charges.
- fines, financial penalties and expenses of litigation.
- consultancy costs for the preparation of the action.
- costs incurred before the start of implementation of the action; Retroactive payments are not allowed.
- credit to third parties.
- bonuses included in costs of staff.

2.1.3. 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).

c) Anti-corruption and anti-bribery

The applicant shall comply with all applicable laws, regulations and codes relating to anti-bribery and anti-corruption. The contracting authority reserves the right to suspend or cancel project financing if corrupt practices of any kind are discovered at any stage of the award process or during the execution of a contract and if the contracting authority fails to take all appropriate measures to remedy the situation. For the purposes of this provision, 'corrupt practices' are the offer of a bribe, gift, gratuity or commission to any person as an inducement or reward for performing or refraining from any act relating to the award of a contract or execution of a contract already concluded with the contracting authority.

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. Such unusual commercial expenses are commissions not mentioned in the main contract or not stemming from a properly concluded contract referring to the main contract, commissions not paid in return for any actual and legitimate service, commissions remitted to a tax haven, commissions paid to a payee who is not clearly identified or commissions paid to a company which has every appearance of being a front company.

Grant beneficiaries found to have paid unusual commercial expenses on projects funded by the European Union are liable, depending on the seriousness of the facts observed, to have their contracts terminated or to be permanently excluded from receiving EU/EDF funds.

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 breach 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

2.2.1. Application forms

Applications must be submitted in accordance with the instructions in this guideline. Applicants should then keep strictly to the format of the application form and fill in the paragraphs and pages in order. Please complete the application forms carefully and as clearly as possible so that it can be assessed properly.

Any error or major discrepancy related to the points listed in the instructions or any major inconsistency in the application (e.g. if the amounts in the budget worksheets are inconsistent) may lead to the rejection of the application.

Clarifications will only be requested when the information provided is unclear and thus prevents the contracting authority from conducting an objective assessment.

Please note that only the application form and the published annexes which have to be filled in will be evaluated. It is therefore of utmost importance that these documents contain ALL the relevant information concerning the action.

The application forms to be submitted are:

1. Project application form (Annex A) in Albanian language.
2. Project budget (Annex B) in Albanian language.
3. Applicant's declaration (Annex C) in Albanian language.
4. Legal entity form duly completed and signed by the applicant accompanied by the justifying documents requested there (copy of ID card or historical extract issued by the National Business Center dated after the date of open of the call/ Annex D) in English language.
5. A financial identification form of the applicant, in the case it is a registered business. The individuals will send it after the registration of the businesses and opening of a bank account for the new business. This bank should be located in the country where the applicant is established (Annex E) in English language.
6. Declaration on Honour (Annex H) in English language.

No additional annexes should be sent.

2.2.2. Where and how to send applications

Applications must be submitted in one original and one copy in A4 size. The complete application package must also be supplied in electronic format (CD-ROM or USB in a separate and single file (i.e. the application must not be split into several different files). The electronic file must contain **exactly the same** application as the paper version enclosed. Hand-written applications will not be accepted.

The outer envelope must bear the **reference number of the call**, together with the full name and address of the applicant, and the words '*Not to be opened before the official opening session*' and '<Të mos hapet para hapjes zyrtare>'.
'

Applications must be submitted in a sealed envelope by registered mail, private courier service or by hand-delivery (a signed and dated certificate of receipt will be given to the deliverer) at the address below:

Postal address

*MUNICIPALITY OF PERMET/BASHKIA PERMET
Square "Abdyl Frasheri", No.1, 6401,Permet, Albania*

Address for hand delivery

*MUNICIPALITY OF PERMET/ BASHKIA PERMET
Square "Abdyl Frasheri", No.1, 6401,Permet, Albania
Opening hours for tenderers: 08:00-16:00*

Applications sent by any other means (e.g. by fax or by e-mail) or delivered to other addresses will be rejected.

Please note that incomplete applications may be rejected. Applicants are advised to verify that their application is complete.

2.2.3. Deadline for submission of applications

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

In the first case, the application 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 receipt given at the time of the delivery of the application/full proposal which will serve as proof.

The deadline for the submission of applications is 19.07.2024 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

19.07.2024 before 14:00 local time, as evidenced by the signed and dated receipt. Any application submitted after the deadline will automatically be rejected.

The contracting authority may, for reasons of administrative efficiency, reject any application 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 first evaluation step, if accepting applications that were submitted on time but arrived late would considerably delay the award procedure or jeopardise decisions already taken and notified. (see indicative calendar under Section 2.4.2).

Any application submitted after the deadline will be rejected.

2.2.4. Further information about applications

An information session on this call for proposals will be held on 02.07.2024 at 10:00 at the Conference Room in the second floor of the Cultural Multifunctional Center "Odhise Paskali", Permet.

Questions may be sent by e-mail no later than 21 days before the deadline for the submission of applications to the below address, indicating clearly the reference of the call for proposals:

E-mail address: info@bashkiapermet.gov.al

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 the submission of applications.

To ensure equal treatment of applicants, the contracting authority cannot give a prior opinion on the eligibility of applicants, an action or specific activities.

Questions that may be relevant to other applicants, together with the answers, will be published on the website where the call was published: website of Municipality of Permet: www.bashkiapermet.gov.al and project website: <https://keypeoplekeyknowledge.com/>. It is therefore advisable to consult the abovementioned websites regularly in order to be informed of the questions and answers published.

Please note that the contracting authority may decide to cancel the call for sub grants procedure at any stage according to the conditions set out in Section 6.5.9 of the PRAG.

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.

(1) STEP 1: OPENING & ADMINISTRATIVE CHECKS

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 all the required documents have been submitted. 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 applicants will be formally notified for the results of the first step.

(2) STEP 2: EVALUATION OF THE APPLICATION

If the applications pass the opening and administrative checks along the instructions of the Step 1, they will be further evaluated on their quality, including the proposed budget. They will be evaluated using the evaluation criteria below.

Evaluation grid

Section	Maximum Score
1. Relevance of the business idea	10
1.1 Relevance to the objectives and priorities of the call and to the specific themes/sectors/areas or any other specific requirement stated in the guidelines for applicants	5

1.2 Particular added-value elements (e.g. Innovative approaches, innovation, best practices, , gender equality, environmental/climate change issues, sustainable local economic development, youth and women empowerment, social inclusion.	5
2.Operational criteria	50
2.1 Value proposition (Feasibility of the initiative and market opportunities)	10
2.2 Features and benefits of products and services	5
2.3 Customer target group	10
2.4 Competition analysis	5
2.4 Human resources capacity	5
2.6 Potential growth and contribution to employment opportunities	10
2.7 Activity plan (are the activities clear and feasible?)	5
3. Financial criteria/ budget	20
Maximum total score	80

The applicants will be formally notified for the results of the second step.

(3) STEP 3: PRESENTATION OF THE BUSINESS IDEA

The applicants that will get a score at least 50 points in the second step will be formally notified for the date for the presentation of their business idea in front of the evaluation committee. The maximum points for the presentation of the idea will be 20 points.

Provisional selection

After the evaluation, a table will be drawn up listing the applications ranked according to their score. The highest scoring applications will be provisionally selected until the available budget for this call for proposals is reached. In addition, a reserve list will be drawn up following the same criteria. This list will be used if more funds become available during the validity period of the reserve list.

(4) STEP 4: VERIFICATION OF ELIGIBILITY OF THE APPLICANTS

The eligibility verification will be performed on the basis of the supporting documents requested by the contracting authority. It will by default only be performed for the applications that have been provisionally selected according to their score and within the available budget for this call for proposals. *Applicants that will open new businesses should register their business within 15 days after the notification of result. The grant contract will be signed after the registration of the business.*

Any rejected application will be replaced by the next best placed application on the reserve list that falls within the available budget for this call for proposals.

2.4. NOTIFICATION OF THE CONTRACTING AUTHORITY'S DECISION

2.4.1. Content of the decision

The applicants 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. See Section 2.12 of the practical guide.

Applicants and, if they are legal entities, persons who have powers of representation, decision-making or control over them, are informed that, should they be in one of the situations of early detection or exclusion, their personal details (name, given name if natural person, address, legal form and name and given name of the persons with powers of representation, decision-making or control, if legal person) may be registered in the early detection and exclusion system, and communicated to the persons and entities concerned in relation to the award or the execution of a grant contract. For more information, you may consult the privacy statement available on http://ec.europa.eu/budget/explained/management/protecting/protect_en.cfm

2.4.2. Indicative timetable

	DATE	TIME
1. Information meeting	02.07.2024	10:00
2. Deadline for requesting any clarifications from the contracting authority	29.06.2024	
3. Last date on which clarifications are issued by the contracting authority	09.07.2024	-
4. Deadline for submission of applications	19.07.2024	14:00
5. Information to applicants on opening, administrative checks (Step 1)	26.07.2024	-
7. Information to applicants on the evaluation of the applications and informing for the date of the presentation of the business idea (Step 2)	31.07.2024	-
8. Notification of award (after the eligibility check) (Step 3+4)	09.08.2024	-
9. Contract signature	01.09.2024	-

All times are in the time zone of the country of the contracting authority.

This indicative timetable refers to provisional dates (except for dates 2, 3, and 4) and may be updated by the contracting authority during the procedure. In such cases, the updated timetable will be published on the web site where the call was published: website of Municipality of Permet www.bashkiapermet.gov.al and website of the project: <https://keypeoplekeyknowledge.com/>.

3. LIST OF ANNEXES

DOCUMENTS TO BE COMPLETED

1. Project application form (Annex A) in Albanian language.
2. Project budget (Annex B) in Albanian language.
3. Applicant's declaration (Annex C) in Albanian language.
4. Legal entity form duly completed and signed by the applicant accompanied by the justifying documents requested there (copy of ID card or historical extract issued by the National Business Center dated after the date of open of the call/ Annex D) in English language.
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