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EUROPEAN UNION FOR ARMENIA



Գերմանական  
համագործակցություն  
DEUTSCHE ZUSAMMENARBEIT

giz  
Deutsche Gesellschaft  
für Internationale  
Zusammenarbeit (GIZ) GmbH



ՀՀ ԷԿՈՆՈՄԻԿԱՅԻ ՆԱԽԱՐԱՐՈՒԹՅՈՒՆ  
THE MINISTRY OF ECONOMY OF THE RA  
МИНИСТЕРСТВО ЭКОНОМИКИ РА

## EU4Business “Innovative Tourism and Technology Development for Armenia”

Co-funded by the European Union and the German Federal Ministry  
for Economic Cooperation and Development (BMZ)

Implemented by German Development Cooperation GIZ  
under the umbrella of the Private Sector Development and TVET South Caucasus Programme.

### APPLICANTS' MANUAL

## “INNOVATION FOR ECONOMIC RECOVERY FOR MICRO, SMALL AND MEDIUM SIZE NON-TECH COMPANIES”

### Grants Programme

YEREVAN, 2020

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# 1. Introduction

This CFP is funded under the EU4Business “Innovative Tourism and Technology Development for Armenia” project. The Project is co-funded by the European Union and the German Federal Ministry for Economic Cooperation and Development (BMZ) and is being implemented by German Development Cooperation GIZ under the umbrella of the Private Sector Development and TVET South Caucasus Programme. The project started in November 2019 and will run until April 2023. The project is part of the EU4Business initiative ([www.eu4business.eu](http://www.eu4business.eu)) of the European Union. Project’s overall objective is to ensure shared and balanced inclusive growth in tourism and innovative industries.

EU4Business “Innovative Tourism and Technology Development for Armenia” project targets two main directions/components:

The first component - EU4Business “Innovative Tourism for Armenia” is focused on the development of enhanced tourism offerings, especially in the Northern regions leading to good jobs, sustainable and competitive businesses and responsible tourism value added. It foresees the conceptualisation and implementation of three co-funded grant schemes focusing on tourism ventures. Furthermore, it includes the strengthening of the Tourism Committee, including supporting data driven tourism marketing activities.

The second component – EU4Business “Technology Development for Armenia” is focused on transformative creation and development of tech SMEs to enable diversification of economic growth. To this end it will support the entrepreneurship ecosystem, technology start-ups through a grant scheme approach as well as through innovation partnerships between science, education and businesses including supporting an increased participation in Horizon 2020 / Horizon Europe grants.

## 2. Objectives and Target groups

The Overall objective: Support Economic Recovery Caused by COVID-19 Through Innovative Solutions

Target groups

All MSMEs from non-tech industries (tourism, agriculture and trade sectors will be excluded), measured by:

- Innovativeness (Innovative solutions)<sup>1</sup>
- Export orientation <sup>2</sup>
- Jobs <sup>3</sup>

The proposal must contain activities aiming at (at least one of the followings):

- Innovative products/business models
- Innovative technology for business product/service delivery
- Optimising business management system
- Logistics and hygiene
- Tech solutions for access to markets and networks (digital marketing; e-commerce)

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<sup>1</sup> **Innovative Solutions** requires to operate and approach the problem in a specific way so that it could be possible to effectively make improvements to systems in a way that solves problems and adds functionality.

<sup>2</sup> **Export Orientation:** The proposal should address challenges to start or enhance the Exports of Goods and Services

<sup>3</sup> **Jobs:** The Proposal should provide new opportunities for paid employment

### 3. Budget and Timeframe

The total maximum budget for this GP is EUR 150,000 (one hundred fifty thousand Euros) all taxes included (except VAT and Custom duties)<sup>4</sup>. The maximum amount per proposal is EUR 10,000.

The most feasible and ready-to-implement solutions will be awarded as follows:

- Maximum budget per grant: up to 10,000EUR
- Number of grantees: up to 15

Applicants can contribute to the co-financing in kind. Applicants should clearly state their in-kind contribution (e.g. time, equipment, administrative costs, travel expenses, office space, materials, etc.) in their proposal.

The maximum duration of implementation for each proposal is 6 months after signature of the contract.

### 4. Instructions for preparation of Proposals

In preparing the proposal for grants, interested organisations (hereafter Applicant) are expected to examine GP in detail. Material deficiencies in providing the information requested in the document may result in the rejection of the proposal.

### 5. Eligibility criteria

This call is open for applicants from all over Armenia. Applicants must satisfy the following minimum eligibility requirements for their proposals to be considered:

- Businesses should be registered as legal entity in Republic of Armenia
- Businesses must not be in liquidation or bankruptcy procedures
- Applicants and team members must be Armenian citizens or have permanent residence in Armenia

### 6. Evaluation criteria

Evaluation Criteria	Min score (1)/ Max score (8)	Weight	Total
The innovative solution (new and/or more effective approaches, methods, solutions, new technological applications)		4	
How relevant is the proposal to the objectives and priorities/measures of the Call for Proposals (Export orientation, Jobs)?		3	
Possibility to provide better and/or safer services and attract more customers and/or segments		2	
Possibility to improve productivity and raise competitiveness of the company		2	
Cost-benefit analysis of the proposed project activities		3	

<sup>4</sup> Based on the Decision of the RA Governance Nr. 1112-Ն of 23.09.2009 GIZ is VAT exempted



Evaluation Criteria	Min score (1)/ Max score (8)	Weight	Total
Team composition and capacity level to successfully implement the project		2	
Does the proposal contain specific added-value elements, such as environmental issues, promotion of gender equality and equal opportunities, needs of disabled people, rights of minorities and best practices?		1	

## 7. Submission of Proposals

Applicants shall submit a complete proposal comprising the documents and forms in accordance with this GP electronically. The original documents will be required upon necessity.

Application package includes:

1. Project Description Submission Form (template attached to the announcement as a separate annex)
2. Budget Submission Form (template attached to the announcement as a separate annex)
3. CVs of the project team members demonstrating competency and experience relevant to execution on the proposed project
4. Company's registration letter (Scan of the original registration letter)

Proposals should be submitted before 23:59 Yerevan time on (date) 12 Aug 2020 to: e-mail: tech@tourismtech.am

The proposals and correspondence between the applicants and EU4Business shall be in Armenian and/or English. Applicants are responsible for meeting all tax liabilities. All applicable taxes and duties must be included in the prices reflected in the Budget (except VAT and Custom Duties).

Applicants may request clarifications on any part of the GP if such request is made 10 days before the deadline for submission of proposals. Any request for clarification must be addressed by email to: tech@tourismtech.am (no phone calls).

## 8. Grant Scheme Timeline

July 2020:	Launch of Grant Programme on 23 July 2020 Q&A time period 31, July – 7, Aug 2020 Information session on Grant Programme on 31 July 2020 Deadline for Submission of proposals 12 Aug 2020 Preselection of Proposals on 19 Aug 2020 Selection and Preparation of contracts 03 Sep 2020
Aug - Sept 2020:	signature of contracts contract implementation
September 2020- March 2021:	Mid-term +final monitoring after 6 months monitoring after 1-year monitoring

Deadline for application submission is August 12, 2020, 23:59 Yerevan Time. It is strongly recommended to apply before the deadline to avoid any technical difficulties with uploading of the files.

Questions may be sent by e-mail during the time period of July 31 – Aug 7, 2020 to the address listed below, indicating clearly the name of the call for proposals. After the deadline for Q&A, all questions and answers will be compiled and published for the interested applicants.

E-mail address: [tech@tourismtech.am](mailto:tech@tourismtech.am)

## **9.Contract signature, financing and payment modalities**

Selected/approved applicants will be notified and start the preparation of contract signing. Disbursement of grant funds will be done in form of advance payments in line with monthly requirements.

If at least 80% of the previous funds have been settled before the next disbursement date, the next advance payment can be requested. After the first advance payment, further advance payment calls must be accompanied by a financial report proving the use of previous payment (contractor should provide invoices, contracts, original bank statements and all other supported documents) which should follow grant scheme requirements.

None of the expenses done before the contract signature will be eligible.

The project will transfer the relevant payments to beneficiaries' special bank accounts and all applicant payments related to the project should be paid through a special bank account.

Recipients are not entitled to pass on the funds received or any part thereof to other recipients. More details on the timeframes will be settled in the contract agreement for each project based on project specifications.

The contract will begin in September 2020 and end in March 2021 (dates can vary depending on the actual contract start and end date). All payments for the costs incurred within this period should be done by the contract end date. Costs incurred and paid outside of this time period cannot be financed from the grant. The financial and narrative reports should be presented within two weeks after the contract end date.

When awarding contracts for supplies and services to be financed from the grant, the Recipient shall observe the regulations laid down in RA and the provisions specified in Grant agreement which constitute minimum standards.

## **10. Project implementation, reporting and monitoring**

Immediately after the financing started, applicants shall start implementing their projects based on the timeline and milestones included in the contract. Applicants shall present to the project implementation report, justifying the performed expenses with respective invoices and statements on monthly bases.

EU4Business "Innovative Tourism and Technology Development for Armenia" project shall manage on the spot monitoring for each grant contract. On this regard, the project has the right to carry out on-the-spot checks and inspections on the premises of grant beneficiaries during the project implementation and afterword: after 6 months and after 1 year of the implementation).

Monitoring obligations of grant beneficiaries shall be determined also in the stipulated grant contracts.

# 11. Frequently Asked Questions

## Eligibility

### What types of projects are eligible for funding under the current Grant Programme?

Eligible projects should be addressing: (at least one of the followings)

- Innovative products/business models
- Innovative technology for business product/service delivery
- Optimising business management system
- Logistics and hygiene
- Tech solutions for access to markets and networks (digital marketing; e-commerce)

### What types of organisations are eligible to apply for funding?

All Existing MSMEs from non-tech industries (tourism, agriculture; trade sectors will be excluded)

### If I am not chosen for this funding opportunity, will I still be eligible for other grant opportunities later?

Yes, interested applicants may apply for other grants.

## Submission

### What is the deadline for submitting the proposal?

Deadline for Submission of proposals 12 Aug 2020

### Who will review my proposal?

1. Representative from the Ministry of Economy
2. Representative from GIZ
3. Independent Experts from Private Sector: Business development
4. Independent Experts from Private Sector: Innovation
5. Independent Experts from Private Sector: Commercial Bank

### Will I receive feedback on my Proposal?

Generally, all applicants will receive a decision within two to four weeks regarding whether they are selected. We cannot guarantee every Proposal will receive detailed feedback; however, applicants are welcome to contact the Project with specific questions about their proposal.

### May I submit more than one Proposal?

No

### Who should I contact with questions?

If you have any questions about the grant scheme, you may address it by e-mail at: [tech@tourismtech.am](mailto:tech@tourismtech.am)

## Funding

### How much funding is available per grant?

The total maximum budget for this CFP is EUR 150,000 (one hundred fifty thousand Euros) all taxes included (except VAT and Custom Duties). The maximum amount per proposal is EUR 10,000. (Applicants can contribute to the co-financing in kind).

**May I submit a proposal that is also being considered for funding by other organisations (government funding agency, foundation, etc.)?**

Yes, applicants may submit a proposal that is being considered by other organisations. If your proposal is selected by both EU4Business and other funding organisations you will be required to report this to EU4Business and adjust or expand the activities and budget as appropriate so there is no duplication of funding. You can expand your project's scope of work with funding from other sources, if you complete the project that EU4Business funded you to conduct.



## Annex 1: Project Description

Project Description Submission Form could be downloaded from the announcement.  
Please fill in and include it in your application package.

## Annex 2: Budget

Budget Submission Form could be downloaded from the announcement.  
Please fill in and include it in your application package.

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