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EUROPEAN UNION FOR ARMENIA



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

Call for Proposal

EU4Business “Innovative Tourism Action Grants in times of Covid-19”





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Project name: EU4Business “Innovative Tourism and Technology Development for Armenia”
Subject: Call for Proposal (CfP) for EU4Business “Innovative Tourism Action Grants in times of Covid-19”

Call for proposal opening date: June 8, 2020

Call for proposal closing date: June 28, 2020

I. Project Description

The **EU4Business “Innovative Tourism and Technology Development for Armenia”** 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) of the European Union. It has an overall objective to ensure shared and balanced inclusive growth in tourism and innovative industries. This will be achieved through a) support to transformative, innovative tourism ventures in the Northern regions of Armenia, b) support to high tech and innovative entrepreneurs, c) international knowledge exchanges for high tech researchers to translate research to businesses and 4) networks for the benefit of entrepreneurship skills for students and general population groups.

Action in Brief: The **EU4Business “Innovative Tourism and Technology Development for Armenia”** project follows two main directions: **development of ventures in innovative tourism** and **technology**. Methods used will be competitions for grants, technical assistance by experts, community and stakeholder participation, and the entrepreneurial eco-system development.

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 and 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.



II. Grant Scheme objective and target group

The objective of EU4Business “Innovative Tourism Action Grants in times of Covid-19” is to support Armenia’s tourism sector to answer COVID-19 challenges by providing financial support (grants) to tourism businesses and consortia of tourism businesses, NGOs or foundations operating in Armenia’s three northern provinces to implement innovative projects that help those businesses to

- implement crisis reaction and recovery activities
- keep and increase productivity and competitiveness
- optimize business processes and business models
- develop new and update existing products and marketing activities
- improve skills and qualifications

The target groups for the Grant Scheme’s two windows are:

- Existing tourism businesses
- Consortia of tourism businesses, NGOs or foundations

Note: The consortia shall consist of one lead applicant and additional maximum four co-applicants. They will be represented by the lead applicant during application submission, contracting and grant disbursement phases.

III. Grant size

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

I. Window 1

Existing Tourism Businesses

- Maximum budget per grant: up to 8,000EUR
- Number of grantees: up to 25

II. Window 2

Consortia of tourism businesses, NGOs or foundations

- Maximum budget per grant: up to 20,000 EUR
- Number of grantees (awarded consortia): up to 5

The **term of project grant financing** is **up to 6 months** from execution of the Grant Contract.



IV. Eligibility requirements and eligible costs

This call is open for applicants from all over Armenia targeting the three Northern Regions of Armenia. Only applications that contribute to the tourism development in **Tavush, Lori, and Shirak regions** will be considered.

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

Eligible costs covered by the grant (both windows):

All investment costs to cover activities/ purchases to improve performance, increase productivity and competitiveness are eligible, incl.

- Equipment, software, certificates
- Business development costs, i.e. marketing and sales, legal advice, accounting, other services and expenses
- Travel allowances in justified cases based on GIZ rules
- Project related operational costs such as staff costs, office rent, utilities, communications, supplies, other operational costs
 - Up to 30% of the total budget
 - On an optional basis
- Project related technical assistance costs (i.e. training, coaching)
 - Minimum 15% of the total budget
 - On a mandatory basis

Ineligible costs:

- Debts and provisions for losses
- Credits to third parties



V. Main focus area and evaluation criteria

The proposal should demonstrate how it will contribute to the following criteria:

1. Development and/or improvement of innovative products/business models answering changed demand; e.g. addressing local demand
2. Tech solutions to upgrade product or offer and/ or provide access to markets, networks, consultancy, education and qualification
3. Improvement of skills and qualifications to further adapt to market changes, especially to an increasing digitalization
4. Optimization of business processes and overall performance, e.g. operations, cost and revenue management, HR management, automation/digitalization
5. Development and implementation of marketing/re-branding activities targeted at changing and alternative markets, e.g. domestic market and diaspora

All the applications will be evaluated based on the below mentioned criteria:

Evaluation Criteria	Min score (1) Max score (8)	Weight	Total
Likelihood to tackle COVID-19 challenges and prepare for post-crisis time in terms of skills and qualifications		2	
Likelihood to improve productivity and raise competitiveness of the company		2	
Likelihood to provide better services and attract more customers		2	
Likelihood to contribute to local tourism growth (quantitative or qualitative)		2	
Likelihood to create benefits for other actors along the tourism value chain		1	
Addressing sustainability and inclusiveness		1	
Level of innovativeness (i.e. new and/or more effective approaches, methods, innovative tech and non-tech solutions, digital applications)		2	



Team composition and capacity level to successfully implement the project		1	
Feasibility and relevance to the Action Grants Scheme’s objectives		2	
Cost-benefit analysis of the proposed project activities		1	

VI. Submission requirements

Interested applicants are expected to examine the Call for Proposal manual in detail before preparing and submitting their applications. Applications that are submitted late, incomplete, or are non-responsive may result in the rejection of the proposal.

Issuance of this Call for Proposal does not constitute an award commitment on the part of **EU4Business “Innovative Tourism and Technology Development for Armenia” project**, nor does it commit the project to pay for any costs incurred in the preparation and submission of an application.

Applications must be submitted **in English** to the email address tourism@tourismtech.am.

Hand-written Proposals will not be accepted.

When submitting their proposals, applicants must follow all instructions, forms and specifications. Failure to submit an application package containing all the required information and documentation within the deadline specified may lead to the rejection of the proposal.

It is required to send the below mentioned application package by email. The original documents will be required upon necessity.

Application package	Information
Project Description Submission Form	attached to the announcement as a separate annexe
Budget Submission Form	attached to the announcement as a separate annexe
Self-Declaration	attached to the announcement as a separate annexe
CVs of the project team members demonstrating competency and any experience relevant to execution on the proposed project	No special format is required



Company's registration letter	Scan of the original registration letter
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Deadline for application submission is June 28, 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 **June 15-19, 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: tourism@tourismtech.am

VII. Grant Scheme Timeline

The timeline for application submission, selection and implementation will be the following:

June 8, 2020	Opening date for call for proposal
June 15-19, 2020	Q&A time period
June 28, 2020	Closing date for call for proposal
July 17, 2020	Selection of winners and grant award
August 10, 2020	Contract start date (planned)
February 10, 2021	Contract end date (planned)

VIII. Selection Process of Proposals

All submitted proposals will be assessed according to the following steps:

STEP 1: Administrative check

- The deadline has been respected.
- The requested information is correct and complete.
- Minimum eligibility requirements are met.

STEP 2: Evaluation of the proposal

The actual evaluation of the applications after administrative check will be carried out by the Selection Committee of the EU4Business “Innovative Tourism Action Grants in times of Covid-



19". It will be focused on capacities of applicants and their co-applicants (partners), as well as on the quality of their project proposals crosschecked with submitted supporting documents. All eligible project proposals will be evaluated by each selection committee member and an average note will be calculated as basis for ranking of the project.

The **Selection Committee** of the “Innovative Tourism Action Grants in times of Covid-19” is composed of the following members:

- One representative of RA Tourism Committee
- Two representatives of GIZ Armenia

IX. 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 have to 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 be in compliance with grant scheme requirements. None of the expenses done before the contract signature will be known as contractor’s investment. Only expenses after the contract signature will be eligible for the investment and payments.

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 grant recipients are not entitled to receive or apply for any other funding to carry out the action/work programme which is the subject of this grant application.

The contract will begin on August 10, 2020 and end on February 10, 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.



X. 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.

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.

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



Annexe 1. Project Description Submission Form

To apply for this call for proposals the applicants and lead applicants for consortia need to provide information about the organisation(s) involved in the action and the proposed project as listed in the Project Description Submission Form.

Please **download the Project Description Submission Form** as attached to the announcement, fill in and include into your application package.

Annexe 2. Budget Submission Form

Please **download the Budget Submission Form** as attached to the announcement, fill in and include into your application package.

Annexe 3. Self-Declaration Form

Please **download the Self-Declaration Form** as attached to the announcement, fill in and include into your application package.