

## CALL FOR PROPOSAL

UNDP Georgia	DATE: April 28, 2020
Project Improving Rural Development in Georgia/ENPARD3	REFERENCE: 00101419

Dear Sir / Madam:

We kindly request you to submit **CALL FOR PROPOSALS FOR GRANT COMPETITION FOR INTRODUCING SMART VILLAGES IN GEORGIA IN RESPONSE AND BUILDING RESILIENCE TO COVID-19 PANDEMIC**

Please be guided by the form attached hereto as Annex 2, in preparing your Proposal.

Please send filled application materials electronically to all of the following e-mails: [nodar.kereselidze@undp.org](mailto:nodar.kereselidze@undp.org); [stephan.schmitt-degenhardt@undp.org](mailto:stephan.schmitt-degenhardt@undp.org); [giorgi.tsimintia@undp.org](mailto:giorgi.tsimintia@undp.org) in PDF (signed and stamped) and word formats. **The subject line should read: "CoP Application – Smart Villages".**

**Deadline for submission of applications for grant proposals is 28 May 2020, 18:00** (Tbilisi time and date). In the course of preparing your Proposal, it shall remain your responsibility to ensure that it reaches the address above on or before the deadline. Proposals that are received by UNDP after the deadline indicated above, for whatever reason, shall not be considered for evaluation.

**A pre-proposal conference will be held via Zoom**

<https://us04web.zoom.us/j/8331727753?pwd=MEhSSE4zWjV0SnJtMy9URVZmMi9qZz09>

Meeting ID 8331727753

Password: 2020

Time: 16:00 PM

Date: 5 May 2020

The UNDP focal point for the arrangement:

Ms. Liliana Gureshidze; E-mail: [liliana.gureshidze@undp.org](mailto:liliana.gureshidze@undp.org); Telephone: 577 343 341.

**Thank you and we look forward to receiving your Proposal.**

Sincerely yours,

Nodar Kereselidze

National Project Manager

28/04/2020

**CALL FOR PROPOSALS FOR GRANT COMPETITION  
FOR INTRODUCING SMART VILLAGES IN GEORGIA  
IN RESPONSE AND BUILDING RESILIENCE TO  
COVID–19 PANDEMIC**

## INSTRUCTIONS

### 1/BACKGROUND

Georgia's economic activities are concentrated in a few geographic areas, contributing to very high levels of urban-rural inequality. Rural areas in Georgia host about 43% of the population lives in rural areas, where poverty is 25.5% as opposed to 16.9% in urban areas. The average monthly income of urban households is 22.2% higher than that of rural households. The capital Tbilisi generates 50% of total value added in the country. Low rate of economic growth, economic instability, low-productive agricultural sector, weak entrepreneurial skills, insufficient economic diversification, limited access to financial resources and modern technologies, insufficient development of infrastructure, present the potential risks for sustainable rural development. Unfavourable demographic structure in rural areas, high level of population aging and migration represents a hindrance to the rural development. Besides, limited access to such basic healthcare and education and other services in villages especially for disadvantaged groups, has negative impact on well-being in rural areas.

The EU financed and UNDP implemented project "Improving Rural Development in Georgia" (IRDG) is addressing the challenges of rural areas in Georgia by taking actions to achieve: (1) Improved governance for effective implementation of the Rural Development Strategy (2017-2020), it's Action Plan and related programmes; (2) Improved rural economic diversification, employment and services; (3) Improved environment, sustainable management of natural resources and climate action.

IRDG project is designed to have substantial impact on improved employment and living conditions of the rural population in Georgia as a result of better quality and quantity of available rural services. To this end IRDG plans to introduce the emerging concept of Smart Villages<sup>1</sup> from EU to Georgia. **The concept of Smart Villages refers to rural areas and communities which build on their existing strengths and assets as well as on developing new opportunities.** The Smart Villages use traditional and new networks and services that are enhanced by various innovative means of digital, ICT, social innovations and others, for the benefit of rural residents and businesses. Furthermore, the **concept is territorially sensitive**, based on the needs and potentials of the specific territory.

**Due to the recent COVID-19 pandemic, rural areas in Georgia are facing new, unprecedented challenges** in public health, education, food security, economy, mitigation of virus prevalence, etc. To address the needs and challenges affecting rural areas in these domains, this Call for Proposals will contribute **to response and building resilience to COVID-19 outbreak through conceptual approach of 'Smart Village'**, by supporting **bottom-up initiatives** that find solutions for **shortfalls in service delivery** (mobility, logistics and local supply; health and social care; education and training; communication) as well as by promoting the **digital transformations of rural areas**.

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<sup>1</sup> COM(2018) 392 final <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM%3A2018%3A392%3AFIN>

## 2/ PURPOSE

The **primary objective** of the call is to respond and build resilience to COVID-19 outbreak of rural areas in Georgia by **finding practical, innovation-driven solutions** to challenges they face and potentially seize new opportunities, notably with a view of substantial **inclusion of disadvantaged groups**. This further means, enacting innovative solutions to complex challenges in **service access and delivery**<sup>2</sup> that are matching the characteristics and assets of distinct rural areas.

**The priority will be given to the proposal ideas that will ensure:**

- **Support rural communities** to address the needs through **social and digital innovation** that have potential of response and building resilience to COVID-19 pandemic with a clear **social and economic impact** and transferability to broader spatial dimensions.
- Encourage **coordination and partnership** among key stakeholders in multi-sectoral, integrated approaches to rural development, e.g. policy makers, rural entrepreneurs, local governments, national agencies, CSO, development organizations, etc. Such coordination and partnerships should ensure complementarity of measures to existing public and private programs and projects.
- Ensure **reach-out to disadvantaged groups**, including youth, women, PWDs, IDPs, ethnic, religious, sexual and other minorities from rural areas.

## 3/FINANCING SCHEME AND INELIGIBLE COSTS

Any funds requested for the grant(s) under this Call for Proposals must fall between the following minimum and maximum amounts:

- minimum amount: USD 8,000.
- maximum amount: USD 15,000.

Proposed grant proposal(s) should be co-sponsored either through primary applicant or co-applicant(s) with following rates in case of non-LEADER/CLLD entities: **at least 20%** of total eligible costs. Non-LEADER/CLLD entities should ensure financial, cash co-finance<sup>3</sup> of the grants.

Applicant organizations should submit proposals with justified and realistic budgets.

Ineligible costs are:

1. debts and debt service charges (interest);
2. provisions for losses or potential future liabilities;
3. costs financed by another action or work programme receiving EU and UNDP funding;
4. purchases of land or buildings;
5. purchase of luxury goods and gambling equipment;
6. purchase of agriculture commodities, motor vehicles or pharmaceuticals;
7. purchase of used equipment;
8. currency exchange losses;
9. related to any type of maintenance;
10. daily allowances (per diem);
11. utilities and office rent;

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<sup>2</sup> In the areas of: mobility, logistics and local supply; health and social care; education and training; communication

<sup>3</sup> Must be financed from sources other than EU or UNDP

12. overheads;
13. credit to third parties;
14. salary costs of the GoG personnel;
15. salary costs for personnel (including administrative costs), if the such costs exceed 20% of total project costs;
16. related to participation in workshops, seminars, conferences and congresses;
17. scholarships for studies or training courses;
18. related to the infrastructure improvement and equipment, which are directly related to this Call for Proposal, if they exceed 50% of the total budget;
19. any indirect costs;

*Note: Other restrictions may apply, specified before selection of successful projects*

#### 4/WHO CAN APPLY

LEADER/CLLD and non-LEADER/CLLD entities are invited to apply for this Call for Proposals. For the purposes of this Call for Proposals:

- LEADER/CLLD entities (non-profit (non-commercial) legal entities) are: Local Action Group (LAG) and local community group (AMAG) organizations established with support of ENPARD program in IRDG project target municipalities (Keda, Khulo, Borjomi, Akhalkalaki, Tetrtskaro, Lagodekhi, Dedoplistskaro and Kazbegi).
- Non-LEADER/CLLD entities are non-profit (non-commercial) legal entities (NGOs), **except:** (1) Local Action Group (LAG) and local community group (AMAG) organizations established with support of ENPARD program in IRDG project target municipalities (Keda, Khulo, Borjomi, Akhalkalaki, Tetrtskaro, Lagodekhi, Dedoplistskaro and Kazbegi); (2) Religious and Political organizations; (3) Government owned entities.

LEADER/CLLD and non-LEADER/CLLD entities should be registered in accordance with the legal requirements of the Government of Georgia, must be able to provide organization's statute and the debt certificate.

All applicant organizations must demonstrate proven experience and capabilities in carrying out rural development interventions, including but not limited to: needs appraisal, community mobilization, socio-economic development actions, measures related to inclusion and support of disadvantaged groups (youth, women, PWDs, IDPs, ethnic, religious, sexual and other minorities).

Coalitions (based on co-application) with NGOs and private sector is encouraged. *Note: Co-applicants must satisfy the eligibility criteria as applicable to the primary applicant.*

#### 5/IMPLEMENTATION LOCATION(S) AND DURATION

Activities of Smart Village grants should be implemented within administrative boundaries of **at least one village in municipalities of Keda, Khulo, Borjomi, Akhalkalaki, Tetrtskaro, Lagodekhi, Dedoplistskaro and/or Kazbegi**. *Note: Success of Smart Village approach often depends upon cooperation with other nearby villages, towns and cities. In medium to long-term it is expected that spatial scale of a Smart Village projects will grow through cooperation with other areas.*

Duration of the Smart Village grant activities within the grant application **shall not exceed 7 months**, counted from the date of the contract signature to the date when all relevant activities have been successfully completed, reported and accepted by the UNDP/IRDG Project (Note: per grant agreement 1 month should be allocated for final reporting to the UNDP/IRDG Project).

**Only successful grant proposals will be awarded with the funding. It is anticipated that at least 8 grant proposals (regardless of the grant implementation location) will be financed under this Call of the Proposals. However, no or less than 8 grants may be awarded by UNDP/IRDG, depending on the evaluation results.**

## 6/PROCEDURES OF GRANT PROPOSAL SUBMISSION

Those wishing to participate:

- Must submit filled Grant Application form (See Annex 1) in line with the goals and directions determined in this Call of Proposals and provide as an attachment of the application additional documents:
  - Partnership Memorandums with partner organization(s) (if applicable);
  - At least 2 reference letters from partners or clients;
  - Note from Revenue Service on tax obligations;
  - Extract from the public register for primary and (if applicable) for co-applicants;
  - Separate account requisites which will be used only for grant project operations.

Please send filled application materials electronically to all of the following e-mails: [nodar.kereselidze@undp.org](mailto:nodar.kereselidze@undp.org); [stephan.schmitt-degenhardt@undp.org](mailto:stephan.schmitt-degenhardt@undp.org); [giorgi.tsimintia@undp.org](mailto:giorgi.tsimintia@undp.org) in PDF (signed and stamped) and word formats. **The subject line should read: “CoP Application – Smart Villages”.**

**Deadline for submission of applications for grant proposals is 28 May 2020, 18:00** (Tbilisi time and date). The grant proposals after the deadline will not be admitted and considered. **Applicant(s) are strongly advised not to wait until the last day to submit** application, since heavy Internet traffic or a fault with the Internet connection (including electricity failure, etc.) could lead to difficulties in submission. **If additional clarifications required, questions can be sent to the same email addresses indicated above (all of them together) no later than 10 days before the deadline for the submission of applications. Answers to questions will be provided within 3 working days no later than 3 days before the deadline for the submission of applications. The subject line should read: “Question(s) for CoP – Smart Villages”. All questions and answers related to this CfP will be anonymized and published on UNDP web-site also at Jobs.ge and local web-sites.**

Note: Consultation meeting with interested applicants on the preparation of the applications for grant proposal idea will be held on **5 May 2020, at 16:00** via Zoom

<https://us04web.zoom.us/j/8331727753?pwd=MEhSSE4zWjV0SnJtMy9URVZmMi9qZz09>

MeetingID 8331727753

Password: 2020

## 7/SELECTION PROCESS

All grant proposals will be reviewed by the Evaluation Committee comprised of the representatives of relevant UNDP representatives. The Evaluation Committee will assess proposals according to the evaluation criteria:

	<b>Selection Criteria</b>	<b>Selection Criteria Description</b>	<b>Score Percentage</b>
<b>1.</b>	<b>Applicant's Experience and management</b>	The applicant organization(s) of experience in similar interventions and capacity of implementing. Project management arrangements are sound.	Max. 5%
<b>2.</b>	<b>Relevance of the grant</b>	The grant proposal is relevant to: (1) the objectives and priorities of the call for proposals; (2) particular needs and constraints of the target territories and groups; (3) proposal design reflects a robust analysis of the problems involved, and the capacities of the relevant stakeholders	Max. 20%
<b>3.</b>	<b>Methodology</b>	The grant proposal is technically accurate and consistent. The grant management has good understanding of grant proposal goals, the grant implementation plan clearly demonstrates how it will support the achievement of the grant goals. Design of the interventions are coherent. Action plan for implementing the action clear, feasible and time realistic. Beneficiaries are clearly defined and strategically chosen and include disadvantaged groups. Local communities are and will be engaged in the grant activities, including disadvantaged groups. The grant makes positive impact on local population in one or more of the following: local economy, social and environmental areas	Max. 30%
<b>4.</b>	<b>Sustainability and transferability</b>	The grant proposal is sustainable, and its further development and transferability of the results is possible	Max. 5%
<b>5.</b>	<b>Partnership and cooperation</b>	The grant proposal is designed to be implemented in partnership and close cooperation with stakeholders (public agencies, private companies, CSOs, etc.)	Max. 15%
<b>6.</b>	<b>Risk Management, monitoring and evaluation mechanisms</b>	Risk assessment and management tools, also the grant monitoring and evaluation mechanisms are well defined and demonstrate realistic capabilities of risk management. Logical Framework includes credible baseline, targets and sources of verification.	Max. 5%
<b>7.</b>	<b>Grant budget</b>	The grant budget is relevant and in line with the proposed work plan and set indicators	Max. 20%
<b>TOTAL</b>			<b>Max. 100%</b>

All decisions on the selection of grant proposals will be taken **approximately within 20 working days after closing date for applications**. An applicant is considered as a winner and will be invited to conclude the relevant agreement within 3 weeks after receiving the notification if:

- an applicant received at least 50% of scores for each selection criteria and 75% or higher of the total scores (if available, top 8 proposals out of those passing 75% will be selected);
- and applicant's scores are competitive and higher towards other applicants.

Each organization can be granted with only one grant. In total, a maximum of 8 grants will be selected for award. UNDP will be signing Low Value Grant (LVG) Agreement with the winning applicants.

**Grant Application(s) will not be further considered and will be disqualified if:**

- Applicant presents proposal (duplicate) already financed by any other project;
- It is provided by the non-eligible entity;
- It does not comply with primary and specific objectives, priorities, and instructions provided in this announcement;
- It is not consistent with the UNDP/IRDG project document;
- If the proposal includes the ineligible costs.

## 6/METHODOLOGY/APPROACH CONSIDERATIONS

To address the objective of this Call for Proposals in the domain of access to and delivery of services (mobility, logistics and local supply; health and social care; education and training; communication) selected organizations should focus their approach on both **social and digital innovation** to challenge the COVID-19 pandemic on respective village territories.

Smart Villages grant proposals should go beyond isolated activities and aim to enable the community to jointly **implement integrated interventions** which respond to their long-term challenges and opportunities. It is envisaged that small-scale grant projects supported under this Call for Proposals can then create the **conditions for larger-scale interventions** either under the public or private sources. The success of bottom-up initiatives, like Smart Village involves **building platforms and partnerships** among relevant stakeholders (e.g. involvement and support of the appropriate local and regional authorities).

### APPROACH 1 - Social innovation

"Social innovations are innovations that are social both in their ends and their means. In other words, they are innovations that are both good for society and enhance societies capacity to act<sup>4</sup>". Local communities equipped with change-driven efforts, leadership and adequate social capital, in cases combined with available technology, can address critical needs in areas such as mobility, logistics and local supply; health and social care; education and training; communication, which may have both a local and a wider dimension.

Rural communities may often step in filling the gaps of declining access and quality of service delivery. Social innovation typically requires appraisal of local assets and the right combination of public, private, research or civil society initiatives. With people at the center, Smart Villages should seek to find best of different models of service provision through partnerships and networking.

### APPROACH 2 - Digitalization

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<sup>4</sup> European Commission, 'Social Innovation: A Decade of Changes', 2010



Smart Villages can achieve significant impact in service access and delivery through a digital transformation based on distinctive potential of their specific area. To this end the different components of a digital ecosystem (e.g. broadband infrastructure, the uptake of digital services, digital literacy of the residents, technical platforms, etc.) need careful consideration to deliver the best results.

For the purposes of this Call for Proposals, Smart Village projects are expected to focus on digital service provisions in the areas of: (1) Communication; (2) Mobility, Logistics and Local Supply (good and services); (3) Education and training; (4) Health and Social Care (Care Economy). Following checklist may be applied for digital innovation interventions<sup>5</sup>:

- 1) Identify the needs of the local community.
- 2) Envision the digital future of the rural area or village.
- 3) Collaborate and consider all available resources – elaborate the potential of digital hubs, authorities, industry, research and local residents.
- 4) Take an integrated approach rather than focus on just one sector, consider the value of platforms providing multi-sectoral services.
- 5) Identify skilled personnel to support the establishment and performance of the ICT projects.
- 6) Define the ICT budget available to support the establishment and performance of projects and mobilize all potential sources of funding, including from private industries.

### **Additional Important Consideration**

Smart Village grant proposals should demonstrate:

- Local community 'vision' for responding and building resilience to COVID-19;
- How grant activities are driven by local citizen and how they will be engaged in grant implementation<sup>6</sup>;
- How members of the wider community have and will be effectively engaged in this process;
- Evidence that the grant proposal is designed to find new or alternative solutions to the underlying challenges and opportunities in the specific context of the local people amidst COVID-19 outbreak;
- Any linkages between the projects and other existing broader strategies and initiatives (e.g. local economic development plans LEDPs supported by M4EG initiative, regional or municipal strategies, Rural Development Strategy 2017-2020, etc.) are encouraged to be highlighted.

*Note: For additional guidance it is **highly recommended** to refer to materials available at ENRD [Smart Villages Portal](#)<sup>7</sup>*

### **7/VISIBILITY**

Selected organization(s) must take all necessary steps to publicise the fact that the European Union has financed or co-financed the grant projects and must strictly comply with EU and UNDP Communication and Visibility Guidelines and Standards.

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<sup>5</sup> ENRD, EU RURAL REVIEW No 26

<sup>6</sup> Evidence for this could be 'letters of commitment' from local residents, businesses and municipal government entities. It could also be some form of legal entity (e.g. a village association) delegated/engaged to take the lead. Although initiatives can come from civil society, local authorities or private sector, they should always be checked to ensure that they are legitimate, open and inclusive.

<sup>7</sup> [https://enrd.ec.europa.eu/smart-and-competitive-rural-areas/smart-villages/smart-villages-portal/eu-policy-initiatives-strategic-approaches\\_en](https://enrd.ec.europa.eu/smart-and-competitive-rural-areas/smart-villages/smart-villages-portal/eu-policy-initiatives-strategic-approaches_en)

## 8/ IMPORTANT ADDITIONAL INFORMATION

UNDP implements a policy of zero tolerance on proscribed practices, including fraud, corruption, collusion, unethical practices, and obstruction. UNDP is committed to preventing, identifying and addressing all acts of fraud and corrupt practices against UNDP as well as third parties involved in UNDP activities. (See

<https://www.undp.org/content/dam/undp/library/corporate/Transparency/UNDPAntiFraudPolicyEnglishFINA%20June2011.pdf>

<https://www.undp.org/content/undp/en/home/operations/procurement/protestandsanctions> for full description of the policies).

In responding to this Call for Proposals, UNDP requires all Proposers to conduct themselves in a professional, objective and impartial manner, and they must at all time hold UNDP's interest paramount. Proposers must strictly avoid conflicts with other assignments or their own interests, and act without consideration for future work. All Proposers found to have a conflict of interest shall be disqualified. Without limitation on the generality of the above, Proposers, and any of their affiliates, shall be considered to have a conflict of interest with one or more parties in this solicitation process, if they:

- Are or have been associated in the past, with a firm or any of its affiliates which have been engaged UNDP to provide services for the preparation of the design, Terms of Reference, cost analysis/estimation, and other documents to be used in this competitive selection process;
- Were involved in the preparation and/or design of the programme/project related to the services requested under this Call for Proposals; or
- Are found to be in conflict for any other reason, as may be established by, or at the discretion of, UNDP.

In the event of any uncertainty in the interpretation of what is potentially a conflict of interest, proposers must disclose the condition to UNDP and seek UNDP's confirmation on whether or not such a conflict exists.