CALL FOR PROPOSAL

UNDP Georgia
Project Improving Rural Development in Georgia/ENPARD3

DATE: November 30, 2021
REFERENCE: 00101419

Dear Sir / Madam:

We kindly request you to submit CALL FOR PROPOSALS FOR GRANT COMPETITION
FOR DEVELOPMENT OF SOCIAL INNOVATION PROJECTS
in Akhalkalaki, Tetritskaro and Lagodekhi Municipalities

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; giorgi.tsimintia@undp.org in PDF (signed and stamped) and word formats. The subject line should read: “CoP Application – SOCIAL INNOVATION PROJECTS”.

Deadline for submission of applications for grant proposals is December 15, 2021, 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 on December 7, 2021, at 12:00 p.m. (Tbilisi time and date) via Zoom, Meeting ID: https://undp.zoom.us/j/86153614825

The UNDP focal point for the arrangement:
Ms. Liliana Gureshidze; E-mail: liliana.gureshidze@undp.org;

Thank you and we look forward to receiving your Proposal.

Sincerely yours,
CALL FOR PROPOSALS FOR GRANT COMPETITION
FOR DEVELOPMENT OF SOCIAL INNOVATION PROJECTS
in Akhalkalaki, Tetritskaro and Lagodekhi Municipalities
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, 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 EU-style Social Innovation (SI) concept for rural communities. The concept of Social Innovation refers to the development and implementation of new ideas (products, services and models) to meet social needs and create new social relationships or collaborations. It represents new responses to pressing social demands, which affect the process of social interactions. It is aimed at improving human well-being. Social innovations are innovations that are social in both their ends and their means. They are innovations that are not only good for society but also enhance individuals’ capacity to act.

IRDG project is looking for the opportunities in: (1) Social demand innovations which respond to social demands that are traditionally not addressed by the market or existing institutions and are directed towards vulnerable groups in society; and (2) The societal challenge perspective focuses on innovations for society as a whole through the integration of the social, the economic and the environmental all possible aspects. This call for Grant Competition is aimed to use innovative concept of Social Innovation for application to the needs of ethnic minorities in Akhalkalaki, Tetritskaro and Lagodekhi municipalities.

2/ PURPOSE
The primary objective of the call is to respond to pressing social demands of ethnic minority communities in Akhalkalaki, Tetritskaro and Lagodekhi municipalities by development and implementation of new ideas (products, services and models) to meet social needs and create new social relationships or collaborations. This further means, entire process by which new responses to social needs are developed in order to deliver better social outcomes.

The priority will be given to the proposal ideas that:

- Are driven by a social mission, and the value they create is necessarily shared, social value.
- Empower ethnic minorities at local level to invent together solutions to social problems.
- Are aimed at identification of new/unmet/inadequately met social needs; development of new solutions in response to these social needs and designed to evaluate of the effectiveness of new solutions in meeting social needs.
- Are focused on innovation in services and in service products, new or improved ways of designing and producing services; and/or innovation in service delivery organizations.

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 amounts¹:

- minimum amount: USD 10,000.
- maximum amount: USD 15,000.

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.
12. overheads.
13. credit to third parties.
14. salary costs of the GoG personnel.
15. salary costs for personnel (including administrative costs), if such costs exceed 30% of total project costs.
16. related to participation in workshops, seminars, conferences and congresses.
17. scholarships for studies or training courses.

¹ Proposed grant proposal(s) should be co-sponsored either through primary applicant or co-applicant(s) with following rates only in case of non-LEADER/CLLD entities: at least 10% of total eligible costs. Non-LEADER/CLLD entities should ensure financial, cash co-finance¹ of the grants. LEADER/CLLD entities are not required to have co-sponsorship of grants.
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: Successful applicant may be subject to receive guidance from the IRDG project team on implementation modalities of their projects that might affect the scope, timeline and budget of the applications – subject to further negotiations.*

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

### 4/WHO CAN APPLY

LEADER/CLLD\(^2\) 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 (for the purposes of this call in Akhalkalaki, Tetritskaro and Lagodekhi).
- **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 (for the purposes of this call in Akhalkalaki, Tetritskaro and Lagodekhi); (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 social 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 Social Innovation grants should be implemented within administrative boundaries of at least one village in municipalities of Akhalkalaki, Tetritskaro and Lagodekhi.

Duration of the Social Innovation grant activities within the grant application **shall not exceed 5 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).

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\(^2\) CLLD - Community-Led Local Development
Only successful grant proposals will be awarded with the funding. It is anticipated that at least 3 grant proposals (regardless of the grant implementation location) will be financed under this Call of the Proposals. However, no or less than 3 grants may be awarded by UNDP/IRDG, depending on the evaluation results.

6/PROCEDURES OF GRANT PROPOSAL SUBMISSION

Those willing 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);
  - 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; giorgi.tsimintia@undp.org in PDF (signed and stamped) and word formats. The subject line should read: “CoP Application – Social Innovations”.

Deadline for submission of applications for grant proposals is 15 December 2021, 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 – Social Innovations”. All questions and answers related to this CfP will be anonymized and published on 10 December 2021.

Note: Consultation meeting with interested applicants on the preparation of the applications for grant proposal idea will be held on 07 December 2021, at 12:00 via Zoom, meeting ID https://undp.zoom.us/j/86153614825

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:

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<tr>
<th>Selection Criteria</th>
<th>Selection Criteria Description</th>
<th>Score Percentage</th>
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<tbody>
<tr>
<td>1. Applicant’s Experience and management</td>
<td>The applicant organization(s) of experience in similar interventions and capacity of implementing. Project management arrangements are sound.</td>
<td>Max. 5%</td>
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<tr>
<td>Selection Criteria</td>
<td>Selection Criteria Description</td>
<td>Score Percentage</td>
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<td>2. Relevance of the grant</td>
<td>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</td>
<td>Max. 20%</td>
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<td>3. Methodology</td>
<td>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</td>
<td>Max. 30%</td>
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<td>4. Sustainability and transferability</td>
<td>The grant proposal is sustainable, and its further development and transferability of the results is possible</td>
<td>Max. 5%</td>
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<td>5. Partnership and cooperation</td>
<td>The grant proposal is designed to be implemented in partnership and close cooperation with stakeholders (public agencies, private companies, CSOs, etc.)</td>
<td>Max. 15%</td>
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<td>6. Risk Management, monitoring and evaluation mechanisms</td>
<td>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.</td>
<td>Max. 5%</td>
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<td>7. Grant budget</td>
<td>The grant budget is relevant and in line with the proposed work plan and set indicators</td>
<td>Max. 20%</td>
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<td>TOTAL</td>
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<td>Max. 100%</td>
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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 5 proposals out of those passing 75% will 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 3 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/GENRAL METHODOLOGY/APPROACH CONSIDERATIONS

Social innovation can be defined as the development and implementation of new ideas (products, services and models) to meet social needs and create new social relationships or collaborations. It represents new responses to pressing social demands, which affect the process of social interactions. It is aimed at improving human well-being. Social innovations are innovations that are social in both their ends and their means. They are innovations that are not only good for society but also enhance individuals’ capacity to act.

Social Innovations rely on the inventiveness of citizens, civil society organizations, local communities, businesses and public servants and services. They are an opportunity both for the public sector and for the markets, so that the products and services better satisfy individual but also collective aspirations.

Social innovation describes the entire process by which new responses to social needs are developed in order to deliver better social outcomes. In general, this process is composed of four main elements:
1. Identification of new/unmet/inadequately met social needs.
2. Development of new solutions in response to these social needs.
3. Evaluation of the effectiveness of new solutions in meeting social needs.
4. Scaling up of effective social innovations.

Following three key approaches are typical to social innovation:
- Social demand innovations which respond to social demands that are traditionally not addressed by the market or existing institutions and are directed towards vulnerable groups in society. They have developed new approaches to tackling problems affecting youth, migrants, the elderly, socially excluded etc.
- The societal challenge perspective focuses on innovations for society as a whole through the integration of the social, the economic and the environmental.
- The systemic change focus, the most ambitious of the three and to an extent encompassing the other two, is achieved through a process of organizational development and changes in relations between institutions and stakeholders.

Just like not all enterprises are social enterprises, not all innovations are social innovations. Compared to mainstream innovations, ‘social innovations’ are critically driven by an extra motive: a social mission, and the value they create is necessarily shared value, at once economic and social³.

Many social innovations have to do with service innovation. This includes innovation in services and in service products, new or improved ways of designing and producing services, and innovation in service firms, organizations, and industries – organizational innovations and the management of innovation processes, within service organizations.

Social design is also used as a term to describe particular approaches to social innovation. Social design is also meant to empower people at local level to invent together solutions to economic and social problems. It contributes to offer new values to guide public administrations’ actions through collaborative working, experimentations and prototyping. While the techniques being developed vary considerably, they rarely resemble the more traditional forms of service-planning in the public sector in which either formal meetings are the dominant form or where experts arrive at solutions by linear analysis. Social innovation practices tend to be looser, involve more people, feature more animation techniques, are more interdisciplinary, find new ways of involving users and citizens and encourage thinking out of the box. They deploy evidence-based methods and often use techniques like benchmarking to identify good practices in the specific fields. There are growing numbers of examples of co-production and co-creation in which users are directly involved in design and delivery.

In general, social innovation approaches are:

- Open rather than closed when it comes to knowledge-sharing and the ownership of knowledge.
- Multi-disciplinary and more integrated to problem solving than the single solutions of the past.
- Participative and empowering of citizens and users rather than ‘top down’ and expert led.
- Demand-led rather than supply-driven.
- Tailored rather than mass-produced, as most solutions have to be adapted to local circumstances and personalized to individuals.

(I) Stages of social innovation

Social innovations typically go through stages. They start as ideas, which may then be piloted or prototyped. If successful there is a process of sustaining the new model in the implementation stage – perhaps as a new venture or as a new policy within an existing institution. The final stage is to scale up so that the new approach makes a real impact and becomes part of the norm.

The challenge is to identify which ideas are the most promising to take to the pilot stage, and to identify which pilots are best able to improve on existing models of practice. Then selecting from among those pilots, the projects that should be implemented to become sustainable ventures and the ventures that should be scaled up to achieve systemic changes.

For more information, please refer to: https://ec.europa.eu/eip/ageing/library/guide-social-innovation_en.html

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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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 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.