

GRANT APPLICANT GUIDEBOOK

This guide has been compiled to provide clear and detailed information and instructions for all potential applicants for grants within the framework of UNDP “Our Lives: Our Future. Supporting Self Recovery and Resilience of Conflict Affected Communities in Armenia” project funded by the European Union Humanitarian Aid.

Project will support vulnerable households and their agriculture related MSMEs in Syunik and Gegharkunik regions with particular focus on Goris, Kapan and Vardenis areas bordering communities. To this end, the project announces competition to select an implementing local organization (2 or 3 for Syunik, and 1 for Gegharkunik marz) for an agricultural micro-business initiative grant competition to support the resumption or development of agricultural micro-entrepreneurship / entrepreneurship by socially vulnerable individuals or families targeting the bordering communities of Syunik marz (particularly Goris and Kapan areas) and Gegharkunik marz (particularly Vardenis area).

Local organizations will organize all the mini-grant selection process- announcement, its dissemination, and supporting potential beneficiaries in preparing and submitting their applications. Selection criteria will be defined by the Implementing local organization in close consultation with and approval by the UNDP project staff. A selection committee will comprise of representatives from an implementing NGO, UNDP staff, an expert and a beneficiary community official if relevant. The local organization will be responsible for practical provision and management of small grants (and/or agricultural equipment) to selected beneficiaries, monitoring and ongoing mentoring. Ongoing consultations with and feedback to UNDP project staff is required.

It is planned that about 13 MSMEs (small, medium or micro-businesses in agriculture) will apply requesting up to 4.000 USD each in Syunik marz (Goris and Kapan areas), and 5 in Gegharkunik marz (Vardenis area). Preferably, the beneficiaries should be displaced persons from NK, or employ DPs in their entrepreneurship, or somehow contribute to the DPs and most vulnerable host families. It's strongly recommended that these beneficiaries operate in bordering and/or remote communities.

30 beneficiaries (individuals, households or agricultural micro-businesses) in Syunik marz and 10 in Gegharkunik marz will request support in terms of agricultural equipment and tools for their small-scale agricultural production (or micro-business initiative) and processing activities for up to 1500 USD. It is required that at least 75% of these beneficiaries are displaced people from NK living in remote and/or bordering communities.

The grant is also intended to increase the capacity and engagement of civil society, including local grass roots organizations and activists in dealing with vulnerable populations of the bordering and remote communities and regions of Armenia.

Introductory information

The compound crisis caused by the hostilities in and around Nagorno-Karabakh and the COVID-19 pandemic had a disruptive and destructive effect on the Armenian communities bordering Azerbaijan targeted by the proposed action. The major inflow of DPs, especially of women and children, impacted on local economies that were already fragile and administrative budgets that had very limited room to cater for their assistance. The unresolved issue of border demarcation protracts the protection issues associated with it making for communities impossible to access their crops and pastures and thus regain some self-sufficiency and sense of normalcy.

Much like the host communities, most of the DPs lost access to their livelihood assets to the hostilities or the pandemic. Competition over modest job opportunities and resources increases the risk of social tension and

violence. While most of the displaced are living in a refugee-like situation, still they are unlikely to return to their places of origin in the foreseeable future.

The project seeks to support the displaced in Gegharkunik and Syunik regions in re-establishing their livelihood systems and decreasing their dependence on humanitarian assistance.

In accordance with this, the Project intends to award up to 60.000 USD grant to each of (at least) two local organizations in Syunik (preferably in Goris and Kapan areas), which will deal with selection, provision, management, coaching and monitoring of overall 13 MSMEs in agricultural production or processing (at least 6 by each organization) providing up to 4.000 USD small grants to each MSME. Also, they will select and provide up to 1500 USD grant/support in terms of agricultural equipment and tools to each of nearly 30 beneficiaries (15 by each organization) from DP households and/or agricultural micro-businesses. The beneficiaries should be from bordering and remote communities of Goris and Kapan areas. It is anticipated that at least 3/4th of them will be internally displaced persons or households or will employ a DP. The remaining beneficiaries can be from host families, communities. These estimates are subject to changes- based on real circumstances.

Likewise, the Project intends to award up to 44.000 USD grant to a local organization in Gegharkunik (preferably in Vardenis area), which will deal with selection, provision, management, coaching and monitoring of nearly 5 MSMEs (in agricultural production or processing) providing up to 4.000 USD small grants to each; and in addition, will select 10 beneficiaries and provide up to 1500 USD grant/support in terms of agricultural equipment and tools to each of those 10 beneficiaries from DP households and/or agricultural micro-businesses. The beneficiaries should be from bordering and remote communities of Vardenis area. It is anticipated that at least 3/4th of them will be displaced persons or households or will employ a DP. The remaining beneficiaries can be from host families, communities. These estimates are subject to changes- based on real circumstances.

Both organizations should also provide coaching and mentoring to selected beneficiaries throughout their grant cycle. Local communities formal and informal leaders, local administrations and civic activists will be engaged in the process as well. Particular attention should be paid to involving women entrepreneurs.

Grant overall objectives:

- Support the displaced in re-establishing their livelihood systems and decrease their dependence on humanitarian assistance.
- Support the agricultural endeavors of the DPs and most vulnerable population in bordering communities of Syunik and Gegharkunik regions.
- Provide coaching and mentoring to beneficiaries to sustain their activities.
- Strengthen capacities of the civil society organizations operating in Syunik and Gegharkunik regions.

Grants tasks:

- Select local beneficiaries on competitive basis. The list of applicants should be reviewed and validated by the special local selection committees. Local selection committee should include at least one representative from UNDP, and 1 expert. Representative from a local administration is desirable. This will ensure that the selection is impartial, transparent and based on agreed criteria exclusively.
- Develop selection criteria along with Project staff.
- Conduct the whole process of grant distribution (including procurement of necessary equipment, follow up on beneficiaries' purchases or reimbursing beneficiaries' purchases etc.) according to identified needs of beneficiaries, also monitoring, assuring all the financial documentation (such as budgets, business plans, invoices, receipts) are in place. Ongoing consultations with UNDP project staff are required.

- Provide ongoing mentoring and coaching to beneficiaries. Provide ongoing monitoring, including on financial and procurement matters of the process.

Beneficiaries and target groups of the grant fund:

- Displaced population from Nagorno-Karabakh living in Gegharkunik and Syunik bordering communities.
- Most vulnerable population of the Gegharkunik and Syunik bordering communities.
- Host families/households of the Gegharkunik and Syunik bordering communities.
- It is anticipated that at least 3/4th of them will be internally displaced persons or households or will employ a DP. The remaining beneficiaries can be from host families, communities. These estimates are subject to changes- based on real circumstances.

Expected results:

- In Syunik 13 MSMEs have received 4.000 USD small grants each. 30 DP households and/or agricultural micro-businesses have received up to 1500 USD grant/support in terms of agricultural equipment and tools.
- In Gegharkunik 5 MSMEs have received 4.000 USD small grants each. 10 IDP households and/or agricultural micro-businesses have received up to 1500 USD grant/support in terms of agricultural equipment and tools.
- 18 MSMEs have successfully realized their grants for their small agricultural businesses in both marzes.
- 40 beneficiaries have successfully realized their small agricultural grants in both marzes.

Conditions for granting grants

Who can apply?

- Applications are accepted from non-profit organizations that have a certificate of registration with the Ministry of Justice of Armenia and have the right to operate in the country;
- The grant applicant must be a local non-governmental organization operating in Syunik marz (preferably in Goris / or Kapan regions) or in Gegharkunik marz (preferably in Vardenis region) or with significant representation in these areas.
- The grant applicant must have at least 1 year of proven work experience in providing and managing small entrepreneurship (preferably agricultural) grants in Syunik Marz or Gegharkunik Marz.
- The applicant must have 1 year of work experience working with displaced persons and socially vulnerable groups in Syunik and / or Gegharkunik.
- The grant applicant must have 3 years of proven work experience in project implementation, donor grants, budget management, monitoring, and public relations reports in Syunik and / or Gegharkunik marzes.
- Application must showcase how it targets women/girls and most vulnerable groups.

Grant projects budget:

For Syunik marz the maximum allowable budget amount for a given job is 60,000 (sixty thousand) US dollars. Each of the winner/implementing organization (two or three organizations will be selected) will issue at least 6 small business grants with the amount up to 4,000 USD to each, and 15 agricultural small contribution-grant with the amount of up to 1500 USD each. Separate budget line should be for business coaching or mentoring services. Transportation, administrative and staff salaries/honorariums shall be reflected in the budget as well.

Likewise, the maximum allowable budget amount for a given job is 44,000 (forty-four thousand) US dollars for Gegharkunik marz. The winner/implementing organization will issue around 5 small business grants with the amount up to 4,000 USD to each, and 10 agricultural small contribution-grant with the amount of up to 1500

USD each. Separate budget line should be for business coaching or mentoring services. Transportation, administrative and staff salaries/honorariums shall be reflected in the budget as well.

Contracts will be concluded in Armenian drams, which uses the official UN dollar to dram exchange rate applicable at the date of submission of the project proposal.

In evaluating the budget of projects, special attention will be paid to the degree of satisfaction with the ratio between the estimated costs and expected results.

Terms of payment, financial reporting and money transfer dates will be determined in the grant agreement with UNDP. Advance payment is envisaged.

All the above mentioned figures and conditions are subject to change based on UNDP final decision. The actual and final budget figures and allocations will be determined in the grant award agreement/contract with the winning applicants.

Review process

Project proposals are not reviewed or returned. Additional documents may be requested if necessary. In case of non-compliance of the project proposal with the requirements of this manual, project proposals will not be considered.

Restrictions

Applicants are excluded from participation in an open tender or grant allocation process if, at the time of submission of the project proposal:

- They have a conflict of interest;
- Incorrect or fake information was provided;
- An attempt was made to obtain confidential information or to influence the work of the Grant Evaluation Commission (GEC).

Duration

All projects must be implemented in the specific period mentioned in the Cooperation Agreement/contract with UNDP. Overall, projects must be implemented maximum within the period between March 1, 2022-October 1, 2022. Each winning applicant will propose its own timeframe or implementation duration based on its actual workplans and forecasts. Applicants are encouraged to implement project in a shorter than the mentioned maximum period, but within a reasonable timeframe.

Selection process and evaluation criteria

To ensure the transparency of the process of consideration and approval of project proposals, a Grant Evaluation Commission for the Evaluation of Grant Projects (GEC) is formed at the Project level, which includes representatives of UNDP, and, specialized specialists / experts in agricultural, business areas as well as local and regional administrations.

The GEC is the authorized body responsible for reviewing, selecting and making decisions on the received project proposals.

The tasks of the GEC are as follows:

- Consideration and evaluation of project proposals.
- Making a decision on project proposals (approval or rejection).
- Consideration and decision-making on changes in the budgets of approved projects.
- Selection and approval of the project proposal as a winner for the grant will be carried out in one stage during the meeting of the GEC.
- During the GEC meetings, project applications should be considered in accordance with the criteria

mentioned in the section “Conditions for granting grants”

Projects are approved with the consent of the majority of the GEC members, through an individual assessment of projects on a five-point system in accordance with the developed criteria. In a separate column, the members of the commission give a final conclusion on each of the projects "Approved", "Rejected", "Approved with revision". The final minutes of the GEC meeting, including the list of approved projects, is signed by all members of the GEC.

The final decision on the grant award is made by the UNDP management based on the results of the work of the GEC. The decision to award the grant will be accompanied by the issuance and official signing of the Cooperation Agreement (Grant Agreement between UNDP and the Applicant - the winner of the competition).

Grant applicants will be informed of the decisions taken within a week after the approval by UNDP management. Projects sent for revision must be submitted to UNDP in the next 3 working days in revised form.

A project proposal may be rejected provided that:

- does not meet one of the selection criteria;
- the project solves the interests of a narrow group of people or one person;
- infringes on the interests and rights of others, including the rights of women;
- the project directly or indirectly negatively affects the environment;
- previously supported and implemented by other donors.

Basic conditions and basis for project financing

Financing of approved projects from the small grants fund will be made by transfer to the official account of the non-profit organization - the winner.

The amount of the grant may be transferred in tranches, the tranche payments will depend on the nature of the projects and will be regulated by the Program together with the grant applicant.

Basis for financing

The decision on financing the grant project is made based on the results of the GEC meeting, according to which an agreement is drawn up between the UNDP and the grant recipient, which is the main regulatory document.

Reporting

Progress reports on projects should be provided on a regular basis.

Project implementers submit the following reports to UNDP:

Descriptive reports:

- upon completion of the use of the first tranche funds, to receive the next tranche for the implementation of activities;
- upon completion of the project;

Financial reports:

- on the use of grant funds in tranches;
- to confirm the contribution of other project participants, if any.

Note: Descriptive reports should include gender-disaggregated data.

Procedure for accepting applications

The announcement of the competition for grant applications will be posted on the official UNDP website in Armenia.

In addition, announcements will be posted on the most popular social media networks.

If necessary, clarifying questions can be sent before applying for provided UNDP email address.

Project documentation

The followings have to be submitted to the Grant committee by the deadline:

1. A project application filled out in the format;
2. A copy of a registration certificate of an applicant organization;
3. A copy of a charter of an applicant organization;
4. A document from a bank on AMD account indicating all the necessary data such as the name of the organization, account, BIC, currency, etc., signed and stamped by the bank;
5. Originals/copies of documents issued by the relevant competent authorities confirming that the organization has no current debts in the social fund and tax authorities of Armenia;
6. CVs of Director and other key personal to be engaged in implementation of the project;
7. 2 references from past partners or donors.
8. OPTIONAL - any other supporting documents, attachments pertaining to work experience and achievements of the applicant.

Note: it should be borne in mind that if approved, the project will be requested originals of these documents for verification with copies.

Clarifications on filling out the project application format (Appendix 2)

Below are instructions for developing and completing a project application.

Section 1: Information about the Grant Applicant

Fill in all the blank fields in this section in accordance with the requested information about the organization, responsible persons and approximate coverage of beneficiaries and target groups.

Section 2: Organizational experience in project implementation

Briefly describe the mission of your organization, areas of activity, what is the organizational structure. Describe, in chronological order, starting with the most recent, projects underway and completed. Highlight projects similar in focus to the target groups of the Project.

Section 3: Aims and Objectives of the Project Proposal

Compliance of your project proposal with the priorities of the competition, as well as its relevance and significance for achieving the goals and objectives of the Project grant fund is one of the most important conditions for the success of your application. Pay special attention to a clear and concise explanation of this correspondence. Write specific, measurable, achievable and time-limited your project goals. Also, develop tasks for them to achieve their goals.

Section 4: Project Implementation Activities

Describe all the planned activities to achieve the goals and objectives in your project proposal in chronological order with dates and a description of all necessary resources. Activities should be interrelated and logically structured. When designing activities (activities), make sure of the following:

- You include all activities that are necessary to achieve the expected results and ensure their sustainability;
- Activities are aimed at specific target groups of the project
- The activities are aimed at solving problems, taking into account the gender and other characteristics of the target groups, and all together contribute to the achievement of the expected results and goals;
- These activities are designed taking into account the principle of "do no harm" and will not contribute to the creation of additional difficulties for the target group;
- The activities that you include are realistic to carry out during the planned period of the project.

Section 5: Expected Project Results

The expected results are what you plan to create as a result of the project's activities. Achievement of expected results is in the zone of influence of project management. Several different activities / activities may be carried out to achieve result. Thus, the expected result can be the product of several activities. There may be several expected results. Problem solving and achieving a specific goal can be approached in several different ways, and it is the use of several different methods or paths that can guarantee the achievement of a specific project goal in case one of the methods does not work.

When formulating your expected results, make sure they meet the following criteria:

- Only those results are included, the achievement of which is indicated by the grant fund project.
- The resources to be used within the project are sufficient to achieve the expected results.
- The expected results are specific, measurable and sustainable.

Section 6: Planned Project Duration

In this section, it is necessary to write in free form the start date and end date of the planned activities. The project must be completed maximum between March 1, 2022- October 1, 2022. Organization should indicate a realistic period, which is reasonably enough for completion of task- based on its actual plans and forecasts.

Section 7: Project Work Plan

In this section, you must fill in the table in the proposed format. The table should contain a complete overview of all planned activities described in section 4 in chronological order, in accordance with the timeline, budget, size and number of grant tranches.

Section 8: Monitoring and Evaluation

In this section, describe the management, monitoring and evaluation system for your grant project. What is a project monitoring and evaluation system can be seen from the table below:

	Operational monitoring and regular internal evaluation	Evaluation	Audit
Who?	Responsible persons from the project management team	To provide objectivity more often external	To provide objectivity more often external
When?	On a regular basis	Periodically (intermediate, final)	Periodically (intermediate, final)
What for?	To check the progress, to take appropriate action and plan Updates	To learn lessons for application in other projects and for accountability	Provide target and neat spending of funds. Recommendations for improvement
How?	Weekly employee reports and planning meetings; monthly meetings with target group	Carrying out external evaluation with involving external expert	Attraction external experts
Connection with logical framework	Resources, expected results	Expected results, goals. How much are they relevant and timely	Resources, events, expected results

Monitoring and evaluation of the project is directly related to the monitoring and evaluation of the achievement of indicators at the level of goals, results and activities (activities). Therefore, in this section it is important to describe how you will monitor the indicators, what methodology you will use to collect data on the indicators, how often you will collect and analyze this data, and who will be responsible for it.

Sample format for monitoring and evaluation plan:

		What to track?	How to track?	When or how often to track?	Who is responsible
Goal	Indicators				
Specific objective	Indicators				
Results	Indicators				
Events	Indicators				
Resources		Budget			

Section 9: Responsible executors for the implementation of the project

It is necessary to list with contact details of the direct executors of the project.

Section 10: Partners

Indicate all project partners (if any), indicating the type of support and the form of participation. Especially important to describe grass roots organizations or local activists to be engaged for the implementation of the project

Section 11: Risks

The project proposal form states: "Describe the perceived risks during the implementation of this project and your actions to reduce their negative impact on the project"

Describe the most important external factors on which the success of the project depends, or which can have a serious negative impact on the implementation of the project and on the sustainability of the results obtained from the project activities. Evaluate to what extent such factors may arise.

Many of the external factors can turn into risks if everything in life turns out not to be as you expected. Then, in this case, you will have to constantly monitor how likely such risks are. During the planning stage, you can also identify some assumptions that are likely to turn into risks, and therefore it is important, already at the planning stage, to determine the mitigation of these risks, moreover, you can plan using the following table:

Potential risks and their consequences for the project	The likelihood of risk occurrence (weak, medium, high)	Risk mitigation measures

Section 12: Project Budget

It is necessary to complete in detail all sections of the proposed table describing the project budget.

Section 13: Appendices to the Application

Attach the listed originals and/or copies of the required documents to the project application.