

**RFP UKR/2016/022**

**Managing Small Grants Programme for business start-up, renewal or expansion  
by affected population in 8 regions of Ukraine**

**Questions and Answers,  
including minutes of the pre-bidding conference held at UN Office  
on 29 March, 2016 at 14.30**

**1. Q: What is meant by online application submission?**

A: Online application submission means that applications for grant shall be received via online platform. Online platform shall be a database that allows automatically registration/application for a grant. An applicant for a grant shall have an opportunity to fill in the required fields of the application, as well as attach copies of two documents (TIN and IDP certificate).

**2. Q: Is the online platform expected to already exist, or shall it be developed in the course of contract implementation by the Contractor?**

A: A pre-designed structure of online application will be developed by the project, and the Contractor will need to develop the online platform to receive applications in the course of contract implementation.

**3. Q: Is there already a database of applicants for grants?**

A: No, such database does not exist. It is going to be a new tender.

**4. Q: Is the first tranche of the grant pool paid in the form of advance payment?**

A: The ability of the Contractor to pay the first tranche of the grant pool from its own funds will be evaluated in Technical Evaluation Matrix; this ability is awarded additional points when selecting a Contractor under this tender. If the Contractor does not have these financial opportunities, the UNDP Project would transfer the grant funds to the Contractor's account upon placing a request tranche (after the Contractor enters into contracts with the grantees).

**5. Q: The Terms of Reference state that the grants will be allocated for business start-up and renewal. Will grants be allocated for business expansion?**

A: This decision will be made when grants tender is announced. At this stage, it should be noted that grants will be issued only to individual entrepreneurs.

**6. Q: Can you explain how the requirement for the Contractor's legal status specified in the Terms of Reference affects grant reception by the grantee? Does this mean that the grantee is not entitled to pay taxes on the grant?**

A: This means that when the grant is transferred to the grantee's account it should not have tax liabilities. The task of the Contractor is to describe in the Technical Proposal the mechanism and criteria for the funds transfer to the grantees under which no tax liabilities arise.

**7. Q: Why 3 experts on entrepreneurship are required to implement this task? What is the reason?**

A: About 2,000 applications are expected to be submitted; thus, to efficiently process and evaluate such number of applications within the specified time we assume the necessity for at least 3 experts on entrepreneurship.

**8. Q: Do we understand correctly, that the applicant's ownership doesn't matter for this tender?**

A: That's right. The only condition is that the grant funds paid by UNDP to the Contractor shall not be exposed to taxation.

**9. Q: Are the grant pool funds transferred to the Contractor?**

A: Yes. UNDP transfers the grant pool to the Contractor who in its turn transfers the funds to final beneficiaries (grantees).

**10. Q: Under what conditions is business plan considered implemented?**

A: According to the Terms of Reference the grant is transferred to the beneficiary in two tranches. Within the framework of its business plan the grantee should provide for co-financing in cash or another form of at least 25% of the grant amount. 60 calendar days will be given for business plan implementation. Under implementation we mean that within this period the grantee should receive first cash flow or first customers (signed agreements with contractors as part of the grantee's current activities can serve as proof). The second grant tranche shall be transferred upon receipt of the grantee's final report, subject to presentation of supporting documents about the beginning of entrepreneurial activity, as well as monitoring visits held. After the transfer of the second tranche contractual obligations between the grantee and the Contractor are deemed to be satisfied.

**11. Q: Are there criteria for business plan evaluation?**

A: No. These criteria are to be suggested in the Technical Proposal by tender applicant.

**12. Q: How many tranches will the grant pool transferred to the Contractor consist of?**

A: Terms of Reference limit each tranche to USD 80,000.00, thus there will be at least 15 tranches.

**13. Q: How shall the Contractor provide continuous access for the UNDP Project to the grant applicants' database?**

A: There should be an online database with permanent open access for representatives of the UNDP Project.

**14. Q: What is the difference between the evaluation of business plans by experts on entrepreneurship and subsequent face-to-face presentation? Will this assessment take place according to the same criteria?**

A: Methodology of all stages of business plans assessment procedure is expected to be proposed by the Contractor and described in detail in its Technical Proposal.

**15. Q: Should the financial proposal include applicants' travel costs to the venue of face-to-face business plans presentations?**

A: It shouldn't, since the contestants must cover these costs themselves.

**16. Q: Can presentation be made by correspondence, via the Internet or over the phone?**

A: No, it cannot. Only face-to-face presentation is required, as all the contestants shall be on equal terms.

**17. Q: Can you consider a possibility of holding face-to-face business plans presentations in several cities of the region, e.g. in Kramatorsk and Mariupol?**

A: Such possibility will be considered through an exception for Donetsk region, because we realize that logistics there is out of order.

**18. Q: What is meant by weekly and daily schedule of project implementation as required by the Terms of Reference?**

A: It is necessary to submit either weekly or daily schedule for the 8-month period of project implementation. According to the Technical Proposal Evaluation Matrix a daily schedule of project implementation is ranked higher than a weekly one.

**19. Q: What is coordination by the Contractor of the issuance of vouchers for getting business consulting services mentioned in the Terms of Reference? Who is it to be coordinated among?**

A: The system of issuing vouchers for getting business consulting services must be coordinated among the UNDP Project, the Contractor Company to administer the Small Grants Programme and the Contractor Company to provide consulting services.

**20. Q: Do you already know the companies which will provide consulting services to the grantees?**

A: No, we don't. These companies will be selected later.

**21. Q: What currency will the contract with the Contractor be based on?**

A: The contract is based on the currency quoted in the Financial Proposal, which can be either UAH or USD. If USD is the currency of the contract, payments will be made in UAH according to UN Operational Exchange Rate as of the date of payment (*for further details see [treasury.un.org](http://treasury.un.org)*).

**22. Q: How shall I display my experience of participating in similar projects?**

A: Please describe your relevant experience of running similar services or projects in Form No. 6 clause 1.3 "Track Record and Experiences. Provide the following information regarding corporate experience within the last five (5) years which is related to information required under this Contract".

**23. Q: Is grant pool (USD 1,200,000) transferred to the Contractor for administration or does it remain the property of UNDP while the project is being implemented?**

A: To minimize financial risks grant pool is transferred to the Contractor for administration in at least 15 tranches in the process of project implementation.

**24. Q: What is the principal difference between clauses 1.3 and 1.4 in Technical Proposal Evaluation Matrix?**

A: Clause 1.3 evaluates company's previous experience in terms of number of projects, while clause 1.4 deals with amount of finance.

**25. Q: How is consortium evaluated?**

A: Consortium is evaluated as a single company. The contract shall be entered into with the lead company. Details are given in Section 2 "Instruction to Proposers", clause 19 "**Joint Venture, Consortium or Association**".

**26. Q: Can we add to the Technical Proposal specialist positions not indicated in Evaluation Matrix?**

A: You can, but these specialists will not be technically evaluated. We evaluate resumes of only 6 key specialists.

**27. Q: Who will evaluate business plans?**

A: According to the Terms of Reference (Result 4) expert judgment about business plans is made by 3 experts on entrepreneurship and face-to-face assessment is carried out by Independent Evaluation Committees in 8 target regions.

**28. Q: Are experts on entrepreneurship expected to participate in monitoring a grantee business project implementation?**

A: According to the Terms of Reference (Result 6) it is necessary to monitor business project implementation and at the Contractor's discretion experts on entrepreneurship can also be involved.

**Please send all questions to the UNDP Procurement email address [procurement.ua@undp.org](mailto:procurement.ua@undp.org)**