



Contracting Authority: European Commission

Zimbabwe Agricultural growth Programme: Transforming Zimbabwe's
livestock based value chains for the future

Guidelines for grant applicants

11th European Development Fund¹

Reference:

EuropeAid/157821/DD/ACT/ZW

Deadline for submission of concept notes:

14/03/2018 at 12:00 (Brussels date and time)

(in order to convert to local time click [here](#))

¹ Any reference to European Union financing also refers to European Development Fund grants where applicable.

NOTICE

This is a restricted call for proposals. In the first instance, only concept notes (Annex A.1) must be submitted for evaluation. Thereafter, lead applicants who have been pre-selected will be invited to submit a full application. After the evaluation of the full applications, an eligibility check will be performed for those which have been provisionally selected. Eligibility will be checked on the basis of the supporting documents requested by the Contracting Authority and the signed 'declaration by the lead applicant' sent together with the full application.

To apply to this call for proposals organisations must register in PADOR and submit their application in PROSPECT (see section 2.2.2 of the guidelines). The aim of PROSPECT is to increase the efficiency of the management of the call for proposals and to offer a better service to civil society organisations through a new panel of functionalities such as the on-line submission and the possibility to follow up online the status of their application.

Preparation: Information session and user manuals

To help applicants familiarise themselves with the system before the online submission, an information session will be organised on **30 November 2017 and 30 January 2018 at 14:30 hours (local time)** at the EU Delegation.

Should you be interested in this session, please send an email by respectively **22 November 2017 and 23 January 2018 to delegation-zimbabwe-europeaid-157821@eeas.europa.eu**, indicating: name, surname, nationality and email address of the persons who are going to participate as well as their organisation (max. two participants per organisation). No costs incurred by the applicants for attending this information session are reimbursable.

All organisations can find the e-learning (Annex L) and the PROSPECT users' manual (Annex M) and the FAQ published together with the documents of this call. You may also contact our technical support team via the online support form in PROSPECT².

A functional mailbox specifically dedicated to this call has been set up:

delegation-zimbabwe-europeaid-157821@eeas.europa.eu

It shall be used exclusively for sending clarification requests within the deadlines set in paragraph 2.2 of these guidelines. No other functional mailbox will be used. The Contracting Authority reserves the right to close this mailbox without prior notice once this call for proposals is closed and not to reply to requests which do not fall under one of the afore-mentioned category.

² If PROSPECT is unavailable, the IT support can also be reached via email: EuropeAid-IT-support@ec.europa.eu

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1 ZIMBABWE AGRICULTURAL GROWTH PROGRAMME: TRANSFORMING ZIMBABWE'S LIVESTOCK BASED VALUE CHAINS FOR THE FUTURE

1.1 BACKGROUND

Agriculture and agriculture based value chains (VC) have high growth potential despite the macroeconomic and policy challenges: Agriculture and agribusiness have historically been key for employment and will remain in the foreseeable future in particular for young people. The sector provides livelihood for about 60% of the population and accounts for 23% of formal employment, but is far from performing to its potential. In order to address the root causes of underperformance it is critical to link agriculture production, manufacturing and financing.

Agriculture Production supplies 60% of raw materials for domestic manufacturing. A changed agrarian landscape, lack of financing, outdated policies and institutional decline as well as high input costs and illegal imports have undermined production. Nevertheless favourable climatic conditions and good soils continue to be an advantage for crops and livestock production.

Manufacturing is central for adding value to the primary products. Although still a key driver of growth, it has drastically declined mainly due to high costs of borrowing, lack of long-term financing; declining and fragmented agriculture output, the cost of transport and energy and competition from cheap, low quality imports. The combined effect eroded viability and competitiveness of a sector that has potential to generate employment, growth and exports.

Financing Institutions are critical for mobilising savings and investments. Although the banking sector operates in relative competitive environment, vulnerabilities exist as a result of limited access to international financial markets, unfavourable business environment, high costs of funds and liquidity challenges.

The European Union is an important partner of governments and business intermediary organisations in developing countries for supporting the creation of an enabling business environment and the development of local enterprises that are equipped to create decent jobs, generate public revenues, and harness the opportunities offered by globally integrated markets. It can also be effective at micro level to speed up local enterprise development or to overcome market failures and sub-optimal investment situations³. Under the 11th European Development Fund, the European Union and Zimbabwe formulated the Zimbabwe Agricultural Growth Programme (ZAGP). With a budget of EUR 40 million, **the ZAGP (2016-2023)** has the overall objective to contribute to the development of a diversified and efficient agriculture sector that **promotes inclusive green economic growth**. The ZAGP aims at putting in place a **sector governance and service delivery framework** conducive to the development of inclusive, commercial and green agriculture value chains and to **support specific commercial and inclusive livestock based value chains** through five outcomes:

- 1: Increased production and productivity of the livestock sector
- 2: Livestock products have better access to markets and are more competitive
- 3: Increased public and private investment in targeted livestock value chains
- 4: Improved agricultural education systems and extension services
- 5: Institutions strengthened to develop and implement institutional and regulatory framework

The European Commission is the Contracting Authority for the ZAGP. The Grant Contracts will also fall under the overall governance structure of the ZAGP and its two main elements:

(1) The *Steering Committee (SC)* is the highest body governing the ZAGP. The SC is co-chaired by the Government and EU. The composition of the SC includes members from relevant Government

³European Commission Communication COM(2014)263 - "A Stronger Role of the Private Sector in Achieving Inclusive and Sustainable Growth in Developing Countries", May 2014

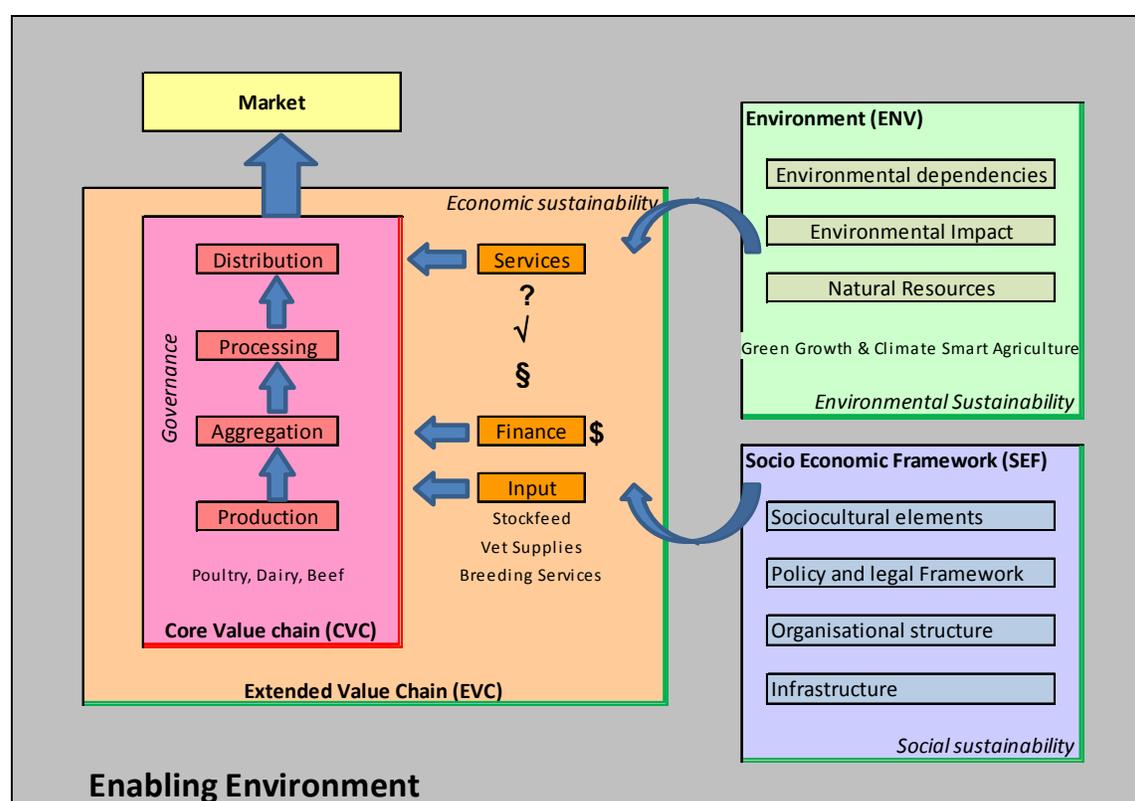
institutions (MoAMID, AGRITEX, DVLS, etc.) as well as representatives from the industry associations, LMAC, and the farmer unions. Its main role will be to supervise implementation of the ZAGP.

(2) *Technical working groups (TWG)* will be tasked by the SC to support the contracting authority in day to day management of contracts and especially to investigate issues preventing progress and formulate solutions.

Finally, a service contract, the TA ZAGP, will be tasked to 1) ensure that all contracts implemented under the ZAGP will contribute to the ZAGP outcomes and results in the most relevant, efficient, effective and sustainable manner, and to 2) establish and operate a Performance Monitoring and Measurement Framework for the ZAGP. It is currently being tendered and should be operational by the end of 2017.

1.2 OBJECTIVES OF THE PROGRAMME AND PRIORITY ISSUES

With its focus on commercial, inclusive and green value chains, the ZAGP builds on the **FAO inclusive food value chain concept**⁴ and recognizes that value chains are dynamic, market driven system to which support services and coordination greatly contribute. Emphasis needs to be given to vertical and horizontal coordination, governance of value chain actors and to safeguarding economic, social and environmental sustainability.



Increasing the added value (e.g. incomes, salaries, profits, food value for consumers, tax revenues) in an equitable manner and safeguarding sustainability throughout the value chain are key elements for a sustained inclusive green economic growth. Performance of the value chain need to be monitored in this respect and can be measured through the economic sustainability (total value added and distribution by actors, competitiveness, financial viability and profitability), social sustainability (more and better jobs⁵, inclusion of youth and women, empowerment of farmers and workers) and environmental sustainability (use of natural resources, renewable energy) of the value chain as a whole and of each core value chain actor.

⁴ Developing sustainable food value chains – Guiding principles, FAO 2014

⁵ Incorporating decent rural employment in the strategic planning for agricultural development, FAO 2016

Sustaining productive growth at farm level is directly dependent on a continuing growth in market demand, which in return renders the downstream actors of the value chain central for value chain development and to drive investments along the value chain. Upgrading and upscaling the value chain require a visionary value chain integrator or champion (often at processing or aggregating level) that is committed to an inclusive paradigm and that performs the coordination function and facilitates the tackling of root causes for underperformance in the value chain.

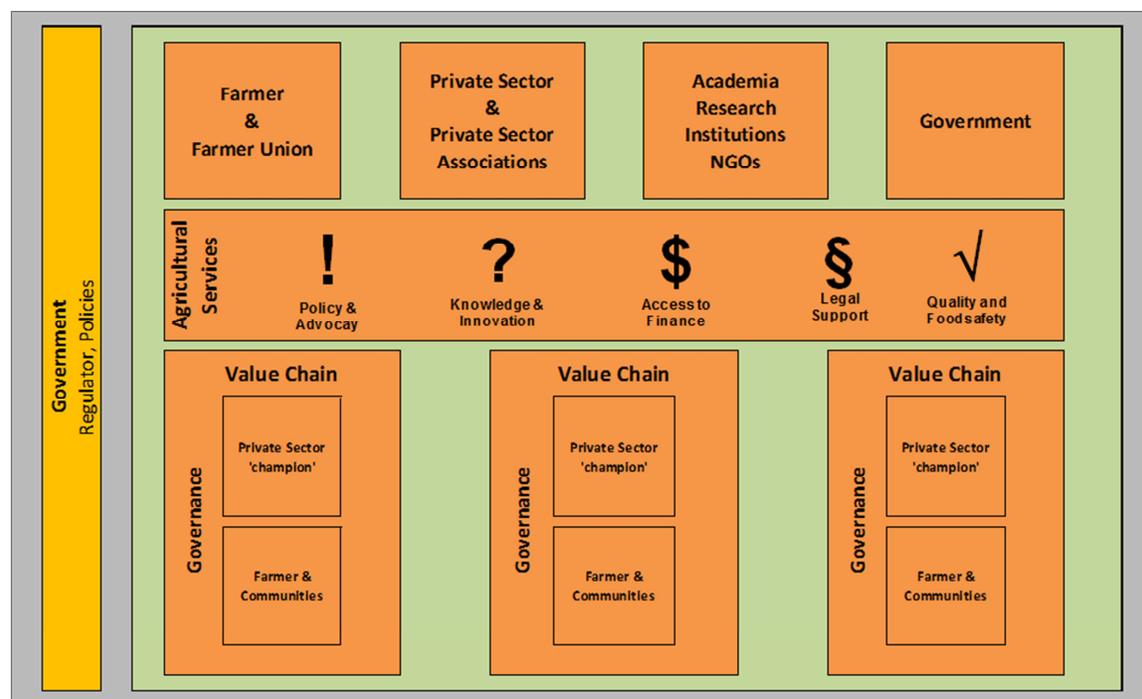
Finally, the performance is allowed and sustained by the enabling environment. It is therefore critical to facilitate the cooperation of public sector, private sector and communities to strengthen the precondition for the transformational process (public investment into rural infrastructure, enabling policy environment, provision of appropriate services and the availability of relevant technology).

The ZAGP builds on two main elements for its operationalization:

- (1) Strengthening service provision for developing sustainable agriculture value chains
- (2) Supporting the development of specific livestock based value chains with high potential

(1) Strengthening service provision for developing sustainable agriculture value chains

Service provision to the Agriculture Sector has eroded over time and is largely ineffective and inefficient in supporting value chain development in an agriculture and farming landscape that has significantly changed. It is therefore critical to re-think and re-define relevant market driven and performance oriented services and to develop a robust framework for their sustainable effective and efficient delivery.



In view of the diversity of the agriculture sector in terms of farm size, type of operation and socio-economic conditions, this requires a multi-stakeholder cooperation and coordination including Farmers and Farmers Union, Processors/aggregators and their representation, Academia & NGOs and Government. The key Services include:

- *Policy and Advocacy:* There is need to strengthen the capacity role of Farmers Unions and Private Sector Organizations to better fulfill their roles.
- *Knowledge & Innovation:* Fundamental changes in the agriculture landscape, economic decline, brain drain and resource constraints have eroded extension, research and education institutions and

their capacity to deliver relevant services. Promoting a farmer centric, value chain oriented and demand driven multi-stakeholder framework to sustainably deliver relevant service is critical for agricultural development.

- *Access to finance* is inadequate in particular for small holder. Key constraints are high interest rates and unfavourable conditions, lack of collateral and insecurity of tenure.
- *Quality & Food Safety* are critical not only for exports but also for consumer protection. Strengthening institutional and regulatory framework, policy and standard development and an effective and efficient quality infrastructure are key areas requiring support.
- *Legal support*: There is a massive need in this area which is not catered for at farmer's as well as agro-processors' level (contract farming, land use contracts, insurance)

Finally, the lack of an effective and efficient institutional framework (quality assurance, regulatory control, disease control, extension services) and the high cost of compliance contribute to a stagnant, shrinking industry, higher prices at retail, lower consumer demand, low production output and a loss of margin and value capture at every step of the value chain. The cost of compliance has in particular emerged as a key parameter for competitiveness with a number of questionable formal and informal taxations and transportation costs related to police clearance and inspection. Trying to minimize this while safeguarding a legitimate source of revenues for public service delivery is a key challenge for improving the enabling environment.

2) Supporting the development of specific livestock based value chains with high potential

Livestock based value chains are faced with a number of challenges that undermine their profitability and establish a vicious circle of low investment and low productivity. While most of the production comes from the small and medium scale producers, the limited profitability actually prevents the value chains to become an engine for inclusive agricultural growth.

Limited linkages to growth markets. The disappearance of the traditional monopolistic marketing boards in a context of farm fragmentation renders aggregation necessary. However, logistic and transport costs, side selling, quality control and standardization of products, credit for inputs and disease control increase the cost of production. As a result, export markets which require expensive disease and sanitary controls are not within reach. The domestic high end supermarket segment has some but limited potential for growth. Most potential actually is in the low end market (very low margins) with under-serviced informal local butcheries.

At farm level, with limited cropland area, a very high cost of animal feed (essentially due to the maize price) and limited access to supporting services, livestock production is not profitable enough while smallholders experience a disproportionate level of risk. As a result, they use multi-livelihood strategies and make little investment in livestock productivity (vaccination, insurance, pasture/grazing management, supplementary/contract feeding, adequate breeding for indigenous genetics).

The root causes behind under-performance are the cost of animal feed, the cost of aggregation of small volumes and again the lack of finance for long term investment (cattle and dairy) and working capital. Some of the above is even more true as we are further away from city centers (cash shortages, lack of credit history, lack of service and input access, lack of linkages to markets). Traditional agricultural support focused on deep rural areas with limited long term impact which calls for more strategic geographical approaches.

This call for proposals addresses the two elements of ZAGP operationalization: supporting the development of sustainable, high potential livestock based value chains (VC) and improving the enabling environment and service provision.

The **global objective** of this call for proposals is:

Contribute to the development of a diversified and efficient agriculture sector that promotes inclusive green economic growth

The specific objectives of this call for proposals are:

SPECIFIC OBJECTIVE 1:

Improved economic, social and environmental performance of livestock based value chains

Target groups: Core VC actors

- Pre-identified integrators (private sector off-takers) for specific value chains
- Actual and potential (small and medium scale farmers) out-growers in the specific value chain
- Retailers (supermarket, butchery)

Priority Issues:

PIR1 Measurement of VC performance⁶: all dimension of performance are measured on a regular basis

PIR2 Understanding of VC performance: the root causes of underperformance are analyzed and understood by the VC with due consideration to value creation in the end-market, VC actors performance and behavior, relationships between them and finally how the whole VC is governed;

PIR3 Improvement of VC performance: vision and strategy are developed by VC actors, upgrading/scaling up activities are implemented and strategic multilateral partnerships established

SPECIFIC OBJECTIVE 2:

Improved enabling environment for sustainable and inclusive livestock based value chains

Target groups: Extended VC actors

- Sector (producer, industry) associations, farmer unions, public and private institutions
- Service (insurance, extension, finance, etc.) providers and inputs suppliers in the specific value chain(s)

Priorities issues:

P2R1: Minimizing cost of compliance: promote innovative solutions with local stakeholders to facilitate clearance and compliance with regulations

P2R2: Improvement of business services (quality assurance, legal advice, extension, education, research) and financial services to VC core actors: investment and service delivery are strengthened for improved VC performance

P2R3: Reduction of animal feed cost: (supplementary) feed options are improved and competitive

Proposals must address both Specific Objectives and all Priority Issues.

Most target groups are private sector actors. In line with the EU Communication on support to the private sector actors (refer to footnote 3, page 4), the concept notes and full proposals will have to show compliance to the following criteria:

(1) **Measurable development impact**: Support given to a private enterprise or financial intermediary has to contribute in a cost-effective way to the achievement of development goals such as job creation, green and inclusive growth or broader poverty reduction. This requires transparency as regards objectives and results, along with appropriate monitoring, evaluation and results measurement arrangements.

(2) **Additionality**: Without public support the private enterprise would not undertake the action or investment, or would not do so on the same scale, at the same time, in the same location or to the same standard. The supported action should not crowd out the private sector or replace other private financing.

⁶ Performance: economic sustainability (total value added and distribution by actors, competitiveness, financial viability and profitability), social sustainability (more and better jobs, inclusion of youth and women, empowerment of farmers and workers) and environmental sustainability (use of natural resources, renewable energy).

(3) Neutrality: The support given should not distort the market and should be awarded through an open, transparent and fair system. It should be temporary in nature with a clearly defined exit strategy. Support justified by market failures and consequent risks should not have the effect of discouraging regulatory reform efforts addressing the causes of market failure.

(4) Shared interest and co-financing: Partnerships with the private sector have to be based on cost-effectiveness, shared interest and mutual accountability for results. The risks, costs and rewards of a joint project have to be shared fairly.

(5) Demonstration effect: A supported action should aim to have a clear demonstration effect that catalyses market development by crowding in other private sector actors for the replication and scaling-up of development results.

(6) Adherence to social, environmental and fiscal standards: Private enterprises receiving support have to demonstrate that their operations are compliant with environmental, social and fiscal standards, including respect for human and indigenous rights, decent work, good corporate governance and sector-specific norms.

1.3 Financial allocation provided by the contracting authority

The overall indicative amount made available under this call for proposals is **EUR 25,500,000**. The Contracting Authority reserves the right not to award all available funds.

Size of grants

Any grant requested under this call for proposals must fall between the following minimum and maximum amounts:

- minimum amount: **EUR 5,000,000**
- maximum amount: **EUR 8,000,000**

Any grant requested under this call for proposals must fall between the following minimum and maximum percentages of total eligible costs of the action:

- Minimum percentage: **75 %** of the total eligible costs of the action.
- Maximum percentage: **90 %** of the total eligible costs of the action (see also section 2.1.5).

As per section 6.3.10. of the Practical Guide, the grant **must not give rise to profits for neither the Beneficiaries (Coordinator/lead applicant and co-beneficiaries/co-applicants) nor any affiliated entity** (in the context of this call, profit is defined as a surplus of the receipts over the eligible costs approved by the Contracting Authority when the request for payment of the balance is made). **Expected revenue of the action may be accepted as co-financing if so requested at full proposal stage.** However, action revenues in excess of the total costs will be considered as profit. As such, it will need to be deducted when calculating the final amount of the EU grant.

The balance (i.e. the difference between the total cost of the action and the amount requested from the Contracting Authority) must be financed from sources other than the European Union Budget or the European Development Fund.

The grant may cover the entire eligible costs of the action if this is deemed essential to carry it out. If that is the case, the lead applicant must justify full financing in Annex A.2. section 2.1. The validity of the justification provided will be examined during the evaluation procedure. **The absence of any justification may lead to the rejection of the application.**

2 RULES FOR THIS CALL FOR PROPOSALS

These guidelines set out the rules for the submission, selection and implementation of the actions financed under this call, in conformity with the Practical Guide, which is applicable to the present call (available at <http://ec.europa.eu/europeaid/prag/document.do?locale=en>).

2.1 Eligibility criteria

There are three sets of eligibility criteria, relating to:

- (1) the actors:
 - The **lead applicant**, i.e. the entity submitting the application form (2.1.1),
 - if any, its **co-applicant(s)** (**where it is not specified otherwise the lead applicant and its co-applicant(s) are hereinafter jointly referred as "applicant(s)"**) (2.1.1),
 - and, if any, **affiliated entity(ies)** to the lead applicant and/or to a co-applicant(s). (2.1.2);
- (2) the actions:
 - Actions for which a grant may be awarded (2.1.4);
- (3) the costs:
 - types of cost that may be taken into account in setting the amount of the grant (2.1.5).

2.1.1 Eligibility of applicants (i.e. lead applicant and co-applicant(s))

Lead applicant

- (1) In order to be eligible for a grant, the lead applicant must:

Indicate the relevant criteria with due regard for the objectives and priorities of this call for proposals, complying with the principles of transparency and non-discrimination.

- be a legal person **and**
- be a specific type of organisation such as: non-governmental organisation, private body with public service mission, public sector operator and international (inter-governmental) organisation as defined by Article 43 of the Rules of application of the EU Financial Regulation⁷ and
- be established⁸ in Zimbabwe, in countries eligible under the EDF or in a Member State of the European Union or a contracting party to the Agreement on the European Economic Areas and
- be directly responsible for the preparation and management of the action with the co-applicant(s) and affiliated entity(ies), not acting as an intermediary **and**
- have demonstrated capacity and experience of **at least five years in managing activities of a scale corresponding to at least half of the size and in the sector** of the grant requested.

⁷ International organisations are international public-sector organisations set up by intergovernmental agreements as well as specialised agencies set up by them; the International Committee of the Red Cross (ICRC) and the International Federation of National Red Cross and Red Crescent Societies are also recognised as international organisations.

⁸ To be determined on the basis of the organisation's statutes that should demonstrate that it has been established by an instrument governed by the national law of the country concerned and that its head office is located in an eligible country. In this respect, any legal entity whose statutes have been established in another country cannot be considered an eligible local organisation, even if the statutes are registered locally or a 'Memorandum of Understanding' has been concluded.

- (2) Potential applicants may not participate in calls for proposals or be awarded grants if they are in any of the situations listed in section 2.3.3 of the Practical Guide;

In Annex A.2, section 5 ('declaration by the lead applicant'), the lead applicant must declare that the lead applicant himself, the co-applicant(s) and affiliated entity(ies) are not in any of these situations.

The lead applicant may act with co-applicant(s) as specified hereafter.

If awarded the grant contract, the lead applicant will become the beneficiary identified as the Coordinator in Annex E3h1 (Special Conditions). The Coordinator is the main interlocutor of the Contracting Authority. It represents and acts on behalf of any other co-beneficiary (if any) and coordinate the design and implementation of the action.

Co-applicant(s)

Co-applicants participate in designing and implementing the action, and the costs they incur are eligible in the same way as those incurred by the lead applicant.

Co-applicants must satisfy the eligibility criteria as applicable to the lead applicant.

In addition to the categories referred to in section 2.1.1, the following are however also eligible:

- private legal entities and their associations, local authorities and their associations
- co-applicants who have demonstrated capacity and experience of **at least two years in managing activities in the sector** of the grant requested

Co-applicants must sign the mandate in Annex A.2., section 4.

If awarded the grant contract, the co-applicant(s) (if any) will become beneficiary(ies) in the action (together with the Coordinator).

2.1.2 Affiliated entities

Affiliated entity(ies)

The lead applicant and its co-applicant(s) may act with affiliated entity(ies)

Only the following entities may be considered as affiliated entities to the lead applicant and/or to co-applicant(s):

Only entities having a structural link with the applicants (i.e. the lead applicant or a co-applicant), in particular a legal or capital link.

This structural link encompasses mainly two notions:

- (i) Control, as defined in Directive 2013/34/EU on the annual financial statements, consolidated financial statements and related reports of certain types of undertakings:

Entities affiliated to applicant may hence be:

- Entities directly or indirectly controlled by an applicant (daughter companies or first-tier subsidiaries). They may also be entities controlled by an entity controlled by an applicant (granddaughter companies or second-tier subsidiaries) and the same applies to further tiers of control;
- Entities directly or indirectly controlling the applicant (parent companies). Likewise, they may be entities controlling an entity controlling the applicant;
- Entities under the same direct or indirect control as the applicant (sister companies).

- (ii) Membership, i.e. the applicant is legally defined as a e.g. network, federation, association in which the proposed affiliated entities also participate or the applicant participates in the same entity (e.g. network, federation, association) as the proposed affiliated entities.

The structural link shall as a general rule be neither limited to the action nor established for the sole purpose of its implementation. This means that the link would exist independently of the award of the grant; it should exist before the call for proposals and remain valid after the end of the action.

By way of exception, an entity may be considered as affiliated to an applicant even if it has a structural link specifically established for the sole purpose of the implementation of the action in the case of so-called "sole applicants" or "sole beneficiaries". A sole applicant or a sole beneficiary is a legal entity formed by several entities (a group of entities) which together comply with the criteria for being awarded the grant. For example, an association is formed by its members.

What is not an affiliated entity?

The following are not considered entities affiliated to an applicant:

- Entities that have entered into a (procurement) contract or subcontract with an applicant, act as concessionaires or delegates for public services for n applicant,
- Entities that receive financial support from an applicant,
- Entities that cooperate on a regular basis with an applicant on the basis of a memorandum of understanding or share some assets,
- Entities that have signed a consortium agreement under the grant contract (unless this consortium agreement leads to the creation of a "sole applicant" as described above).

How to verify the existence of the required link with an applicant?

The affiliation resulting from control may in particular be proved on the basis of the consolidated accounts of the group of entities the applicant and its proposed affiliates belong to.

The affiliation resulting from membership may in particular be proved on the basis of the statutes or equivalent act establishing the entity (network, federation, association) which the applicant constitutes or in which the applicant participates.

If the applicants are awarded a grant contract, their affiliated entity(ies) will not become beneficiary(ies) of the action and signatory(ies) of the grant contract. However, they will participate in the design and in the implementation of the action and the costs they incur (including those incurred for implementation contracts and financial support to third parties) may be accepted as eligible costs, provided they comply with all the relevant rules already applicable to the beneficiary(ies) under the grant contract.

Affiliated entity(ies) must satisfy the same eligibility criteria as the co-applicant(s). **They must sign the affiliated entity(ies) statement in Annex A.2., section 5.**

2.1.3 Associates and Contractors

The following entities are not applicants nor affiliated entities and do not have to sign the "mandate for co-applicant(s)" or "affiliated entities' statement":

- Associates

Other organisations or individuals may be involved in the action. Such associates play a real role in the action but may not receive funding from the grant, with the exception of per diem or travel costs. Associates do not have to meet the eligibility criteria referred to in section 2.1.1. Associates must be mentioned in Annex A.2., section 6 — 'Associates participating in the action'.

- Contractors

The beneficiaries and their affiliated entities are permitted to award contracts. Associates or affiliated entity(ies) cannot be also contractors in the project. Contractors are subject to the procurement rules set out in Annex IV to the standard grant contract.

2.1.4 Eligible actions: actions for which an application may be made

Definition

An action is composed of a set of activities.

Duration

The initial planned duration of an action may not be lower than **36 months nor exceed 48 months**.

Sectors or themes

The actions should address the objectives and priorities defined under section 1.2 Objectives of the Programme and Priority Issues.

Location

Actions must take place in **Zimbabwe**.

Types of action

Types of action which may be financed under this call are actions that:

- **Upgrade and/or upscale already identified livestock based value chains** with a proven potential in terms of commercial performance and inclusiveness and with a proven commitment of the VC integrator; the concept note and full application will have to demonstrate both the potential and the commitment
- Respond to the identified challenges, the overall objective, the two **Specific Objectives and all Priority Issues** in a coherent, integrated, sustainable way
- Facilitates the transformation operated by the value chain core and extended actors, **build on the capacities from the sector institutions and organizations without replacing them**
- **Promote private, public and community partnerships** to address root causes for underperformance
- Mainstreams and clearly demonstrate economic, social and environmental sustainability
- Strengthen the role and future possibilities of young people and women in agriculture
- **Maximise ownership and sustainability within the relevant institutions and players** to achieve sustainable improvements

The following types of action are ineligible:

- **Actions concerned mainly with livestock production, without due consideration to the end market, other core actors in the value chain, the vertical and horizontal coordination and the value chain governance**
- Actions concerned only or mainly with individual sponsorships for participation in workshops, seminars, conferences and congresses;
- Actions concerned only or mainly with individual scholarships for studies or training courses
- Actions concerned only or mainly in capital expenditures (e.g. building, purchase of equipment);
- Actions which discriminate against individuals or groups of people on grounds of their gender, sexual orientation, religious beliefs or lack of them, or their ethnic origin;
- Actions supporting political parties;
- Actions that discriminate on the basis of political affiliation;
- Actions including proselytism

Types of activity

Activities should be designed to meet the specific needs of the identified target group and may include an appropriate mix of the following indicative activities:

(1) **Policy Development** involves research, analysis, consultation and synthesis of information to produce recommendations. It should also involve an evaluation of options against a set of criteria.

- Example for Specific objective 2: promote an understanding for root causes for sub-sector under-performance; support the change of regulation and policy

(2) **Institutional Development** is creating or reinforcing a network of organisations to effectively generate, allocate and use human, material and financial resources to sustainably attain objectives.

- Example for Specific objective 1: promote the development of specific VC strategy and the willingness to invest in a shared enterprise; promote strategic alliance between integrators and VC core actors including contract farming arrangements;
- Example for Specific objective 2: promote the development of a livestock fund for disease control managed as a public private partnership; promote strategic partnerships with investors; promote the development of quality standards, process brands and labels;

(3) **Capacity Development** enables individuals and organizations to obtain, strengthen and maintain capabilities to set and achieve objectives.

- Example for Specific objective 1: promote compliance with quality standards, process brands and labels; promote aggregation of farmers; promote compliance with sanitary standards; promote the implementation of cost saving strategies
- Example for Specific objective 2: promote the development of benchmarking skills and the execution of benchmarking exercise; promote the development of financial products adapted to VC actors and solutions to the liquidity shortage; promote the development of training capacities

(4) **Capital Asset Development** prioritises, plans and realises demand driven investments into capital assets (infrastructure, equipment), coherent with development objectives, and supported by sustainable funding and management plan.

- Example for Specific objective 1: invest in upgrading/upscaling strategies especially in the field of transition to alternative energy sources and sanitary quality standard compliance
- Example for Specific objective 2: invest in business plans from input and service providers that will have impact on the VC performance

Financial support to third parties

Applicants may propose financial support to third parties.

Applicants may propose financial support to third parties (**except individual private companies**) in order to help achieving the objectives of the action.

The maximum amount of financial support per third party is EUR 60 000.

Under this call, financial support to third parties may not be the main purpose of the action.

In compliance with the present guidelines and notably of any conditions or restrictions in this section, the lead applicant should define mandatorily in section 2.1.1 of the grant application form:

- (i) the objectives and results to be obtained with the financial support
- (ii) the different types of activities eligible for financial support, on the basis of a fixed list
- (iii) the types of persons or categories of persons which may receive financial support
- (iv) the criteria for selecting these entities and giving the financial support
- (v) the criteria for determining the exact amount of financial support for each third entity, and
- (vi) the maximum amount which may be given.

In all events, the mandatory conditions set above for giving financial support (points (i) to (vi)) have to be strictly defined in the grant contract as to avoid any exercise of discretion.]

Monitoring and Evaluation

All applications should plan the necessary human resources and appropriate budget to support **both mid-term and final evaluation of the action**. The final evaluation must be carried out by an independent consultant (s). The action shall include appropriate measures for **regular monitoring**.

Visibility

The applicants must take all necessary steps to publicise the fact that the European Union has financed or co-financed the action. As far as possible, actions that are wholly or partially funded by the European Union must incorporate information and communication activities designed to raise the awareness of specific or general audiences of the reasons for the action and the EU support for the action in the country or region concerned, as well as the results and the impact of this support.

Applicants must comply with the objectives and priorities and guarantee the visibility of the EU financing (see the Communication and Visibility Manual for EU external actions specified and published by the European Commission at https://ec.europa.eu/europeaid/communication-and-visibility-manual-eu-external-actions_en).

Number of applications and grants per applicants / affiliated entities

The lead applicant may not submit more than one application(s) under this call for proposals.

The lead applicant may not be awarded more than one grant(s) under this call for proposals.

The lead applicant may not be a co-applicant or an affiliated entity in another application at the same time.

A co-applicant/affiliated entity may submit more than one application(s) under this call for proposals.

A co-applicant/affiliated entity may be awarded more than one grant(s) under this call for proposals.

2.1.5 Eligibility of costs: costs that can be included

Only 'eligible costs' can be covered by a grant. The categories of costs that are eligible and non-eligible are indicated below. The budget is both a cost estimate and an overall ceiling for 'eligible costs'.

The reimbursement of eligible costs may be based on any or a combination of the following forms:

- actual costs incurred by the beneficiary(ies) and affiliated entity(ies)
- one or more simplified cost options.

Simplified cost options may take the form of:

- **unit costs:** covering all or certain specific categories of eligible costs which are clearly identified in advance by reference to an amount per unit.
- **lump sums:** covering in global terms all or certain specific categories of eligible costs which are clearly identified in advance.
- **flat-rate financing:** covering specific categories of eligible costs which are clearly identified in advance by applying a percentage fixed ex ante.

The amounts or rates have to be based on estimates using objective data such as statistical data or any other objective means or with reference to certified or auditable historical data of the applicants or the affiliated entity(ies). The methods used to determine the amounts or rates of unit costs, lump sums or flat-rates must comply with the criteria established in Annex K, and especially ensure that the costs correspond fairly to the actual costs incurred by the beneficiary(ies) and affiliated entity(ies), are in line with their accounting practices, no profit is made and the costs are not already covered by other sources of funding (no double funding). Refer to Annex K for directions and a checklist of controls to assess the minimum necessary conditions that provide reasonable assurance for the acceptance of the proposed amounts.

Applicants proposing this form of reimbursement, must clearly indicate in worksheet no.1 of Annex B, each heading/item of eligible costs concerned by this type of financing, i.e. add the reference in capital letters to "UNIT COST" (per month/flight etc), "LUMPSUM" or "FLAT RATE" in the Unit column. (see example in Annex K)

Additionally in Annex B, in the second column of worksheet no.2, "Justification of the estimated costs" per each of the corresponding budget item or heading applicants must:

- describe the information and methods used to establish the amounts of unit costs, lump sums and/or flat-rates, to which costs they refer, etc.
- clearly explain the formulas for calculation of the final eligible amount
- identify the beneficiary who will use the simplified cost option (in case of affiliated entity, specify first the beneficiary), in order to verify the maximum amount per each beneficiary (which includes if applicable simplified cost options of its affiliated entity(ies))

At contracting phase, the Contracting Authority decides whether to accept the proposed amounts or rates on the basis of the provisional budget submitted by the applicants, by analysing factual data of grants carried out by the applicants or of similar actions and by performing checks established by Annex K.

The total amount of financing on the basis of simplified cost options that can be authorised by the Contracting Authority for any of the applicants individually (including simplified cost options proposed by their own affiliated entities) cannot exceed EUR 60 000 (the indirect costs are not taken into account).

Applicants may not propose financial support to individual private companies.

Recommendations to award a grant are always subject to the condition that the checks preceding the signing of the grant contract do not reveal problems requiring changes to the budget (such as arithmetical errors, inaccuracies, unrealistic costs and ineligible costs). The checks may give rise to requests for clarification and may lead the Contracting Authority to impose modifications or reductions to address such mistakes or inaccuracies. It is not possible to increase the grant or the percentage of EU co-financing as a result of these corrections.

It is therefore in the applicants' interest to provide a **realistic and cost-effective budget**

The simplified cost option may also take the form of an apportionment of Field Office's costs.

Field Office means a local infrastructure set up in one of the countries where the action is implemented or a nearby country. (Where the action is implemented in several third countries there can be more than one Field Office). That may consist of costs for local office as well as human resources.

A Field Office may be exclusively dedicated to the action financed (or co-financed) by the EU or may be used for other projects implemented in the partner country. When the Field Office is used for other projects, only the portion of capitalised and operating costs which corresponds to the duration of the action and the rate of actual use of the field office for the purpose of the action may be declared as eligible direct costs.

The portion of costs attributable to the action can be declared as actual costs or determined by the beneficiary(ies) on the basis of a simplified allocation method (apportionment).

The method of allocation has to be:

1. Compliant with the beneficiary's usual accounting and management practices and applied in a consistent manner regardless of the source of funding and
2. Based on an objective, fair and reliable allocation keys. (Please refer to Annex K to have examples of acceptable allocation keys).

A description prepared by the entity of the allocation method used to determine Field Office's costs in accordance with the entity's usual cost accounting and management practices and explaining how the method satisfy condition 1 and 2 indicated above, has to be presented in a separate sheet and annexed to the Budget.

The method will be assessed and accepted by the evaluation committee and the Contracting Authority at contracting phase. The applicant is invited to submit (where relevant) the list of contracts to which the methodology proposed had been already applied and for which proper application was confirmed by an expenditure verification.

At the time of carrying out the expenditure verifications, the auditors will check if the costs reported are compliant with the method described by the beneficiary(ies) and accepted by the Contracting Authority.

Adequate record and documentation must be kept by the beneficiary(ies) to prove the compliance of the simplified allocation method used with the conditions set out above. Upon request of the beneficiary(ies), this compliance can be assessed and approved ex-ante by an independent external auditor. In such a case, the simplified allocation method will be automatically accepted by the evaluation committee and it will not be challenged ex post.

When costs are declared on the basis of such allocation method the amount charged to the action is to be indicated in the column "TOTAL COSTS" and the mention "APPORIONMENT" is to be indicated in the column "units" (under budget heading 1 (Human resources) and 4 (Local Office) of the Budget).

It has to be noted that the EUR 60.000 limit, otherwise applicable to costs declared on the basis of simplified cost options, is not relevant for costs declared following apportionment of Field Offices.

Eligible direct costs

To be eligible under this call for proposals, costs must comply with the provisions of Article 14 of the General Conditions to the standard grant contract (see Annex G of the guidelines).

Contingency reserve

The budget may include a contingency reserve not exceeding 5 % of the estimated direct eligible costs. It can only be used with the **prior written authorisation** of the Contracting Authority.

Eligible indirect costs

The indirect costs incurred in carrying out the action may be eligible for flat-rate funding, but the total must not exceed 7 % of the estimated total eligible direct costs. Indirect costs are eligible provided that they do not include costs assigned to another budget heading in the standard grant contract. The lead applicant may be asked to justify the percentage requested before the grant contract is signed. However, once the flat rate has been fixed in the Special Conditions of the grant contract, no supporting documents need to be provided.

If any of the applicants or affiliated entity(ies) is in receipt of an operating grant financed by the EU, it may not claim indirect costs on its incurred costs within the proposed budget for the action.

Contributions in kind

Contributions in kind mean the provision of goods or services to a beneficiaries or affiliated entities free of charge by a third party. As contributions in kind do not involve any expenditure for beneficiaries or affiliated entities, they are not eligible costs.

Contributions in kind may not be treated as co-financing

However, if the description of the action as proposed includes contributions in kind, the contributions have to be made.

Ineligible costs

The following costs are not eligible:

- debts and debt service charges (interest);
- provisions for losses or potential future liabilities;
- costs declared by the beneficiary(ies) and financed by another action or work programme receiving a European Union (including through EDF) grant;
- purchases of land or buildings, except where necessary for the direct implementation of the action, in which case ownership must be transferred, in accordance with Article 7.5 of the General Conditions of the standard grant contract, at the latest at the end of the action;
- currency exchange losses;

- credit to third parties
- salary costs of the personnel of national administrations

2.2 HOW TO APPLY AND THE PROCEDURES TO FOLLOW

To apply for this call for proposals the lead applicants need to:

I. Provide information about the organisations involved in the action. Please note that the registration of this data in **PADOR is obligatory** for this call for proposals:

Concept note step: Registration is obligatory for lead applicants applying for EU contributions of more than EUR 60 000.

Full application step: Registration is obligatory for co-applicant(s) and affiliated entity(ies). Lead applicants must make sure that their PADOR profile is up to date.

II. Provide information about the action in the documents listed under sections 2.2.2 (concept note) and 2.2.5 (full application). Please note that online submission via **PROSPECT is obligatory** for this call,

PADOR is an on-line database in which organisations register and update information concerning their entity. Organisations registered in PADOR get a unique ID (EuropeAid ID) which they **must mention** in their application. PADOR is accessible via the website: http://ec.europa.eu/europeaid/pador_en

It is strongly recommended to register in PADOR well in advance and not to wait until the last minute before the deadline to submit your application in PROSPECT.

If it is impossible to register online in PADOR for technical reasons, the applicants and/or affiliated entity(ies) must complete the 'PADOR off-line form attached to these guidelines. This form must be sent **together with the application**, by the submission deadline (see sections 2.2.2 and 2.2.5).

Before starting using PADOR and PROSPECT, please read the user guides available on the website. All technical questions related the use of these systems should be addressed to the IT helpdesk at EuropeAid-IT-support@ec.europa.eu via the **online support form in PROSPECT**.

2.2.1 *Concept note content*

Applications must be submitted in accordance with the concept note instructions in the grant application form annexed to these guidelines (Annex A.1). Applicants must apply in English.

Please note that:

1. In the concept note lead applicants must provide only an estimate of the **requested EU contribution**, as well as an indicative percentage of this contribution in relation to the total eligible costs of the action. A detailed budget is to be submitted only by lead applicants invited to submit a full application in the second phase

2. The elements outlined in the concept note may not be modified in the full application form. The EU contribution may not vary from the initial estimate by more than 20 %. Lead applicants are free to adapt the requested EU contribution as a percentage of the total eligible costs within the minimum and maximum amounts and percentages provided in section 1.3. The lead applicant may replace a co-applicant or an affiliated entity only in duly justified cases (e.g. bankruptcy of initial co-applicant or affiliated entity). In this case the new co-applicant/affiliated entity must be of a similar nature as the initial one. The lead applicant may adjust the duration of the action if unforeseen circumstances outside the scope of the applicants have taken place following the submission of the concept note and require such adaptation (risk of action not being carried out). In such cases the duration must remain within the limits imposed by the guidelines for applicants. An explanation/justification of the relevant replacement/adjustment shall be included in section 2.1.1 of the grant application form.

Own contributions by the applicants can be replaced by other donors' contributions at any time.

3. Only the concept note form will be evaluated. It is therefore of utmost importance that this document contains **all relevant information** concerning the action. **No additional annexes should be sent.**

Any error or major discrepancy related to the concept note instructions may lead to the rejection of the concept note.

Clarifications will only be requested when information provided is not sufficient to conduct an objective assessment.

2.2.2 Where and how to send concept notes

The concept note together with the declaration by the lead applicant (Annex A.1 section 2) **must be submitted online via PROSPECT** <https://webgate.ec.europa.eu/europeaid/prospect> following the instructions given in the PROSPECT user manual.

Upon submission of a concept note online, the lead applicant will receive an automatic confirmation of receipt in its PROSPECT profile.

If it is impossible for lead applicants to submit their concept note online via PROSPECT for technical reasons, they must send their proposal in a sealed envelope and attach the concept note together with the declaration by the lead applicant (**Annex A.1 section 2**). In particular, the lead applicant must send, in a sealed envelope as described below the following items:

- a. One original of the concept note. The signed declaration by the lead applicant (Annex A.1 section 2) must be printed and stapled separately and enclosed in the envelope
- b. 2 additional copies in A4 size, each bound.
- c. An electronic version (CD-Rom or USB stick) of the items under point (a). The electronic file must contain **exactly the same** application as the paper version enclosed.

The envelope must bear the **reference number and the title of the call for proposals**, together with [the lot number and title] the full name and address of the lead applicant, and the words 'Not to be opened before the opening session'.

To reduce expense and waste, we strongly recommend that you do not use plastic folders or dividers. Please also use double-sided printing if possible.

Concept notes must be submitted in a sealed envelope by private courier service or by hand-delivery (a signed and dated certificate of receipt will be given to the deliverer) to the address below. Where lead applicants send several concept notes (if allowed to do so by the guidelines of the call), each one must be sent separately:

Address for hand delivery or by private courier service

E.U., 1 Norfolk Road, Mount Pleasant, HARARE

Harare

Concept notes sent by any other means (e.g. by fax or by e-mail) or delivered to other addresses will be rejected. Hand-written concept notes will not be accepted.

Please note that incomplete concept notes may be rejected. Lead applicants are advised to verify that their concept note is complete by using the checklist for concept note (Annex A.1, Instructions).

2.2.3 Deadline for submission of concept notes

The deadline for the submission of concept notes is **14/03/2018 at 12:00 (Brussels date and time)**. In order to convert this deadline to local time you can use any online time converter tool that takes into account timezones and winter/summer time changes (example available here) The lead applicant is strongly advised not to wait until the last day to submit its concept note, since heavy Internet traffic or a fault with the Internet connection (including electricity failure, etc.) could lead to difficulties in submission. The Contacting Authority cannot be held responsible for any delay due to such aforementioned difficulties.

In the exceptional case of submission by **courier** or by hand delivery (see section 2.2.2), the date of submission is evidenced by the date of dispatch, the postmark or the date of the deposit slip. In the case of

hand-deliveries, the deadline for receipt is at **14/03/2018 at 13:00 (Harare date and time)** as evidenced by the signed and dated receipt.

Any concept note submitted after the deadline will be rejected.

However, for reasons of administrative efficiency, the Contracting Authority may also reject any concept note sent in due time but received after the effective date of approval of the concept note evaluation (see indicative calendar under section 2.5.2).

2.2.4 Further information about concept notes

Two information sessions on this call for proposals will be held at the EU Delegation to Zimbabwe on **30 November 2017 and 30 January 2017 at 14:30 hours (Harare time)**.

Questions may be sent by e-mail no later than 21 days before the deadline for the submission of concept notes to the address(es) below, indicating clearly the reference of the call for proposals:

E-mail address: **delegation-zimbabwe-europeaid-157821@eeas.europa.eu**

The Contracting Authority has no obligation to provide clarifications to questions received after this date.

Replies will be given no later than 11 days before the deadline for submission of concept notes.

To ensure equal treatment of applicants, the contracting authority cannot give a prior opinion on the eligibility of lead applicants, co-applicants, affiliated entity(ies), an action or specific activities.

No individual replies will be given to questions. All questions and answers as well as other important notices to applicants during the course of the evaluation procedure will be published on the EuropeAid website <https://webgate.ec.europa.eu/europeaid/online-services/index.cfm?do=publi.welcome> as appropriate. It is therefore advisable to consult the abovementioned website regularly in order to be informed of the questions and answers published.

All questions related to registration in PADOR or the online submission via PROSPECT should be addressed to the IT helpdesk at EuropeAid-IT-support@ec.europa.eu **via the online support form in PROSPECT**: Please note that the working languages of the IT support are: English French and Spanish. Therefore users are invited to send their questions in English, French or Spanish should they wish to benefit from an optimum response time.

2.2.5 Full applications

Lead applicants invited to submit a full application following pre-selection of their concept note must do so using the full application form annexed to these guidelines (Annex A.2).

Applications must be submitted in accordance with the full application instructions at the end of Annex A.2. Lead applicants must submit their full applications in the same language as their concept notes.

Please note that:

1. The elements outlined in the concept note cannot be modified by the lead applicant in the full application form. The EU contribution may not vary from the initial estimate by more than 20 %, although lead applicants are free to adapt the percentage of co-financing required within the minimum and maximum amount and percentages of co-financing, as laid down in these guidelines under section 1.3. The lead applicant may replace a co-applicant or an affiliated entity only in duly justified cases (e.g. bankruptcy of initial co-applicant or affiliated entity). In this case the new co-applicant/affiliated entity must be of a similar nature as the initial one. The lead applicant may adjust the duration of the action if unforeseen circumstances outside the scope of the applicants have taken place following the submission of the concept note and require such adaptation (risk of action not being carried out). An explanation/justification of the relevant replacement/adjustment shall be included in section 2.1.1 of the grant application form.

2. A copy of the lead applicant's accounts of the latest financial year (the profit and loss account and the balance sheet for the last financial year for which the accounts have been closed) must be

uploaded in PADOR by the full application deadline. A copy of the latest account is neither required from (if any) the co-applicant(s) nor from (if any) affiliated entity(ies)).

3. Only the full application form and the published annexes which have to be filled in (budget, logical framework) will be transmitted to the evaluators (and assessors, if used). It is therefore of utmost importance that these documents contain **ALL the relevant information** concerning the action. **No additional annexes should be sent.**

Any error or any major inconsistency related to the full application instructions (e.g. if the amounts in the budget worksheets are inconsistent) may lead to the rejection of the application.

Clarifications will only be requested when information provided is unclear and thus prevents the Contracting Authority from conducting an objective assessment.

2.2.6 Where and how to send full applications

Full application forms together with the budget, the logical framework and the declaration by the lead applicant must be submitted online via PROSPECT <https://webgate.ec.europa.eu/europeaid/prospect> following the instructions given in the users' manual.

Upon submission of the full application online, the lead applicants will receive an automatic confirmation of receipt in their PROSPECT profile.

(a) If the lead applicant submitted the concept note by **private courier or hand delivery** (see section 2.2.3) it must send the full application by the same means (by post or hand delivery).

(b) If the lead applicant submitted the concept note online via PROSPECT but it is technically impossible for the organisation to submit the full application online:

In the above two cases the lead applicant must send by **private courier or hand delivery** the application, i.e. the full application form, the budget, the logical framework and the declaration by the lead applicant. The lead applicant must send, in a sealed envelope as described below, the following items:

a. One original signed copy of the full application form, the budget and the logical framework. The declaration by the lead applicant (Annex A.2, section 5) must be printed and stapled separately and enclosed in the envelope

b. 2 additional copies in A4 size, each bound.

c. An electronic version (CD-Rom [or <>]) of the items under point (a). The electronic file must contain exactly the same application as the paper version enclosed.

To reduce expense and waste, we strongly recommend that you use only paper for your file (no plastic folders or dividers). Please also use double-sided printing if possible

Applications must be submitted in a sealed envelope by private courier service or by hand-delivery (a signed and dated certificate of receipt will be given to the deliverer) to the address below. Where lead applicants send several concept notes (if allowed to do so by the guidelines of the call), each one must be sent separately:

Address for hand delivery or by private courier service

E.U., 1 Norfolk Road, Mount Pleasant, HARARE

Harare

The envelope must bear the **reference number and the title of the call for proposals**, together with the number and title of the lot, the full name and address of the lead applicant, and the words 'Not to be opened before the opening session'.

Applications sent by any other means (e.g. by fax or by e-mail) or delivered to other addresses will be rejected. Hand-written applications will not be accepted.

Please note that incomplete applications may be rejected. Lead applicants are advised to verify that their application is complete using the checklist (Annex A.2, Instructions).

2.2.7 *Deadline for submission of full applications*

The deadline for the submission of full applications will be indicated in the letter sent to the lead applicants whose application has been pre-selected. This letter will appear online automatically in the PROSPECT profile of the lead applicant. [Lead applicants who, in exceptional cases (see section 2.2.6) had to submit their application by post or hand-delivery, will receive the letter by email or by post if no e-mail address was provided.

Lead applicants are strongly advised not to wait until the last day to submit their full applications, since heavy Internet traffic or a fault with the Internet connection (including electricity failure, etc.) could lead to difficulties in submission. The Contracting Authority cannot be held responsible for any delay due to such afore-mentioned difficulties.

In the case of submission by post, (see section 2.2.6), the date of submission is evidenced by the date of dispatch, the postmark or the date of the deposit slip. In the case of hand-deliveries, the deadline for receipt is at 12:00 hours as evidenced by the signed and dated receipt.

Any application submitted after the deadline will be rejected.

However, for reasons of administrative efficiency, the Contracting Authority may also reject any full application sent in due time but received after the effective date of approval of the full application evaluation (see indicative calendar under section 2.5.2)

2.2.8 *Further information about full applications*

Questions may be sent by e-mail no later than 21 days before the deadline for the submission of full applications to the addresses listed below, indicating clearly the reference of the call for proposals:

E-mail address: **delegation-zimbabwe-europeaid-157821@eeas.europa.eu**

The Contracting Authority has no obligation to provide clarifications to questions received after this date.

Replies will be given no later than 11 days before the deadline for the submission of applications.

To ensure equal treatment of applicants, the Contracting Authority cannot give a prior opinion on the eligibility of lead applicants, co-applicants, affiliated entity(ies), or an action.

No individual replies will be given to questions. All questions and answers as well as other important notices to applicants during the course of the evaluation procedure, will be published on the EuropeAid website <https://webgate.ec.europa.eu/europeaid/online-services/index.cfm?do=publi.welcome> [and <other websites>], as appropriate. It is therefore advisable to consult the abovementioned website regularly in order to be informed of the questions and answers published.

All questions related to registration in PADOR or the online submission via PROSPECT should be addressed to the IT helpdesk at EuropeAid-IT-support@ec.europa.eu **via the online support form in PROSPECT.** Please note that the working languages of the IT support are: English French and Spanish. Therefore users are invited to send their questions in English, French or Spanish should they wish to benefit from an optimum response time.

2.3 EVALUATION AND SELECTION OF APPLICATIONS

Applications will be examined and evaluated by the Contracting Authority with the possible assistance of external assessors. All applications will be assessed according to the following steps and criteria.

If the examination of the application reveals that the proposed action does not meet the eligibility criteria stated in section 2.1, the application will be rejected on this sole basis.

STEP 1: OPENING & ADMINISTRATIVE CHECKS AND CONCEPT NOTE EVALUATION

During the opening and administrative check (including the eligibility check of the action) the following will be assessed:

- ♣ If the deadline has been met. Otherwise, the application will be automatically rejected.
- ♣ If the concept note satisfies all the criteria specified in the checklist in the instructions included in Annex A.1. This includes also an assessment of the eligibility of the action. If any of the requested information is missing or is incorrect, the application may be rejected on that **sole** basis and the application will not be evaluated further.

The concept notes that pass this check will be evaluated on the relevance and design of the proposed action.

The concept notes will receive an overall score out of 50 in line with the evaluation grid below. The evaluation will also check the compliance with the instructions on how to complete the concept note (Annex A.1).

The evaluation criteria are divided into headings and subheadings. Each subheading will be given a score between 1 and 5 as follows: 1 = very poor; 2 = poor; 3 = adequate; 4 = good; 5 = very good.

Evaluation Grid

Section	Maximum Score
1. Relevance of the action	30
1.1. How relevant is the proposal to the objectives and priorities of the Call for Proposals?*	5x2**
1.2. How relevant to the particular needs and constraints of the target country(ies) or region(s) is the proposal (including synergy with other EU initiatives and avoidance of duplication)?*	5x2**
1.3. How clearly defined and strategically chosen are those involved (final beneficiaries, target groups)? Have their needs been clearly defined and does the proposal address them appropriately?*	5
1.4. Does the proposal contain specific added-value elements, such as environmental issues, promotion of gender equality and equal opportunities, needs of disabled people, rights of minorities and rights of indigenous peoples, or innovation and best practices [and the other additional elements indicated under 1.2. of these guidelines]?*	5
2. Design of the action	20

2.1. How coherent is the overall design of the action? In particular, does it reflect the analysis of the problems involved, take into account external factors and relevant stakeholders?	5x2**
2.2. Is the action feasible and consistent in relation to the objectives and expected results?	5x2**
Maximum total score	50

* Note: A score of 5 (very good) will only be allocated if the proposal specifically addresses more than the required minimum number of priorities as indicated in Section 1.2 (objectives of the programme) of these guidelines.

**these scores are multiplied by 2 because of their importance

Concept notes with a score lower than 30 will be rejected.

Concept notes that reach the above threshold will be ranked by score. The highest scoring applications will be pre-selected until the limit of 200% of the available budget for this call for proposals is reached.

The amount of requested contributions of each concept note will be based on the indicative financial envelopes for each lot, where relevant.

Lead applicants will receive a letter indicating the reference number of their application and the respective results. This letter will automatically appear online in the PROSPECT profile of the lead applicant. Lead applicants who, in exceptional cases (see section 2.2), had to submit their application by post or hand-delivery will receive the letter by email or by post if no e-mail address was provided.

The pre-selected lead applicants will subsequently be invited to submit full applications.

STEP 2: OPENING & ADMINISTRATIVE CHECK AND EVALUATION OF THE FULL APPLICATION

During the opening and administrative check (including the eligibility check of the action) for full applications the following will be assessed:

- ♣ If the submission deadline has been met. Otherwise, the application will automatically be rejected.
- ♣ If the full application satisfies all the criteria specified in the checklist in Annex A.2. This includes also an assessment of the eligibility of the action. If any of the requested information is missing or is incorrect, the application may be rejected on that **sole** basis and the application will not be evaluated further.

The full applications that pass this check will be further evaluated on their quality, including the proposed budget and the capacity of the applicants and affiliated entity(ies). The evaluation criteria used are presented in the evaluation grid below. There are two types of evaluation criteria: selection and award criteria.

The selection criteria help to evaluate the applicant(s)'s and affiliated entity(ies)'s operational capacity and the lead applicant's financial capacity and are used to verify that they:

- have stable and sufficient sources of finance to maintain their activity throughout the proposed action and, where appropriate, to participate in its funding (this only applies to lead applicants);
- have the management capacity, professional competencies and qualifications required to successfully complete the proposed action. This applies to applicants and to any affiliated entity(ies).

For the purpose of the evaluation of the financial capacity, lead applicants must ensure that the relevant information and documents (i.e. accounts of the latest financial year and external audit report, where applicable) in their PADOR profile are up to date. If the information and documents in PADOR are outdated and do not allow for a proper evaluation of the financial capacity, the application may be rejected.

The award criteria help to evaluate the quality of the applications in relation to the objectives and priorities set forth in the guidelines, and to award grants to projects which maximise the overall effectiveness of the call for proposals. They help to select applications which the Contracting Authority can be confident will comply with its objectives and priorities. They cover the relevance of the action, its consistency with the objectives of the call for proposals, quality, expected impact, sustainability and cost-effectiveness.

The evaluation grid is divided into sections and subsections. Each subsection will be given a score between 1 and 5 as follows: 1 = very poor; 2 = poor; 3 = adequate; 4 = good; 5 = very good.

Evaluation Grid

Section	Maximum Score
1. Financial and operational capacity	20
1.1. Do the applicants and, if applicable, their affiliated entity(ies) have sufficient experience of project management?	5
1.2. Do the applicants and, if applicable, their affiliated entity(ies) have sufficient technical expertise (especially knowledge of the issues to be addressed)?	5
1.3. Do the applicants and, if applicable, their affiliated entity(ies) have sufficient management capacity (including staff, equipment and ability to handle the budget for the action)?	5
1.4. Does the lead applicant have stable and sufficient sources of finance?	5
2. Relevance of the action	30
2.1. How relevant is the proposal to the objectives and priorities of the Call for Proposals?	5x2**
2.2. How relevant to the particular needs and constraints of the target country(ies) or region(s) is the proposal (including synergy with other EU initiatives and avoidance of duplication)?	5x2**
2.3. How clearly defined and strategically chosen are those involved (final beneficiaries, target groups)? Have their needs been clearly defined and does the proposal address them appropriately?	5
2.4. Does the proposal contain specific added-value elements, such as environmental issues, promotion of gender equality and equal opportunities, needs of disabled people, rights of minorities and rights of indigenous peoples, or innovation and best practices [and the other additional elements indicated under 1.2. of these guidelines]?	5
3. Effectiveness and feasibility of the action	20
3.1. Are the activities proposed appropriate, practical, and consistent with the objectives and expected results?	5
3.2. Is the action plan clear and feasible?	5

3.3. Does the proposal contain objectively verifiable indicators for the outcome of the action? Is any evaluation planned?	5
3.4. Is the co-applicant(s)'s and affiliated entity(ies)'s level of involvement and participation in the action satisfactory?	5
4. Sustainability of the action	15
4.1. Is the action likely to have a tangible impact on its target groups?	5
4.2. Is the proposal likely to have multiplier effects (including scope for replication, extension and information sharing)?	5
4.3. Are the expected results of the proposed action sustainable?:(1) financially (how will the activities be financed after the funding ends?)(2) institutionally (will structures allowing the activities to continue be in place at the end of the action? Will there be local 'ownership' of the results of the action?)(3) at policy level (where applicable) (what will be the structural impact of the action e.g. will it lead to improved legislation, codes of conduct, methods, etc?)(4) environmentally (if applicable) (will the action have a negative/positive environmental impact?)"	5
5. Budget and cost-effectiveness of the action	15
5.1. Are the activities appropriately reflected in the budget?	5
5.2. Is the ratio between the estimated costs and the expected results satisfactory?	10
Maximum total score	100

If the total score for section 1 (financial and operational capacity) is less than 12 points, the application will be rejected. If the score for at least one of the subsections under section 1 is 1, the application will also be rejected.

If the lead applicant applies without co-applicants or affiliated entities the score for point 3.4 shall be 5 unless the involvement of co-applicants or affiliated entities is mandatory according to these guidelines for applicants.

Note that (members of) the evaluation committee or internal assessors evaluating the full applications may re-evaluate the scores given for the relevance at concept note stage and transferred to the full application.

After the evaluation, applications will be ranked according to their score. The highest scoring applications will be provisionally selected until the available budget for this call for proposals is reached.

In addition, a reserve list will be drawn up following the same criteria. This list will be used if more funds become available during the validity period of the reserve list.

STEP 3: VERIFICATION OF ELIGIBILITY OF THE APPLICANTS AND AFFILIATED ENTITY(IES)

The eligibility verification will be performed on the basis of the supporting documents requested by the Contracting Authority (see section 2.4). It will only be performed for the applications that have been provisionally selected according to their score and within the available budget for this call for proposals.

- The declaration by the lead applicant (section 5 of Annex A.2) will be cross-checked with the supporting documents provided by the lead applicant. Any missing supporting document or any incoherence between the declaration by the lead applicant and the supporting documents may lead to the rejection of the application on that sole basis.
- The eligibility of applicants and the affiliated entity(ies) will be verified according to the criteria set out in sections 2.1.1, 2.1.2 and 2.1.3.

Any rejected application will be replaced by the next best placed application on the reserve list that falls within the available budget for this call for proposals.

2.4 SUBMISSION OF SUPPORTING DOCUMENTS FOR PROVISIONALLY SELECTED APPLICATIONS

A lead applicant whose application has been provisionally selected or placed on the reserve list will be informed in writing by the Contracting Authority. It will be requested to supply the following documents in order to allow the Contracting Authority to verify the eligibility of the lead applicant, (if any) of the co-applicant(s) and (if any) of their affiliated entity(ies):

Supporting documents must be provided through PADOR (see section 2.2)

1. The statutes or articles of association of the lead applicant, (if any) of each co-applicant and (if any) of each affiliated entity. Where the Contracting Authority has recognised the lead applicant's, or the co-applicant(s)'s, or their affiliated entity(ies)'s eligibility for another call for proposals under the same budget line within 2 years before the deadline for receipt of applications, it should be submitted, instead of the statutes or articles of association, a copy of the document proving their eligibility in a former call (e.g. a copy of the Special Conditions of a grant contract received during the reference period), unless a change in legal status has occurred in the meantime. This obligation does not apply to international organisations which have signed a framework agreement with the European Commission.
2. An external audit report produced by an approved auditor, certifying the lead applicant's accounts for the last financial year available where the total amount of the requested EU contribution exceeds EUR 750 000 (EUR 100 000 for an operating grant). The external audit report is not required from (if any) the co-applicant(s) or affiliated entity(ies).

This obligation does not apply to public bodies and international organisations provided that the international organisation in question offers the guarantees provided for in the applicable Financial Regulation, as described in chapter 6 of the Practical Guide.

3. Legal entity sheet (see Annex D of these guidelines) duly completed and signed by each of the applicants (i.e. by the lead applicant and (if any) by each co-applicant), accompanied by the justifying documents requested there. If the applicants have already signed a contract with the Contracting Authority, instead of the legal entity sheet and supporting documents, the legal entity number may be provided, unless a change in legal status occurred in the meantime.
4. A financial identification form of the lead applicant (not from co-applicant(s), nor from affiliated entity(ies)) conforming to the model attached at Annex E of these guidelines, certified by the bank to which the payments will be made. This bank should be located in the country where the lead applicant is established. If the lead applicant has already submitted a financial identification form in the past for a contract where the European Commission was in charge of the payments and intends to use the same bank account, a copy of the previous financial identification form may be provided instead.

The requested supporting documents (uploaded in PADOR or sent together with the PADOR offline form) must be supplied in the form of originals, photocopies or scanned versions (i.e. showing legible stamps, signatures and dates) of the said originals.

Where such documents are not in one of the official languages of the European, a translation into English of the relevant parts of these documents proving the lead applicant's and, where applicable, co-applicants' and affiliated entity(ies)' eligibility must be attached for the purpose of analysing the application.

Where these documents are in an official language of the European Union other than English, it is **strongly** recommended, in order to facilitate the evaluation, to provide a translation of the relevant parts of the documents, proving the lead applicants' and, where applicable, co-applicants' and affiliated entity(ies)' eligibility, into English.

Applicants have to take into consideration the time necessary to obtain official documents from national competent authorities and to translate such documents in the authorised languages while registering their data in PADOR.

If the abovementioned supporting documents are not provided before the deadline indicated in the request for supporting documents sent to the lead applicant by the Contracting Authority, the application may be rejected.

After verifying the supporting documents, the evaluation committee will make a final recommendation to the Contracting Authority, which will decide on the award of grants.

NB : In the eventuality that the Contracting Authority is not satisfied with the strength, solidity, and guarantee offered by the structural link between one of the applicants and its affiliated entity, it can require the submission of the missing documents allowing for its conversion into co-applicant. If all the missing documents for co-applicants are submitted, and provided all necessary eligibility criteria are fulfilled, the above mentioned entity becomes a co-applicant for all purposes. The lead applicant has to submit the application form revised accordingly.

2.5 NOTIFICATION OF THE CONTRACTING AUTHORITY'S DECISION

2.5.1 *Content of the decision*

The lead applicants will be informed in writing of the Contracting Authority's decision concerning their application and, if rejected, the reasons for the negative decision. This letter will be sent by e-mail and will appear online automatically in the PROSPECT profile of the user who submitted the application. Lead applicants who, in exceptional cases (see section 2.2), had to submit their application by post or hand-delivery, will be informed by email or by post if they did not provide any e-mail address. Therefore, please check regularly your PROSPECT profile, taking into account the indicative timetable below.

An applicant believing that it has been harmed by an error or irregularity during the award process may lodge a complaint. See further section 2.4.15 of the Practical Guide.

2.5.2 *Indicative timetable*

	DATE	TIME
1. Information meeting, if any (local time)	30 November 2017 30 January 2017	14:30 (Harare time) 14:30 (Harare time)
2. Deadline for requesting any clarifications from the Contracting Authority	21 February 2018	12:00 (Harare time)
3. Last date on which clarifications are issued by the Contracting Authority	4 March 2018	-
4. Deadline for submission of concept notes	14 March 2018	12:00
5. Information to lead applicants on opening, administrative checks and concept note evaluation (Step 1)	5 April 2018	-
6. Invitations to submit full applications	20 April 2018	-
7. Deadline for submission of full applications	15 June 2018	-
8. Information to lead applicants on the evaluation of the full applications (Step 2)	30 June 2018	-
9. Notification of award (after the eligibility check) (Step 3)	10 July 2018	-
10. Contract signature	30 July 2018	-

All dates and times are expressed in Brussels time, where it is not specified otherwise.

This indicative timetable refers to provisional dates (except for dates 2, 3 and 4) and may be updated by the Contracting Authority during the procedure. In such cases, the updated timetable will be published on the EuropeAid web site <https://webgate.ec.europa.eu/europeaid/online-services/index.cfm?do=publi.welcome> [and<other websites>].

2.6 CONDITIONS FOR IMPLEMENTATION AFTER THE CONTRACTING AUTHORITY'S DECISION TO AWARD A GRANT

Following the decision to award a grant, the beneficiary(ies) will be offered a contract based on the standard grant contract (see Annex G of these guidelines). By signing the application form (Annex A of these guidelines), the applicants agree, if awarded a grant, to accept the contractual conditions of the standard grant contract. Where the Coordinator is an organisation whose pillars have been positively assessed, it will sign a PA Grant Agreement based on the PAGoDA template. In this case references to provisions of the standard grant contract and its annexes shall not apply. References in these guidelines to the grant contract shall be understood as references to the relevant provisions of the PA Grant Agreement.

Implementation contracts

Where implementation of the action requires the beneficiary(ies) and its affiliated entity(ies) (if any) to award procurement contracts, those contracts must be awarded in accordance with Annex IV to the standard grant contract.

2.7 EARLY DETECTION AND EXCLUSION SYSTEM (EDES)

The applicants and, if they are legal entities, the persons who have powers of representation, decision-making or control over them, are informed that, should they be in one of the situations mentioned in section 2.3.3.1 or 2.3.3.2 of the Practical Guide their personal details (name, given name (if natural person), address, legal form and name and given name of the persons with powers of representation, decision-making or control (if legal person)) may be registered in the EDES. For further information see section 2.3.3 and 2.3.4 of the Practical Guide.

3 LIST OF ANNEXES

Documents to be completed

- Annex A: Grant Application Form (Word format)
- A.1. Concept Note
 - A.2. Full Application Form
- Annex B: Budget (Excel format)
- Annex C: Logical Framework (Word format)
- Annex D: Legal Entity Sheet
- Annex E: Financial identification form
- Annex F: PADOR off Line Form (*ONLY IF IMPOSSIBLE TO REGISTER IN PADOR*)

DOCUMENTS FOR INFORMATION

- Annex G: Standard Grant Contract
- Annex II: general conditions
 - Annex IV: contract award rules
 - Annex V: standard request for payment
 - Annex VI: model narrative and financial report
 - Annex VII: model report of factual findings and terms of reference for an expenditure verification of an EU financed grant contract for external action
 - Annex VIII: model financial guarantee
 - Annex IX: standard template for transfer of ownership of assets
- Annex H: Daily allowance rates (per diem), available at the following address:
http://ec.europa.eu/europeaid/funding/about-procurement-contracts/procedures-and-practical-guide-prag/diems_en (as all necessary information is available via the link the publication of the annex is optional)
- Annex J: Information on the tax regime applicable to grant contracts signed under the call
- Annex K: Guidelines and Checklist for assessing Budget and Simplified cost options.
- Annex L: e-learning :

<https://webgate.ec.europa.eu/europeaid/prospect/external/>

Annex M : user manual for PROSPECT :

<https://webgate.ec.europa.eu/europeaid/prospect/external/>

Useful links

Project Cycle Management Guidelines

https://ec.europa.eu/europeaid/aid-delivery-methods-project-cycle-management-guidelines-vol-1_en

The implementation of grant contracts - A Users' Guide

<http://ec.europa.eu/europeaid/companion/document.do?nodeNumber=19>

Financial Toolkit

http://ec.europa.eu/europeaid/sites/devco/files/financial-management-toolkit-for-recipients-15112010_en.pdf

Please note: The toolkit is not part of the grant contract and has no legal value. It merely provides general guidance and may in some details differ from the signed grant contract. In order to ensure compliance with their contractual obligations beneficiaries should not exclusively rely on the toolkit but always consult their individual contract documents.

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