The European Union
for Georgia
ENPARD

GIPA
In hoc signo vinces

LAG
Akhalkalaki

Grant Manual

Executive Summary

The project "Promoting a New Rural Development Approach in Akhalkalaki" is being implemented in Akhalkalaki Municipality, Samtskhe-Javakheti region, Georgia with the financial support of the European Neighborhood Program for Agriculture and Rural Development (ENPARD II). The leading project implementing organization is the Georgian Institute of Public Affairs (GIPA) with the partner organizations: Mercy Corps Georgia, West Cork Development Partnership and ELVA - Community Involvement. The overall objective of the project is to contribute to the reduction of poverty in Georgia through a new and innovative methodology for rural development. The specific objective of the project is to promote a bottom-up, inclusive rural development approach in Akhalkalaki that fully engages all communities in the municipality and specifically women and youth. The project will use the LEADER (Links Between Actions of Rural Development) approach that has been a key instrument for promoting integrated rural development in the European Union since 1991. The project aims to promote not only the economic and agricultural sectors but also the development of tourism, environmental protection, social issues and the involvement of vulnerable groups at the local level.

A Local Action Group (LAG) was established in Akhalkalaki to comply with the LEADER methodology. It is a voluntary body consisting of representatives of private and public organizations and mobilizes local community members for development of the municipality. The development of this platform was preceded by community mobilization process of local population, which resulted in the preparation of local development strategy, the main priority directions identified as the basis for implementation of the grant component. The local development strategy has been elaborated in consultation with the different groups of Akhalkalaki population and especially members of Akhalkalaki LAG. Methodology and implementation of the grant competition will be described in detail in the next chapters.

1. Aim of the Current Grant Competition

The aim of the current grant competition is to overcome the social challenges caused by the Covid-19 pandemic and improving the well-being of local communities

2. Objectives of the General Grant Program of the LAG

The main objectives is to improve quality of life, diversify local economy, integrate local population and make the municipality a better place to live

The current grant competition will support initiatives that will focus on the following areas:
- Increase access to primary health care at the community, village level;
- Increasing outpatient capacity at the community, village level;
- Placing visual informational material in villages and community centers on national regulations and practices regarding the COVID-19 prevention;
- Carrying out activities that will help to support local inhabitants to sustain the pandemic distress;
- In addition, the project should fully comply with COVID-19 related national regulations and recommendations.

3. Eligible Applicants

The applications can only be submitted by ***local and/or national government organizations*** that must meet the following criteria:
1. Registered a legal entity in Georgia;
2. Have official, registered status;
3. Legal entity of public law of Akhalkalaki Municipality;

4. Legal entity under public law, whose activities are related to or extend to Akhalkalaki Municipality;

The following activities and expenses will not be financed under the grant component:
1. Buying Real Estate (Land, Buildings) with the grant money
2. Participation in seminars, conferences and congresses
3. Current expenses, such as staff salaries, office rent and utility costs
4. Loans and loan service expenses
5. Interest payments
6. Losses or expected future liabilities
7. The expenses incurred by the beneficiary by another project or work program
8. Issue of Loan or Credit
9. Activities that may cause discrimination of individuals or groups based on sex, sexual orientation, religious beliefs, ethnic origin and political orientation

5. Project Duration

Implementation of the financed project should begin after signing the contract and in some cases upon completion of appropriate procurement. The deadline for implementation of the project shall not exceed 10st of November 2020.

6. Grant Application Process

6.1. Grant Project Funds & Co-financing

It is important that the initiatives are directed only to Akhalkalaki municipality.

Grant funds will be available to support only successful project applications. The minimum amount of funding that can be applied for is 1,000.00 GEL and the maximum is 150,000.00 GEL. It should also be noted that the full grant budget is GEL 150,000. It is expected that there will be cash co-financing contribution from the applicant of at least 10%.

The co-financing percentage is of the requested grant amount, for example if requested grant amount is 20,000 GEL then 10% of co-financing will be 2,000 GEL and total budget of the project will be 22,000 GEL. Co-financing may come from the applicants' own funds or from another donor organization, foundation or any third party. The grant amount will be transferred to the applicant's account and will be used in conjunction with the co-financing to purchase the items listed in the project application.

6.2. Application Submission & Selection Process

The applicant must fill in the *Full Application Form and the Budget* in Georgian language. The grant competition starts on September 18, 2020 and ends on September 30 at 17:00.
In addition, the applicant will have the opportunity to receive expert support from GIPA and LAG in the process of writing a complete application, via email correspondence. The applicant should address questions to the expert at the following e-mail: info@akhalkalakilag.ge

Full Application

Content of Full Application Form (available to download from http://akhalkalakilag.ge)	Notes
1. Project resume	Information on applicant's name, contact details, project title, location and duration, amount requested and co-financing.
2. Background information about the applicant (200 words max)	Description of applicant's status, history and experience with particular reference to experience connected to the project proposal; contact details including address, telephone and email.

3. Linkages with LDS and aim of the current grant competition (200 words max)	Detailed explanation on how the project contributes to the LDS and aim of the current grant competition by addressing specific objectives and achieving relevant outcomes, being considerate of minimum one cross cutting area: Ecology and environmental protection; Gender and youth; Minorities and integration; Innovation; Popularization of the national language.
4. Project description (500 words max)	Explanation of the project idea, main purpose/aim of the project, activities to be conducted, what will be delivered and which methods will be used.
5. Project work plan	Work plan to be filled in showing what actions will be taken, when and over what timeframe. Information must include details about required permissions for planning or any other form of regulation or approval.
6. Project justification (total 500 words max)	Explanation on the current situation describing problem to be resolved, what needs or demand will the project meet (200 words max); project beneficiaries (100 words max); types of consultations or research have been made to demonstrate the need/demand (100 words max); similar project or business in the municipality (100 words max).
7. Project impact (200 words max)	Information on what impact the project will have; who will benefit from the project and how; short-term and long-term results of the project.
8. Project sustainability (200 words max)	Explanation on how the project will be funded/maintained in future and who will be responsible for its oversight.
9. Displacement/Distortion (200 words max)	Explanation on how the proposed project will not adversely affect an existing activity or business or distort the market.
10. Environmental protection (200 words max)	Explanation on how the proposed project contribute to environmental protection and what appropriate measures will be taken to ensure.
11. Description of the previous project(s) implemented with Donor and/or NGO funding support	Description of all previous project(s), implemented by the same entity or person and funded by GIPA, Mercy Corps or any other organization. Results, current status and sustainability of the previous project(s), (200 words max).
12. Project expenses	Provision of detailed project expenses in GEL wich includes: budget description, costs, requested grant amount and co-financing amount.

In addition to the Full Application form the applicant will be expected to fill in a detailed **Application Budget** that will itemize each item to be procured and provide a realistic cost for these items. The budget will also include the applicant's co-finance contribution.
The applicant should submit the copies of the _registration documents_ and _statute/charter_ of the organization.

The applicants are requested to fill in both forms and submit all requested documents before the designated deadline as announced by the call for proposals.

Full application form can be downloaded from the following electronic address:
https://akhalkalakilag.ge/wp-content/uploads/2020/09/Full-Application-Form.docx
All documents must be submitted in the electronic format and sent with all requested documents to the following email address: applications@akhalkalakilag.ge. Reply of the application receipt will be reverted to the applicant on the same email address. Applications submitted after the deadline will be declared as void and will not be accepted for assessment and selection for funding by the LAG.

Full Application Assessment
The application files will be collated and organized by the LEADER Coordinator. The LEADER Coordinator along with minimum one member of the LAG may visit project applicant at site to gain more information on the project idea and seek clarifications on any part of the application or budget that is unclear. Following these visits the LEADER Coordinator will write a short report that will be presented to the PAC that is to assess the project and present its recommendations to the LAG. The

PAC will assess and select each project based on all documents submitted and score the project using the *Full Application selection criteria and scoring framework,* some of the key criteria include the following:
1. Linkages of the proposed project with the objectives and outcomes of the LDS and aim of the current grant competition
2. Linkages of the proposed project with the cross-cutting areas of the LDS
3. Background experience and knowledge of the applicant to implement the proposed project
4. Strong justification that there is a need or demand for the proposed project
5. Project description is clearly explained and work plan can be clearly realized in stated timeframe
6. Project impact is clearly explained and it is realistic in terms of explaining about beneficiaries, customers, potential employees, etc.
7. Sustainability plan is in place assuring that the project remains functioning and it is in use for its specified purpose by the applicant for the following 5-years period
8. Budget is well thought through and realistic
9. Co-financing sources are proved and justified
10. Project is innovative and using environmentally friendly practices.

If the PAC feels that they do not possess enough information to make the assessment or decision for selection, then they can visit the project applicant or request the meeting in order to get the project explanation in more detail.
Indicative period for the full application assessment will be 2 weeks.

Full Application Selection
A special project selection meeting will be called by the LAG, at which the PAC will present its recommendations on the reviewed and assessed projects. There will be a vote by the LAG on each project and where the majority of eligible LAG members are in favor the project will be tentatively selected. If the LAG members feel that they are unable to make a decision based on the PAC's recommendations, then they may request a meeting the applicant in order to finalize its decision.

All rejected applicants will receive a written notification from the LEADER Coordinator and project coordinator that will state the LAG's reasons for rejecting the application. Negative decision of the PAC may be considered with the applicant in order to provide additional argumentation.

Note: The LEADER Coordinator is not part of the selection process but merely brings additional information to the PAC to assist them with their decision making.

6.3. Signing of Agreements and Procurement Process
Once accepted by the LAG the project applications will be presented by the LEADER Coordinator to the Accountable Body for a final review to ensure that all procedures described above have been properly followed. If, at this point, the Accountable Body evidences any break from the agreed procedures or any conflict of interest it has the right to decline the signing of a Sub-Grant Agreement. Should the application and selection file be in order then the successful applicant will sign a Sub-Grant Agreement (SGA) with the Accountable Body. This SGA outlines the roles and responsibilities of the two parties with respect to project implementation and financing and also the terms and conditions of the agreement.

Once the SGA is signed final list of successful candidates will be revealed by the LAG's decision and announced on the web site http://akhalkalakilag.ge. After signing the SGA the applicant and/or third party should transfer its co-finance to the Accountable Body and these co-finance funds will be used jointly with the grant fund to procure the items listed in the applicant's budget. All procurement will be made on behalf of the applicant by the Accountable Body, naturally consulting with the applicant on all purchases to be made. Where the specified procurement is for construction or rehabilitation works, then the Accountable Body, together with the applicant, will launch a tender process to secure the services of a construction company.

On completion of the procurement and construction activities all assets, facilities and infrastructure will be handed over to the applicant who will be responsible for their future use and maintenance.

6.4. Transparency of Selection and Grievance Mechanism

As explained above all information regarding decisions about applications will be transmitted to the respective applicants. All successful applications, along with a description of the projects to be funded, will be made available on the Akhalkalaki LAG website. All rejected applications will receive notification from the LEADER Coordinator in the form of a letter that will detail the reasons why the application was turned down. Any applicant that feels that their project was unfairly rejected, or feels that the designated procedures were not followed properly, may contact the Accountable Body to lodge a complaint that will be independently followed up with further information to be supplied to the applicant. Should the grievance be based on strong grounds then the Accountable Body will meet with the LAG to discuss the matter further and see what measures can be taken to re-include the rejected applicant into the program.

6.5. Appeals

All information about the decision made on the application is delivered to the applicant personally. All the winners will be uploaded together with the description of the project on the LAG's website. All the rejected applications are provided in written form with detailed information on the reasons why the application has been suspended. All applicants who believe that their project has been unfairly rejected or that the appropriate procedures were not protected may appeal to the GIPA's Project Manager in written form. Project Manager independently obtains additional information and invites the applicant to the meeting. If the applicant has strong arguments and in fact and the document is proven violation of the procedures, the Project Manager recommends the Chairman of the Akhalkalaki LAG to discuss the issue and further steps to the Project Assessment Committee of Akhalkalaki Local Action Group (LAG). Within 15 days from receiving a positive response, the applicant must present to LAG all required specifications for the requested materials/equipment etc., otherwise the project will not be financed regardless of the positive response.

6.6. Monitoring, Review & Evaluation

After financing the project, all legal and financial documentation should be available for the monitor during its implementation and monitoring. The above documentation will not be public if it does not include violations provided by law and grant agreement.

Direct beneficiary will produce and present regular accounting reports, performs all taxation requirements according to the Georgian legislation. The above documentation shall be available for GIPA, Mercy Corps and Akhalkalaki Local Action Group monitoring team for at least 3 years.

Supported LEADER projects must remain functioning and in use for its specified purpose by the applicant for an agreed period.

Direct beneficiaries must comply with the EU ENPARD objectives and priorities and guarantee the visibility of the EU financing in accordance to the Communication and Visibility Requirements (guidelines will be provided by the project implementing parties).

For experience sharing purposes, upon request of GIPA and Akhalkalaki LAG, the beneficiary shall ensure viewing of the project sight to the all interested parties within the next three years starting from signing the grant agreement.