

# PROJECT SUBMISSION GUIDELINES FOR APPLICANTS

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*These guidelines describe the rules and procedures that will guide the submission, selection and implementation of projects under the grant scheme program „Improving Trade and Productive Capacities of Moldovan Fresh Fruit Producers”, financed by the Aid for Trade Program and implemented by the United Nations Development Program.*

## **1 BACKGROUND**

The “Improving Trade and Productive Capacities of Moldovan Fresh Fruit Producers” project is funded by the Aid for Trade regional initiative and implemented by the United Nations Development Programme in Moldova. The project helps fresh fruit producers and exporters to improve their international competitiveness and market access externally, both in the CIS and in the EU markets.

Particular attention is paid to the promotion and pilot implementation of new (to Moldovan fresh fruit sector) technologies and practices that have the greatest potential to address the needs of the sector in terms of (1) improving product quality, (2) insuring product safety, (3) reducing unit costs and (4) increasing product shelf life (recommendations for new technologies are presented in the “Description of technologies.pdf” file).

In order to meet this goal the „Improving Trade and Productive Capacities of Moldovan Fresh Fruit Producers” project announces an Expression of Interest for Grants, which will be implemented from March until October/November 2013.

## **2 IMPLEMENTATION TIMEFRAME AND PROJECT SIZE**

The implementation timeframe for any project supported through the grant scheme should be up to November 2013.

The grant scheme is based on 60/40 principle: the „Improving Trade and Productive Capacities of Moldovan Fresh Fruit Producers” project will cover up to 60% of eligible expenses (without VAT), but not more than 40,000 USD per approved grant project.

## **3 ELIGIBLE PROJECTS**

Only projects implementing technologies and practices that are new to Moldova are eligible for this grant scheme programme (recommendations for new technologies are presented in the “Description of technologies.pdf” file).

Within the Expression of Interest, projects will be selected in four priority areas (at least one project will be selected for each area). The rationale for selecting the priority areas and the incomplete list of potential project ideas is presented below.

### 3.1 Improving fruit quality from the tree

The vast majority of Moldovan fruit producers are small and medium-sized and different technological approaches are used (traditional versus intensive orchards, minimal inputs versus high-input approach). As a result, the quality of what is harvested is not uniform. The required improvements in product quality could be achieved by:

- Introducing modern varieties with improved colouring and sizing;
- Introducing dwarfing rootstocks that yield fruit with higher and more homogenous quality;
- Introducing mechanical or chemical thinning;
- Improved plant nutrition, based on soil, water and plant-tissue analysis;
- Installation of rain covers;
- Installation of frost protection systems.

### 3.2 Reducing unit costs (increasing labour productivity)

It is expected that the reduction by Russia of the import taxes for non-CIS countries as it joins World Trade Organization will put a downward pressure on the farm-gate prices received by the Moldovan fruit growers, with the biggest impact being on apples. Under this scenario, the current profit margin could be maintained only if the unit costs will decrease. All activities mentioned at *Section 3.1* could contribute to this objective, with additional savings being obtained by increasing productivity of labour (one of the major cost items) through introduction of:

- mechanical pruning;
- picking platforms;
- mechanized grading and packing operations.

### 3.3 Increasing product shelf life

Currently only about 1/3 of exported Moldovan apples pass through the cold chain, while this share for stone fruits is even lower. None of the precooling technologies is implemented in the country, while the room cooling method used by Moldovan cold storages doesn't cool down the fruit quickly enough to ensure a long shelf life for the exported products.

The required Improvements could be achieved by introduction of:

- forced-air cooling;
- hydrocooling;
- improved cold storage technologies;
- improved packaging, such as well-ventilated packaging, cardboard open-top trays, tray liners to protect the fruit, etc.

### 3.4 Ensuring product safety

During the last couple of years, the Russian Federal Service for Veterinary and Phytosanitary Surveillance (Rosselkhozadzor) notified the Moldovan authorities about cases when Moldovan fruits had exceeded the Russian MRLs (Maximum Residue Levels). Additionally, implementation of GlobalGAP food safety standards is mandatory to be able to benefit from opportunities that could be created by the expected DCFTA agreement between Moldova and European Union. The required improvements could be achieved by introduction of:

- improved design of pesticide storages and spraying solution preparation sites;
- improved pesticide application equipment, such as sprayers with low-drift nozzles;

- improved scheduling of pesticide sprays by using weather stations and disease development models.

## 4 APPLICATION PROCEDURES

The organizations/entities that are interested in applying for the Call for Proposals should submit a package of documents, which include the Application form, the documents demonstrating the legal status of the applicant, quotations from potential technology suppliers for items to be financed with UNDP funds, as well as any other information to demonstrate the experience and the ability of the applicant to implement the project (i.e. business plan, etc.)

The application form must include enough detailed data, in particular with respect to the means of achieving the results of the project, the benefits that it will bring and the way to which it will contribute to goals designated in this Call for Proposals.

The application form must also show whether or to what extent this project is based upon or compliments other projects and initiatives implemented by the applicant or other partners in the same area, as well as ways for preventing the duplication of activities.

The application form should explain whether the project will lead to multiplication or spill over effects by replicating the results in other areas. Please specify whether the project could be reproduced at a different level or with respect to other initiatives.

The same organization could submit several grant applications for different technologies and priority areas. However, only one application could be awarded per applicant.

## 5 PROJECT BUDGET

When developing the project budget, the applicants should meet the following requirements:

- The budget should be realistic and cost-efficient;
- The budget of the project, as part of the application form, should be in US dollars;
- The budget should contain clear information about the ways the funds will be spend and a detailed breakdown of eligible expenses;
- The budget must correspond to the activity plan as it is described in the project proposal.
- The planned costs in the budget should be VAT 0%, as “Improving Trade and Productive Capacities of Moldovan Fresh Fruit Producers” is VAT exempted as being a technical assistance programme.

### 5.1 Eligible expenses

Expenses that are eligible for the grant support are limited to:

- Expenses for purchase of equipment and other tangible goods that are necessary for the purposes of efficient project implementation (technology demonstration);
- Expenses for the services of external consultants to be hired for on-spot technical assistance with installation/usage and maintenance.

NOTE: In kind contributions are not actual costs and cannot be considered as co-financing from the partner for project implementation.

## 5.2 Ineligible expenses

The following expenses are ineligible:

- Expenses incurred before the grant contract has been signed (including expenses related to project submission);
- Fines and penalties;
- Activities already financially covered by another grant programme / other persons providing financial support;
- Exchange rate losses.

## 6 APPLICATION PACKAGE

The application package should contain the following documents

- Application Form filled in Romanian or Russian. Handwritten Application Forms will not be accepted;
- Copy of the registration certificate to prove that the applicant is a registered legal entity;
- Declaration of partnership, where applicable, signed by parties;
- At least three quotations from potential suppliers for items to be financed with UNDP funds.

Application Form and Project Submission Guidelines are posted on the UNDP in Moldova website ([www.undp.md](http://www.undp.md)). These documents can also be received by sending a request to the following e-mail: [dumitru.vasilescu@undp.org](mailto:dumitru.vasilescu@undp.org).

## 7 DEADLINE AND ADDRESS FOR SUBMISSION OF PROPOSALS

Deadline for submission of proposals: Friday, 28 February 2013, 17:00.

The documents can be sent to the following e-mail: [tenders-Moldova@undp.org](mailto:tenders-Moldova@undp.org)<sup>1</sup>, marked Aft GSP-2013. The documents in sealed envelope (marked „Aft GSP-2013”) should be sent by post or delivered personally to the following address:

### **UNDP in Moldova**

**131, 31 August 1989 str., MD 2012, Chisinau, Republic of Moldova**

## 8 SELECTION AND EVALUATION PROCEDURES

Upon expiration of the deadline, a two-stage evaluation process of project proposals will take place:

- Stage I: verification of administrative compliance and eligibility– exclusion stage. UNDP will verify whether the Application Forms are duly filled in, the package is complete, and the stated criteria are met. This stage is carried out by the UNDP “Improving Trade and Productive Capacities of Moldovan Fresh Fruit Producers” project team with the help of hired industry experts. This stage could involve a site visit to inspect the site proposed for project implementation and verify technical feasibility of the project;

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<sup>1</sup> Messages should not exceed 5 MB in size. Offers larger than 5 MB should be split into several messages and each message subject should indicate “part x of y” besides the marking mentioned in the announcement and the solicitation documents. All electronic submissions are confirmed by an automatic reply from [tenders-Moldova@undp.org](mailto:tenders-Moldova@undp.org).

- Stage II: evaluation of project proposals. The compliance of project proposals with the stated objectives and priorities of the grant scheme programme is verified. This stage is carried out by an Evaluation Committee, which consists of UNDP staff, representatives of Ministry of Economy and Ministry of Agriculture and Food Industry, sector experts and representatives of international organizations and donors. The projects that receive the highest total number of points in their stated priority area will be recommended for final approval.

## 8.1 ELIGIBILITY CRITERIA

### 8.1.1 ORGANIZATIONS ELIGIBLE TO SUBMIT PROJECT PROPOSAL

To be eligible to submit project proposal applicants should meet all of the following criteria:

- To be a registered entity;
- Demonstrate capacity of financing the project up to 40% of its overall cost;
- To have already implemented the key prerequisite activities for an efficient project implementation (for example, the applicant for a hydrocooler is not eligible if the proposed site is not yet connected to the electricity grid);
- To be directly responsible for development and management of the project and not to act through intermediaries.

### 8.1.2 ORGANIZATIONS ARE NOT ELIGIBLE TO APPLY AND TO RECEIVE FINANCING IF THEY:

- Do not correspond to the above mentioned criteria;
- Were found liable for serious professional or financial mismanagement, proven by such evidence as can be recognized by UNDP in the Republic of Moldova;
- Were found to be in difficult situation due to failure by other parties providing financing to comply with contractual obligations.

Together with the Project Proposal, the applicant should submit a statement under their own responsibility that none of the above applies to them (see Application Form – section X – „Applicant’s Statement”).

## 8.2 EVALUATION CRITERIA OF PROJECT PROPOSALS

### 8.2.1 Quality of the project

Criteria	Maximum obtainable points
<ul style="list-style-type: none"> <li>▪ The projects’ contribution to achieving the overall goals and objectives of the “Improving Trade and Productive Capacities of Moldovan Fresh Fruit Producers” project;</li> </ul>	5
<ul style="list-style-type: none"> <li>▪ Clear description of the problem and proposed solution;</li> </ul>	5
<ul style="list-style-type: none"> <li>▪ Significance of the project for real needs of the Moldovan fresh fruit sector and direct project beneficiaries;</li> </ul>	5
<ul style="list-style-type: none"> <li>▪ Innovation and the way innovative solutions could contribute to increased exports;</li> </ul>	3
<ul style="list-style-type: none"> <li>▪ Project’s viability and perspectives of development of the applicant organization (benefits resulting from project implementation are able to exist</li> </ul>	5

independently over a long period of time after the end of project's financing).	
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### 8.2.2 Methodology of project implementation

Criteria	Maximum obtainable points
<ul style="list-style-type: none"> <li>▪ Correspondence of the proposed activities to the aims, objectives and expected results</li> </ul>	5
<ul style="list-style-type: none"> <li>▪ Feasibility of the action plan (proposed activities are realistic and feasible, taking into account the complexity of the proposed technical solution, as well as the degree of confidence and ability of the applicant to manage the project)</li> </ul>	5

### 8.2.3 Capacity of the applicant

Criteria	Maximum obtainable points
<ul style="list-style-type: none"> <li>▪ A minimum of 4 years existing business;</li> </ul>	3
<ul style="list-style-type: none"> <li>▪ Competence and experience of the organization in the area stipulated by the project;</li> </ul>	3
<ul style="list-style-type: none"> <li>▪ Applicant's experience in implementing innovations;</li> </ul>	5
<ul style="list-style-type: none"> <li>▪ Applicant's experience in disseminating innovations (such as hosting training events);</li> </ul>	3
<ul style="list-style-type: none"> <li>▪ Readiness/availability of the physical resources for the implementation of the planned activities (premises, equipment, transport, etc.);</li> </ul>	5
<ul style="list-style-type: none"> <li>▪ Membership of the applicant in industry associations or cooperatives of entrepreneurs.</li> </ul>	3
<ul style="list-style-type: none"> <li>▪ Established sales channels of the Applicant.</li> </ul>	5
<ul style="list-style-type: none"> <li>▪ Interested applicants need to be able to demonstrate that they are successful in selling or exporting their products and that they actually have enough produce (except for the first item) to be able to optimally use points 3.2 + 3.3. For 3.4 they need to prove that they are already exporting or that they have good chances to do so.</li> </ul>	5

### 8.2.4 Project Budget

Criteria	Maximum obtainable points
<ul style="list-style-type: none"> <li>▪ Justification of project expenses;</li> </ul>	5
<ul style="list-style-type: none"> <li>▪ Organization's contribution (above the minimum 40% of eligible costs).</li> </ul>	5

## 8.3 PARTNERS IN PROJECT IMPLEMENTATION

Applicants can act independently or in collaboration with partner organizations that can be other organizations, NGOs, research agencies, educational institutions, individual experts etc.

To facilitate evaluation of the operational capabilities of the partners, it is recommended to provide detailed information on partners' experience in the section „Partners“ of the Application Form. In order to

ensure implementation of the project at an appropriate level, the project partners should recognize their obligations, with specification of areas of each of them and the degree of their involvement in the activities, through the signing of the Declaration of Partnership. The Declaration of Partnership, which is an integral part of the package of documents, should be signed and dated by the applicant and his partner.

Only after the announcement of the decision on funding approval, the beneficiary will have to present the Partnership Agreement, which will stipulate rights and obligations of each partner. This document is not required at the stage of submission of project proposals and is not used at the stage of projects' selection.

The applicant (or, if the project is approved, the Implementing Partner) will act as the main organization and the only direct contact with the "Improving Trade and Productive Capacities of Moldovan Fresh Fruit Producers" project. The Implementing Partner is responsible for establishing an operationally efficient partnership that will ensure the implementation of the project at an appropriate level.

FOR ADDITIONAL INFORMATION, PLEASE CONTACT US BY E-MAIL: [dumitru.vasilescu@undp.org](mailto:dumitru.vasilescu@undp.org)