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CARE Deutschland e.V. Office in Kosovo within the Kosovo Youth Participation Project –
KYP
announces:

Call for Applications

Support to Youth Entrepreneurial Activities Guidelines for sub-grant applicants

Date: 25 July 2022

Application Deadline: 25 August 2022 at 12:00 pm

This call for applications is aimed for the **financial Support for the Youth Entrepreneurial Activities owned by legal entities: registered business units and/or non-government organizations (NGOs).**

This call for applications is announced for the granting of funds in the frame of the project “Kosovo Youth Participation – KYP”, funded by the European Union and implemented by CARE Deutschland e.V., Office in Kosovo in partnership with local organization SHL-Kosova. CARE Deutschland e.V. has been awarded a grant contract in the frame of the call for proposals: European Commission (Lot 2 –Participatory democracy, youth engagement), which aims to help disadvantaged youth, mobilisation in decision-making, voluntarism and employability.

The overall objective of the KYP Project is to support youth with fewer opportunities, especially young women, from rural areas and small towns of Kosovo, in order to create additional prospects for their increased social and economic participation. The specific objectives of the project are: to increase democratic participation, civic engagement and social inclusion of youth with fewer opportunities, marginalised and/or with different abilities, particularly women. The project focuses on three main components:

- Increased participation of disadvantaged youth in decision making, in local communities, and on the central level.
- Enhanced engagement and employability of marginalized youth, in particular young women, through skills development and involvement in volunteering initiatives.
- Fostered democratic dialogue across Kosovo youth, through raised awareness on and promotion of gender equality, solidarity, inter-cultural relations, and counter stereotypes and disinformation.



The position of youth in Kosovo is defined by the lack of practical opportunities for their social and economic participation. With 53% of the population under 25¹ years old, Kosovo has the youngest population in Europe, which represents a large demographic and economic pressure on Kosovo society, as each year a generation of youth finishes their education and starts searching for jobs. Kosovo youth of 15-24 years has an extremely high unemployment rate of 46,9 %. Unemployment of young women (15-24) is even higher according to the same statistics, at 61%, which points to multiple marginalization and exclusion. The KYP project aims at supporting different activities leading to higher employment of young people in the project target areas.

Sub-grants for Support to Youth Entrepreneurial Activities

This component of Financial Support to Third Parties scheme (FSTP) is specifically designed for entrepreneurial activities engaging young adults and aims to **support creative youth-engaging entrepreneurial activities and/or similar business ideas that promote innovation**. The youth entrepreneurial activities are eligible for FSTP **only if owned by officially registered legal entities: registered businesses or non-government organizations - NGOs, applying with a feasible business plan, which demonstrates creativeness, innovation and direct participation of youth.**

It is expected that entrepreneurial activities supported from this call will intensify youth social and/or economic engagement and significantly raise their managerial capabilities.

Sub granted entrepreneurial activities are expected to achieve the following results:

- Create direct opportunities for youth employment;
- Undertake on-the-job training to increase managerial skills of the involved youth;
- Ensure the sustainability and longevity of the supported entities (registered businesses/NGOs).

The project will support up to 5 entrepreneurial activities from registered businesses and/or NGOs, with an average grant amount of 8,000 EUR.

1.2 Timeframe

The selection process will take place in the period August - October 2022. Contract signing for the finally selected beneficiaries is expected in October 2022.

1.3 Geographical Coverage

The grants for will be provided for formal entities: youth led businesses/NGOs registered and operating in the following municipalities: Deçan/Dečani, Fushë Kosova/Kosovo Polje, Junik/Junik, Gjakova/Đakovica, Peja/Peć, Rahovec/Orahovac, Obiliq/Obilić, and Suharekë/Suva Reka. The KYP project will strive to achieve a proportional allocation of sub-grants to each target municipality; however, the distribution of financial support will also be affected by the quality of the received applications.

¹ EU Assistance to Kosovo report

https://eeas.europa.eu/archives/delegations/kosovo/documents/press_corner/education_for_the_future_en.pdf



1. ELIGIBILITY

Eligible Applicants

- Officially registered businesses led by youth (aged 18 - 29) and/or
- Officially registered NGOs working in the fields of advancing the role of civil society for social justice, participation, human rights, culture, environment and media with demonstrated record of previous projects with youth in local communities and experience on cooperation with local institutions; applying with a business idea directly engaging youth.

Ineligible Applicants

- Individuals
- Informal entities

2. TYPES OF ENTREPRENEURIAL ACTIVITIES TO BE SUPPORTED

The call will support innovative enterprises/startups, which focus on one or more of the following areas:

- Provision of services that promote youth, mobilization and human rights
- Digital technologies
- Creative production (arts, crafts)
- Youth social entrepreneurship
- Sustainable, green technologies
- Cultural/artistic commercial activities
- Media activities with a commercial component.

Apart from the feasibility and sustainability all supported entrepreneurial activities need to explain the following:

- How will the proposed project generate youth employment
- How will the proposed project contribute towards the development of the professional capacities of the applicant

Cross-cutting Issues

Gender mainstreaming as a tool towards gender equality will be a crosscutting issue throughout all interventions. As a general rule, all candidates are required to plan their interventions equally, being mindful of the effects of the intervention for men and women, boys and girls, and avoid contributing to harmful stereotypes. The project will particularly **foster participation of young women in the entrepreneurial activities** envisaged within the applications.

3. COST ELIGIBILITY

3.1 Eligible costs

Eligible costs are those costs that are:



- Indicated in the proposed budget as identifiable and verifiable costs;
- Planned to incur during the implementation of the grant;
- Necessary for the successful implementation and achievement of the business idea (such as purchase of new equipment, materials, prototype development, software, licenses, justifiable and realistic salaries, business operation expenses etc);
- Reasonable, justified and in compliance with the requirements of sound financial management including fair and market-based calculations and cost-efficiency. The calculation of costs in the application has to comply with the requirements of applicable tax legislation in Kosovo.

3.2 Ineligible costs

- Debt and provisions or payments for losses;
- Value Added Tax – VAT;
- Loan and interest repayments;
- Currency exchange fees;
- Equipment depreciation expenditures;
- Purchase of land or immovable property;
- Purchase of vehicle or generator;
- Purchase of second-hand goods;
- Payment of expenses covered by other donors;
- Credit to third parties;
- Costs of capital expenditure, such as infrastructure and land.

3.3 The following interventions/activities will not be supported:

- Interventions that are directly affiliated with or are supportive of political parties;
- Capital Investments;
- Grants composed entirely or mostly of preparatory work and/or studies;
- Cross border business ideas and activities to be implemented outside Kosovo;
- Service type activities such as Technical Assistance;
- Promotional campaigns;
- Interventions which are subject to multilevel dependency and approval, thus posing high risk for achieving results;
- Sub granting to third parties;
- Scholarships; Round table discussions or other similar events in venues; Research and feasibility studies, Study trips.

4. CONDITIONS OF THE GRANT CYCLE

Upon receiving applications, the KYP project will short-list a wider number of candidates, who will be invited **to attend the project organized business plan design training**. It is mandatory for the invited applicants to follow the business plan training **to fine-tune their business ideas into feasible business plans** which will then enter into final selection for funding. The participation to the business plan training is not a guarantee for funding.

Upon signing the contract the project team will maintain close monitoring and evaluation of the funded proposals, until the end of the sub-granting contracts.



Size and Duration of Grants

Type of sub-granted activity	Maximum Amount per sub-grantee	# of support foreseen	Duration of implementation of the grants scheme from the time that the contract is signed	Total amount envisaged for the call
Youth entrepreneurial activities	€8,000	Up to 5 proposals (Business/NGOs)	8 - 10 months	€40,000

The businesses/NGOs finally selected for FSTP/granting are expected to sign the award contract in October 2022.

The project reserves the right to short-list any or none of the applications submitted, as well as to request additional information from the applicants in case any clarifications are needed for the selection process.

5. APPLICATION SUBMISSION PROCEDURES

Applications will be submitted through the project developed Application Form, in any of the following languages: Albanian, Serbian and English. The applicant cannot deliver more than one application. **The full application must be submitted electronically to the following email: care.kosovo@care.org no later than 25 August 2022.** All applicants must submit the following documents:

1. Application form (Annex 1)
2. Budget form (Annex 2)
3. Business registration document for business applying, for NGOs registration certificate, issued by the Department for NGO; and UNI/Fiscal Number Certificate.
4. Total annual turnover statement from TAK for existing businesses and certificate that prove that the business and/ or NGO has no debt to TAK (not older than 3 months).

Request for Clarifications/Further Information: Applicants may submit their requests for clarifications by **19 August 2022 at 16:00**, via email to: care.kosovo@care.org.

The incomplete applications and/or applications submitted after the deadline will not be taken into consideration. The information presented by applicants will be used strictly for the purposes of this call and will not be shared with other persons or institutions, except when either required by Kosovo law or requested by donors. Upon the submission of their application, the applicants will receive a Confirmation of Receipt with an application number.



6. CRITERIA FOR EVALUATING PROPOSALS

STEP 1: ADMINISTRATIVE CHECK

The application will be rejected if the examination of the application reveals administrative errors, as following;

- The application has not arrived in a timely manner;
- The application package is not completed;
- The required supporting documents are not provided;
- The application form is not signed by the authorized person and stamped;

STEP 2: QUALITY EVALUATION FOR SHORT-LISTING OF CANDIDATES

The quality of the applications will be evaluated using the evaluation criteria below.

Criterion for short-listing	Points	Maximum
Quality of the proposed business idea		
Does the proposed business generate new youth employment?		15
How consistent is the proposed business idea with the conditions of the Call?		20
Does the proposed business idea have a social component aimed at addressing the problems of youth?		15
Is the involvement of young women particularly considered?		5
Management skills - feasibility		
Does the applicant demonstrate relevant expertise and capacity to work on the suggested entrepreneurial activity?		20
Costs		
How realistic and effective the budget is in relation to the proposed business idea?		10
Are the business elements appropriately reflected in the budget?		15
Total points		100

7. EVALUATION, SHORT-LISTING OF APPLICATIONS AND FURTHER STEPS

The selection process will be done in two stages: short listing and final selection.

Short-listing: Evaluation of business ideas – applications and the pre-selection of applicants will be undertaken by the Project Selection Committee. The selection will be based on the clarity, quality, feasibility, creativity and innovation of the business ideas.

Results of the pre-selection process will be announced by email to the applicant's mail addresses. All rejected applicants will be sent an electronic feedback by e-mail no later than 15 days after the final decisions about the short-listed applications have been made. Unsuccessful applicants may complain **within two working days from the day when the rejection email has been sent**. The pre-selected applicants will be invited to attend mandatory project trainings in business plans development, upon which the final business plans will be solicited and **final selection** of grantees undertaken.



8. REALISATION OF THE GRANT SCHEME

a. Contracting and ownership

CARE Deutschland e.V. Office in Kosovo will sign contracts with final grant recipients, regulating their relations, ownership etc.

The project granting will be realized through the transaction of funds, in installments, from CARE to the selected grantees. All payments for the approved entrepreneurial activities will then be made by the selected beneficiaries, strictly according to the approved expenses from their business plans.

CARE Deutschland e.V. Office in Kosovo will then have the ownership over the purchased equipment and materials until the end of the KYP project, when it becomes the property of beneficiaries.

KYP project will monitor the use of grant funds throughout the process, through the revision of regular reporting, regular communication with grantees and periodic field visits. Apart from regular reporting to CARE, grantees (businesses/NGOs) are obliged to provide CARE staff with unrestricted access to the purchased goods, information on its use, as well as on the status of their entrepreneurial activity (i.e. registration, etc), status of young people engaged and on the achieved economic results.

b. Use of Equipment and Visibility Requirement

The grantees are obliged to use the project grant solely for the purpose of their entrepreneurial activity as described in their approved business plans. In order to monitor the expenses, the grant will be given in installments linked to milestones. In case of the proved misuse of the funds, the grantees will be required to compensate the damage and repay the grant amount to CARE.

The granted equipment must be marked according to the visibility requirements, which will be provided by CARE.

c. Publicity

Beneficiaries must recognize the contribution of CARE Deutschland e.V. Office in Kosovo and European Union (EU) funds in all publications, audio-visual materials, online presence and social media, or other activities promoting the entrepreneurial activity developed through the project grant. In this regard, the logos of CARE and the European Union (EU) as well as the disclaimer which will be used, will be provided to successful applicants by CARE project team.

9. ANTICIPATED TIMELINE FOR THE AWARD PROCESS

Activity	Date
Call for business ideas issued	25 July 2022
Requests for Clarification/Information (via email)	19 August 2022
Online Information session	5 August 2022 (from 11:00 - 12:00) (Join Zoom Meeting) https://careorg.zoom.us/j/95933485885?pwd=S3lpOG1RYXhnT0xDWE9VeFJiNE5RQT09
Deadline for submission of applications	25 August 2022 at 12:00pm
Short-listing of applicants. Invitations to attend business plans design trainings	8 and 9 September 2022
3-days training on Business Plan Development (two rounds)	12 - 19 September 2022



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Submission of finalized Business Plans and Budget	26 September 2022
Expected grant award announcement	3 - 4 October 2022
Contract signing	10 - 11 October 2022