



Caribbean Export Development Agency

**GUIDELINES TO THE
DIRECT ASSISTANCE GRANT SCHEME**

ACCELERATED PROCEDURES

Call for proposals Number 01-10

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1. THE CARIBBEAN EXPORT DEVELOPMENT AGENCY DIRECT ASSISTANCE GRANT SCHEME

1.1 INTRODUCTION

Background

The Caribbean Export Development Agency (Caribbean Export), is a regional export development and trade and investment promotion organisation of the Forum of Caribbean States (CARIFORUM). Caribbean Export is also a beneficiary of funding assistance from the 9th European Development Fund, under which the Agency is responsible for implementing the Caribbean Trade and Private Sector Development Project (CTPSDP).

An outline of the Agency's Vision, Mission and work related to the CTPSDP is noted below:

Vision

Caribbean Export is a catalyst for regional economic prosperity through strategic interventions on export development and trade and investment promotion

Mission

To increase the competitiveness of Caribbean countries by providing quality export development and trade and investment promotion services through effective programme execution and strategic alliances.

Caribbean Trade and Private Sector Development Programme (CTPSDP)

The main objective of the CTPSDP is to contribute to the gradual integration of CARIFORUM countries into the world economy, and by so doing, enhance regional economic growth and thus help alleviate poverty.

The programme is expected to achieve the following results:

- Increased competitiveness of firms through market expansion and export diversification support
- A vibrant Caribbean Business and Investment Support Network with strengthened Business and Investment Support Organisations
- Greater cooperation between the CARIFORUM business sector and that of the DOMs and OCTs
- Increased contribution by the Caribbean business sector for the improvement of the regulatory environment for private sector development in the region
- Assistance with EPA preparation and implementation."

Direct Assistance (Accelerated Procedure)

The Accelerated Procedure is defined as assistance to small projects where the beneficiary receives grants valued:

Minimum amount: EUR 1,000

Maximum amount: less than EUR 5,000

No direct assistance may exceed **70% (EUR 5,000)** of the total eligible cost of the project

Applicants may be awarded up to a maximum of EUR 30,000 over the life of the scheme

The Management of Caribbean Export is authorised to approve funds under the Direct Assistance Accelerated Procedures. Applications for funds under the Direct Assistance small projects may be made through the National Trade Promotion Organisation.

1.2 RULES

These guidelines set out the rules for the submission, selection and implementation of projects financed under the Scheme.

1.3 Eligibility criteria

1.3.1 Eligibility of Applicants: who may apply

(1) In order to be eligible for funds under the Direct Assistance Scheme, applicants **must**:

Be an established;

- a) Firm, legally registered in a CARIFORUM member state, or
- b) Have their headquarters or management and marketing control in any of the CARIFORUM countries (Antigua and Barbuda, Bahamas, Barbados, Belize, Dominica, Dominican Republic, Grenada, Guyana, Haiti, Jamaica, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, Suriname and Trinidad and Tobago).
- c) Be directly responsible for the preparation and management of the project, not acting as an intermediary;

(2) Potential applicants may not participate or be awarded funds under the Direct Assistance Scheme if:

- (a) They are bankrupt or being wound up, are having their affairs administered by the courts, have entered into an arrangement with creditors, have suspended business activities, are the subject of proceedings concerning those matters, or are in any analogous situation arising from a similar procedure provided for in national legislation or regulations;
- (b) They have been convicted of an offence concerning professional conduct by a judgement which has the force of *res judicata* (i.e., against which no appeal is possible);
- (c) They are guilty of grave professional misconduct proven by any means which Caribbean Export can justify;
- (d) They have been the subject of a judgment which has the force of *res judicata* for fraud, corruption, involvement in a criminal organisation or any other illegal activity detrimental to the Communities' financial interests;
- (e) They have been declared to be in serious breach of contract for failure to comply with their contractual obligations in connection with a procurement procedure or other direct assistance procedure financed by the Community budget.

Applicants are also excluded from participation in the Scheme or the award of the Direct Assistance if, at the time, they:

- (f) Are subject to a conflict of interest;
- (g) Are guilty of misrepresentation in supplying the information required by Caribbean Export as a condition of participation in the Scheme or fail to supply this information;

- (h) Have attempted to obtain confidential information or influence the evaluation committee or Caribbean Export during the evaluation process of current or previous applications.

In the cases referred to in points (a), (c), (f), (h) and (i) above, the exclusion applies for a period of two years from the time when the infringement is established. In the cases referred to in points (b) and (e), the exclusion applies for a period of four years from the date of notification of the judgment.

In Section E of the Accelerated Procedures application form (“Declaration Form”), applicants must declare that they do not fall into any of the above categories (a) to (f).

2. ELIGIBLE PROJECTS: PROJECTS FOR WHICH AN APPLICATION MAY BE MADE

Definition: A project (or action) is composed of a set of activities.

Duration: The duration of a project may not exceed **two (2)** months.

Objectives

Projects must be aimed at one or more of the following objectives.

- Increase the competitiveness of firms in the Caribbean region
- Take advantage of the CSME or any other bilateral or multilateral arrangements signed by the region such as vertical or horizontal alliances across the region or with ACP or EU partners
- Foster intra regional cooperation to enhance productivity and take advantage of economies of scale
- Promote programmes which will impact on underdeveloped areas or disadvantage sectors within the region (rural areas, women, etc)

Location

Projects must be based in one or more CARIFORUM countries: Antigua and Barbuda, Bahamas, Barbados, Belize, Dominica, Dominican Republic, Grenada, Guyana, Haiti, Jamaica, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, Suriname and Trinidad and Tobago. However execution of the project can take place anywhere in the world, so as not to restrict the target market of an applicant and hence potential beneficiary.

Type of eligible projects

- Research, Development and Innovation
- Advisory services
- Product and service development
- Marketing services and activities (trade fairs participation, trade mission, in-market activities, etc)
- Quality and environmental systems
- Promotional material (brochures, catalogues, cds, videos, etc)
- Training programmes
- Implementation of IT solutions (website, e-commerce, multimedia, etc)
- Market research and testing
- Packaging, design
- Intellectual Property activities (brand registration, patents, etc)

This list is for guidance only and is not exhaustive.

Type of Ineligible projects

The following types of **project** are ineligible:

- **Projects concerned only or mainly with individual sponsorships for participation in workshops, seminars, conferences, congresses;**
- **Projects concerned only or mainly with individual scholarships for studies or training COURSES;**

Number of proposals and Direct Assistance per applicant

An applicant may not be awarded more than four grants during a budget year.

No project may be split for the purpose of evading compliance with the rules laid down in a call for proposals.

An applicant may be awarded up to a maximum of EUR 30,000 over the duration of the Scheme. The duration refers to the life span of a programme relating to a specific financing agreement.

2.1.1 Eligibility of costs: costs which may be taken into consideration in awarding the direct assistance

Only “eligible costs” can be taken into account in deciding the value of the Direct Assistance Grant Scheme. These are detailed below. The budget is therefore both a cost estimate and a ceiling for "eligible costs". Note that the eligible costs must be based on detailed real costs, not lump sums (except for subsistence costs and indirect costs).

Recommendations to award the Direct Assistance Grant are always subject to the condition that the review process, which precedes the signing of the contract, does not reveal problems requiring changes to the budget.

Changes to the budget as a result of the review process undertaken by Caribbean Export may decrease, but not increase the overall budget amount. The review may give rise to requests for clarification and may lead Caribbean Export to impose reductions in the award. It is therefore in the applicant's interest to provide a **realistic and cost-effective budget**.

Eligible direct costs

To be eligible under the Scheme, costs must:

- Be necessary for carrying out the project, be provided for in the contract annexed to these Guidelines and comply with the principles of sound financial management, in particular value for money and cost-effectiveness;
- Have actually been incurred by the applicants or their partners **during the implementing period** for the project as defined in Article 2 of the Specific Conditions, whatever the time of actual disbursement by the applicant or a partner; this does not affect the eligibility of costs for preparing the final report and as the case may be, of the final expenditure verification and final evaluation. The costs incurred by the applicants’ associates are not eligible (with the exception of subsistence and/or travel costs)

The costs of goods/services/works used/provided/delivered are considered to have been incurred during the implementation period of the Project. The relevant contracts may have been awarded by the applicant or his partners before the implementation period of the Project started, provided the provisions of Annex IV to the contract were respected. Such costs must be paid for before the final report is finalised.

- Be recorded in the applicant's or the applicant's partners' accounts or tax documents, be identifiable and verifiable, and be backed up by originals of supporting documents.

Subject to those conditions and where relevant to the contract-award procedures being respected, eligible direct costs borne by the applicant and his partners include:

- The cost of staff assigned to the project, corresponding to actual salaries plus social security charges and other remuneration-related costs; salaries and costs must not exceed those normally borne by the applicant or his partners, as the case may be, unless it is justified by showing that it is essential to carry out the project;
- Travel and subsistence costs for staff and other persons taking part in the project, provided they do not exceed those normally borne by the applicant or his partners, as the case may be; any flat-rate reimbursement of the subsistence costs must not exceed the rates published by Caribbean Export at the time of the signing of the contract.
- Purchase or rental costs for equipment and supplies (new or used) specifically for the purposes of the Project, and costs of services, provided they correspond to market rates;
- The cost of consumables;
- Subcontracting expenditure;
- Costs arising directly from the requirements of the contract (dissemination of information, evaluation specific to the project, audit, translation, printing, insurance, etc.) including financial service costs (in particular the cost of transfers and financial guarantees).

Ineligible costs

The following costs are not eligible:

- Debts and provisions for losses or debts;
- Interest owed;
- Items already financed in another framework;
- Purchases of land or buildings, except where necessary for the direct implementation of the project, in which case ownership must be transferred to the final beneficiaries and/or local partners, at the latest by the end of the project;
- Currency exchange losses;
- Taxes, including VAT, unless the Beneficiary (or the Beneficiary's partners) cannot reclaim them and the applicable regulations do not forbid coverage of taxes;
- Credits to third parties;

The activities covered under the Direct Assistance Scheme should not generate direct profit, as defined below:

- The Beneficiary accepts that the grant can under no circumstances result in a profit for himself and that it must be limited to the amount required to balance income and expenditure for the Action. Profit shall be defined as:

- In the case of a grant for an Action, a surplus of receipts over the costs of the Action in question when the request is made for payment of the balance. However, in the case of Actions designed specially to strengthen the financial capacity of the Beneficiary, it is distribution to the members making up the beneficiary body of the surplus revenue resulting from its activity leading to their personal enrichment.

2.2. HOW TO APPLY, AND THE PROCEDURES TO FOLLOW

2.2.1 Application Form

Applications must be submitted using the Accelerated Procedures application form. The application form can be downloaded from Caribbean Export's website at www.carib-export.com

Applicants should keep strictly to the format of the application and fill in the paragraphs and the pages in order.

Applicants must apply in English.

Please complete the application form carefully and as clearly as possible so that it can be properly assessed. The applicant should be precise and provide enough detail to ensure that the application is clear, particularly as to how the aims of the project will be achieved, the benefits that will flow from it and the way in which it is relevant to the programme's objectives.

Any error related to the points listed in the Checklist (section G of the Accelerated Procedures application) or any major inconsistency in the application form (e.g. the amounts mentioned in the budget are inconsistent with those mentioned in the application form) may lead to the immediate rejection of the proposal.

Clarifications will only be requested when information provided is unclear, thus preventing Caribbean Export from conducting an objective assessment.

Hand-written applications will not be accepted.

Please note that only the application form and the published annexes which have to be filled in (budget) will be transmitted to the evaluation committee. It is therefore of utmost importance that these documents contain ALL relevant information concerning the project. No supplementary annexes should be sent.

2.2.2 Where and how to send the applications

Applications must be received in a sealed envelope by registered mail, private courier service or by hand-delivery (a signed and dated certificate of receipt will be given to the deliverer) at the address below:

Postal address

Caribbean Export Development Agency P.O. Box 34B Brittons Hill Barbados, BB14000	OR	Caribbean Export-SubRegional Office Calle Carlos Lora No.9 Ensanche Los Restauradores Santo Domingo, Dominican Republic
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Address for hand delivery

Caribbean Export Development Agency Hastings Main Road Mutual Building, Ground Floor Christ Church, Barbados, BB15154	OR	Caribbean Export- Sub Regional Office Calle Carlos Lora No.9 Ensanche Los Restauradores Santo Domingo, Dominican Republic
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2.3 EVALUATION AND SELECTION OF APPLICATIONS

Applications will be opened and examined by the Assessors. The Assessors would also evaluate the applications for presentation to the formal committee meeting. All projects submitted by applicants will be evaluated according to the following steps and criteria.

STEP 1: Evaluation of the Application Form

An evaluation of the quality of the proposals, including the proposed budget, and the capacity of the applicant will be carried out in accordance with the evaluation criteria set out in the Evaluation Grid included below.

	Maximum Score
Financial and Operational Capacity	40
Relevance	30
Sustainability	15
Budget & Cost Effectiveness	<u>15</u>
Maximum total score	100

STEP 2: Eligibility of the Applicant

The eligibility verification, is based on the supporting documents requested by Caribbean Export in the Application Form, and will be performed for the proposals that have been submitted. **Applicants must receive an average score of 60% in order to be eligible.**

The Declaration by the applicant (Section E of the Accelerated Procedures Application Form) will be cross-checked with the supporting documents provided by the applicant. Any missing supporting document or any incoherence between the Declaration by the applicant and the supporting documents may lead to the automatic rejection of the proposal on that sole basis.

The eligibility of the applicant and the project will be verified according to the criteria set out in sections 1.2 and 2.

Following the above analysis and if necessary, any rejected proposal will be replaced by the next best placed proposal in the reserve list that falls within the available financial envelope, which will then be examined for the eligibility of its applicant and the partners.

2.4 SUBMISSION OF SUPPORTING DOCUMENTS FOR SELECTED PROPOSALS

Applicants who have been approved will be informed in writing by Caribbean Export. They will be requested to supply the following documents in order to allow Caribbean Export to verify the eligibility of the applicants:

A financial identification form conforming to the model attached at Annex VI, certified by the bank to which the payments will be made. This bank must be located in the country where the applicant is registered.

The supporting documents requested must be supplied in the form of originals.

If these documents are not provided by the timeframe established by the Caribbean Export the application will be rejected.

2.5 NOTIFICATION OF CARIBBEAN EXPORT'S DECISION

2.5.1 Notification of the Decision

Applicants will be informed in writing of Caribbean Export's decision concerning their application. Caribbean Export's decision to reject an application or not to award a grant is final.

2.6 CONDITIONS APPLICABLE TO IMPLEMENTATION OF THE PROJECT FOLLOWING CARIBBEAN EXPORT'S DECISION TO AWARD THE DIRECT ASSISTANCE.

Following the decision to award the Direct Assistance Grant, the Beneficiary will be offered a Direct Assistance contract. The contract will, in particular, establish the following rights and obligations:

Final amount of the direct assistance

The maximum amount of the direct assistance will be stipulated in the contract, and this amount is based on the budget as explained in point 2.1.

Failure to meet the objectives

If the Beneficiary fails to implement the project as undertaken and agreed in the contract, Caribbean Export reserves the right to refuse payment; and/or to terminate the contract. Caribbean Export's contribution may also be reduced.

Amendments to the contract and variations within the budget

Any amendment to the contract must be set out in a written addendum to the original contract. However, some amendments (addresses, bank account, and changes of auditor) may simply be notified to Caribbean Export.

Caribbean Export reserves the right to oppose the amendments relating to bank account and auditor.

The description of the Project (included in the Application Form) and budget items may vary from the original figures provided that the following conditions are met:

- (1) they do not affect the basic purpose or total value of the project; and
- (2) the financial impact is limited to a transfer between items within a single main budget heading or to a transfer between the main budget headings involving a variation of 20% or less of the original amount (as the case may be modified by addendum) of each relevant main budget heading.

In such instances, the Beneficiary may make alterations to the budget, and inform Caribbean Export.

This method may not be used to amend the heading for administrative costs.

In all other cases, a written request must be made in advance to Caribbean Export and an addendum is required.

Reports

Reports must be drafted in the English language. The Final Narrative Report (Annex VII), the Final Financial Report (Annex VIII) and the Company Profile Form (Annex IX) conforming to the models attached to the contract are to be supplied together with payment requests.

The reports (the Final Narrative Report and the Final Financial Report) must also be submitted in electronic format (CD/DVD format). The electronic format must be **exactly the same** as the printed version to be submitted.

Payments

The Beneficiary will receive a one-off payment at the end of the project. Payments will be made in accordance with the information supplied in the Financial Identification Form.

Accounts of the project

The Beneficiary must keep accurate and regular records and dedicated, transparent accounts of the implementation of the project. It must keep these records for seven years after payment of the balance.

Expenditure verification

The contract will permit the Caribbean Export or the European Commission, to carry out both record-based and on-the spot inspections of the project.

Publicity

Appropriate visibility and credit must be given to the direct assistance made by the Caribbean Export and the European Union, for example, in reports and publications stemming from the project or during public events associated with the project, etc.

3. DOCUMENTS / ANNEXES

LIST OF DOCUMENTS

- Guidelines to the Direct Assistance Scheme – Accelerated Procedures

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