





### Contracting authority:

## Italian Agency for Development Cooperation (AICS)

Programme:

## VaMoz Digital! Digital Competences, Entrepreneurship and Services as Opportunities for Youth Growth in Mozambique

**Call for Proposals** 

## **Guidelines for Grant Applicants**

Reference:

## 01/2023/VaMoz Digital/AICS\_NDICI Africa/2023/442-998

Deadline for submission of concept note and full application:

## 5<sup>th</sup> April 2024 at 2,00 pm

(Maputo date and time<sup>1</sup>)

### Amended on 14<sup>th</sup> March:

✓ Pag. 18 (the target "job seekers" was replaced by "ICT professionals" for Output 2.3)

✓ Pag. 25 (the words "and other mandatory annexes", "each" was added for the sake of clarity, when referring to the electronic versions of the documents to submit)

✓ Pag. 26 (the words "As regards the electronic copies," were added for the sake of clarity)

<sup>&</sup>lt;sup>1</sup> Time converter tools are available online, e.g., <u>https://www.timeanddate.com/worldclock/converter.html</u>

### Notice

This is an open call for proposals, where all documents are submitted together (concept note and full application). In the first instance, only the concept notes will be evaluated. Thereafter, for the lead applicants who have been pre-selected, the full applications will be evaluated. 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.

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# 1. VAMOZ DIGITAL! DIGITAL COMPETENCES, ENTREPRENEURSHIP AND SERVICES AS OPPORTUNITIES FOR YOUTH GROWTH IN MOZAMBIQUE

#### 1.1. CONTEXT AND BACKGROUND

Mozambique ranks among the lowest positions in the UN-published Human Development Index and in terms of economic development by several criteria. Mozambique's economic development model has been relying for decades on foreign direct investment (FDI) in extractive-led, capital-intensive sectors, with limited linkages to the local economy. So far, this has not been conducive to greater social and economic inclusion. Subsequently, the great majority of the population lives in extreme poverty or in conditions of vulnerability to multidimensional poverty; at the same time, the rapid population growth is exerting extra pressure on job creation (current demographic trends estimate that 500,000 youth are joining the labour force every year) and basic services delivery. Actual access to secondary education is low and to higher education extremely low (the gross enrolment rate has been respectively around 35% and 7% in recent years). Even the literacy rate of youth in the age group 15-24 years is currently below 70%, affecting their capacity to find decent employment.

Among other necessary interventions needed to unleash the full potential of the youth, the African Union, the Government of Mozambique, and their cooperation partners (especially the EU and its Member States at the light of the Global Gateway vision and focus) have identified the digital transformation as one crucial challenge to tackle.

The most accredited reviews of the digital state of play in Mozambique (e.g., the 2018 World Bank's Mozambique Digital Economy Diagnostic) indicate significant gaps in five key areas, namely: 1. broadband connectivity and affordability; 2. intermediate and advanced digital skills; 3. the application of ICTs in the delivery of public services through appropriate platforms; 4. the promotion of digital entrepreneurship; 5. and the expansion of digital financial services.

In order to focus and invest in these key areas, Mozambique needs to address firstly the institutional gap: the country still lacks enabling legislation and regulation in data protection, privacy, cybersecurity and frontier technologies. Moreover, the system of authorities and their respective competences in the sector is complex and may be confusing for larger and smaller economic actors when drafting their business plans.

The Mozambican Government has been aware of its challenges in the education system and the technology investments, as well as of risks such as cyber-attacks and fraud, of privacy threats, and even of possible disruption to markets.

Concerning the regulatory framework, it has developed a series of policies and strategies for promoting the information and communications technology (ICT) sector. The Information Society Policy (*Política da Sociedade da Informação* - 2018) is a key government document that lays out the vision, mission, objectives, and framework for ICT to become a means for economic and social development for Mozambicans. The policy aims to leverage ICT to reduce poverty and improve the quality of life of Mozambicans. It also boosts the efficiency and effectiveness of the public sector and the consequent economic growth, the provision of public services, as well as improving social justice through increased democracy and transparency of the State action. The Policy should have been implemented through the subsequent Strategic Plan for Information Society (2019-2028) and the large set of projects comprising the Operational Plan for the Information Society, which showed a concrete articulation of the vision. However, so far digital transformation has been hampered by little investment in connectivity and the modest technical staffing of the government relevant institutions.

In other words, the very "digital divide" makes it difficult for the economy and the country's institutions to enter the new sector unless partnership strategies are undertaken.

Overall, despite the regulatory and infrastructure progress registered in the country's digital sector over the last few years, universal broadband access is far from being achieved and Government is just starting offering (partially) digital services (to a still tiny percentage of citizens). Internet data tariffs are improving but still not affordable to most of the population, whose majority also struggle to access internet-enabled devices. Nevertheless, half of the population was using mobile phones in 2021 and was somehow reached by mobile broadband in 2022 (17% of citizens used internet at least once).

In this context, some development programmes, among which the ones funded and implemented by the World Bank, the European Union or Italy, are trying to support the process of digital transition, in coordination with several public institutions among which the Ministry of Science, Technology and Higher Education (MCTES),<sup>2</sup> the National Institute for E-Government (INAGE) and the National Institute for ICT (INTIC).

In particular, the European Union is financing a 10M EUR action called "VaMoz Digital!", a flagship programme of the Global Gateway process, approved in 2022 and articulated in 2023 into two sub-programmes:

- "VaMoz Digital! Digital Competences, Entrepreneurship and Services as Opportunities for Youth Growth in Mozambique", i.e., the action described in this document, for which the Italian Agency for Development Cooperation (AICS) was identified as the implementing partner (IP), and the complementary
- "Laying the Foundations for VaMoz Digital?", which was assigned to the International Telecommunications Union (ITU), focussing especially on the regulatory and policy framework, as well as on the most appropriate curricula for digital skill transfer. This second component will run in parallel with the activities carried out under the first component by the group of organisations awarded the grant(s).

The European Union is, therefore, the funding institution for the two grants to be awarded through this Call for Proposals, while AICS is the EU's implementing partner acting as the Contracting Authority.

#### **1.2. OBJECTIVES OF THE PROGRAMME AND PRIORITY ISSUES**

Under the "VaMoz Digital!" action, the two implementing partners (IP's) AICS and ITU mean to enhance the potential of the local digital economy, the capacity of institutions to govern and stimulate the new dynamics and promote new services of public interest; they committed to build new skills (including reskilling and upskilling people already in employment in businesses lacking competitiveness and future markets), while also encouraging and supporting micro- and small businesses to innovate, consolidate or enter expanding markets.

Through this Call for Proposals, AICS will provide each target region with an asset designed to be a service provider and a catalyser for training initiatives and for economic activities, by establishing

<sup>&</sup>lt;sup>2</sup> The Ministry of Science, Technology and Higher Education is partnering AICS in another programme with a very similar object as the one of this Call for Proposals ("Digit – Support to the Strategic Plan for the Information Society of Mozambique through Tech Hubs for Digital Excellence") and will support AICS in the monitoring and supervision of the VaMoz Digital! programme in the Central and Northern Region.

two tech hubs<sup>3</sup> and award the grants to consortia that will restructure/refurbish, equip and operate an appropriate physical facility at least for the duration of the programme.

The programme adopts **the public-private partnership** (PPP) **model** for addressing challenges in digital innovation, as governments' budgetary constraints worldwide have encouraged them to do. Public-private partnerships are an increasingly effective strategy for drawing together the resources and know-how that are needed to expand and improve support and services for ensuring that the country progresses in its digital readiness.

The winning PPP / consortia (one per lot, i.e., one per region) will engage in building the skills requested by the most active companies (employability) from a human-centric perspective, as well as foster the early development stages of new businesses (of the smallest sizes) which may gain competitiveness and be job creators, with special attention to enhance inclusion in these processes.

#### **Objectives and Expected Results of the VaMoz Digital! Action**

The Overall Objective (the desired **Impact**) of this action is to contribute to Mozambique's inclusive growth focused on digital transformation.

The Specific Objectives (or **Outcomes**) of this action are:

- 1. <u>a conducive environment for inclusive digital transformation is enhanced</u>,
- 2. <u>inclusive opportunities for youth employment, innovation and digital entrepreneurship are enhanced</u>.

The **Priorities, or desired outputs**, to be delivered through this programme by AICS and its subimplementing partners (grantees) contributing to Outcome n. 1 and n. 2 are described below.

#### Contributing to Outcome 1:

- **Priority/Output 1.1** New and innovative e-services available to citizens, and especially accessible to people with disabilities,
- **Priority/Output 1.2** Two "Tech Hubs" operationalised providing appropriate facilities for training and incubation services,

**Priority/Output 1.3** Access to multimedia services for communities improved.

Contributing to Outcome 2:

- **Priority/Output 2.1** Competencies of teachers with a specific focus on the needs of people with disabilities enhanced, in line with the *European Framework for the Digital Competence of Educators* (DigCompEdu),
- **Priority/Output 2.2** Digital competencies of (young) job seekers and students, particularly girls and people with disabilities enhanced,

<sup>&</sup>lt;sup>3</sup> By tech hub we refer to a physical location, where technology companies, start-ups, and entrepreneurs gather to work, collaborate, network, and access resources and support services. These physical spaces typically provide co-working facilities, conference rooms, shared office equipment, and opportunities for networking and community building. The goal is to create a collaborative environment where technology professionals can come together to exchange ideas, develop new products and services, and drive innovation. In this programme the tech hubs shall prioritise skill development (thus there shall be training rooms), job creation (then there will be spaces for mentorship and start-ups work), community building, fostering collaboration and catalysing innovation (typically through call for ideas, hackathons, etc.).

One tech hub shall be established in the Central region (Province of Sofala, or Manica, or Tete, or Zambézia) and one shall be established in the Northern region (Province of Niassa, or Nampula, or Cabo Delgado): the final target province and city will be decided during the proposals' evaluation phase, according to the strongest proposal for each lot.

Priority/Output 2.3 Skills of ICT professionals upgraded,

Priority/Output 2.4 New digital and sustainable start-ups supported with incubation services,

Priority/Output 2.5 Micro, Small and Medium-sized Enterprises expanded with acceleration services.

#### **Beneficiaries**

The Mozambican youth were defined above as a population group particularly affected by lack of job opportunities in the country and, at the same time, one with a strong potential to participate in, and benefit from the global digital transformation process, if the some challenges are tackled, among which focused (education and) training, promotion and support to innovative entrepreneurship and stimuli to the proposal and development of new services.

Through this action, in each province where the two tech hubs will be established under this action, the youth (especially in the urban areas) are to be considered the **indirect beneficiaries** targeted in the medium and long term, while trusting that at the institutional level a rationalisation process and appropriate reforms match these efforts.

With specific regard to persons with disabilities (PwD), it is worth mentioning that, if relevant measures to facilitate full access for PwD (content, means, physical infrastructures) are showcased under the programme, both at technical level and at cultural level (having inclusive services and training courses and start-ups as a normal feature instead of an "unusual" experience), there may be an indirect benefit for the whole PwD segment of the population.

The expected **direct beneficiaries** of the action **in each province (i.e., each lot)** are the following (the quantitative ranges are indicative):<sup>4</sup>

- 3000-5000 high school students reached, especially girls, through awareness-raising campaigns on digital skills, rights and principles, promotion of STEM disciplines and coding courses;
- 40-60 people with disabilities (PwD) who can benefit from digital skills training courses through the availability of assistive technologies and well-adapted services;
- 50-100 PwD's (and/or especially vulnerable youth from lowest-income backgrounds), who can apply for sort of "scholarships" to pursue further advanced training on digital skills for (self-) employment (if deemed appropriate);
- 500 Young job seekers or workers, participating in courses on technologies, tools and devices;
- 100-200 ICT professionals, trained on inclusive software and hardware solutions and./or open-source software;
- 100 High School teachers, trained on DigCompEdu;
- 30-90 Young Mozambican entrepreneurs, whose start-ups will be supported through incubation and acceleration services;
- 100 Digital developers participating in hackathons, whose proposals will be financed and developed (about 6-10 young developers awarded);
- 20-40 Training institutions staff members, assisted in adapting and implementing clear protocols and guidelines on inclusive and accessible digital services for training delivery;
- 4-20 Mozambican public servants trained and involved at local level (Community Media Centre managers).

<sup>&</sup>lt;sup>4</sup> Applicants may discuss these targets and justify lower or higher targets.

Other categories which will probably benefit from the activities carried out under this programme:

- The Mozambican population and between 20 and 40 communities in the targeted districts where CMC are set up, who will benefit from improved internet access (tech hub and community media centres) and improved digital services;
- The Mozambican digital private sector businesses who have provided internship or job placement opportunities and/or will recruit youth that have benefited from the training programmes, which will benefit from a more vibrant digital ecosystem and better-trained young professionals.

#### **1.3.** FINANCIAL ALLOCATION PROVIDED BY THE CONTRACTING AUTHORITY

The overall indicative amount made available under this call for proposals is EUR **5,025,200.00** (five million twenty-five thousand two hundred Euros) for two lots. The contracting authority reserves the right not to award all available funds.

#### Allocation of funds by lot/geographical distribution:

LOT 1: "Central Region"	EUR 2,512,600.00 (1 grant)
LOT 2: "Northern Region"	EUR 2,512,600.00 (1 grant)

#### Size of grants

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

- minimum amount: EUR 2,512,600.00
- maximum amount: EUR 2,512,600.00

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: 100% of the total eligible costs of the action.
- Maximum percentage: 100% of the total eligible costs of the action (see also Section 2.1.4.).

Each grant shall cover the entire eligible costs of the action, i.e., the difference between the total eligible cost of the action and the amount requested from the contracting authority shall be zero.

Please note that complementary and synergic activities run or planned by the applicants and financed under other programmes may be appreciated when they strengthen the chances to achieve the desired output and outcomes, so they may be mentioned in the <u>narrative</u> description of the project, but the corresponding costs <u>shall not appear in the budget</u>.

Any inclusion of co-funding by the applicants in the budget submitted will 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 on the internet at this address

https://wikis.ec.europa.eu/display/ExactExternalWiki/ePRAG).5

#### 2.1. ELIGIBILITY CRITERIA

There are three sets of eligibility criteria, relating to:

- (1) the actors (2.1.1.):
  - the 'lead applicant', i.e. the entity submitting the application form;
  - 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)');
  - and, if any, affiliated entity(ies) to the lead applicant and/or to a co-applicant(s);
- (2) the actions (2.1.3.):
  - actions for which a grant may be awarded;
- (3) the costs (2.1.4.):
  - types of cost that may be taken into account in setting the amount of the grant.

#### 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:

- be a legal person **and**
- be non-profit-making<sup>6</sup> and
- be established<sup>7</sup> in one of the Member States of the European Union or in countries eligible under NDICI-funded programmes (this obligation above does not apply to international organisations) and

<sup>&</sup>lt;sup>5</sup> Note that a lead applicant (i.e. a coordinator) whose pillars have been positively assessed by the European Commission and who is awarded a grant will not sign the standard grant contract published with these guidelines but a contribution agreement based on the contribution agreement template. All references in these guidelines and other documents related to this call to the standard grant contract shall in this case be understood as referring to the relevant provisions of the contribution agreement template.

<sup>&</sup>lt;sup>6</sup> The eligible entities include, among others, non-governmental organisations, public sector operators, local authorities, international (inter-governmental) organisations as defined by Article 156 of the EU Financial Regulation – see also Annex e3h11 for international organisations.

<sup>&</sup>lt;sup>7</sup> To be determined on the basis of the organisation's statutes, which 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.

- be able to effectively operate in Mozambique<sup>8</sup> and
- be directly responsible for the preparation and management of the action with the coapplicant(s) and affiliated entity(ies), not acting as an intermediary.

The Lead Applicant shall also:

- i. demonstrate adequate capacities for planning, monitoring, evaluation, mobilising and networking, advocacy, communication applicable to the activities set of activities to carry out through the grant,
- ii. demonstrate experience in similar projects, if possible in developing countries, as well as management and technical expertise in the fields relevant to the programme, such as promotion and support of start-ups, business incubation and acceleration, need assessment of youth and private sector within a local or regional or national ecosystem, skill transfer and matching demand and supply of skills and competencies, promotion of business processes' digitalisation, organisation of training courses in the digital domain (at various levels), call for ideas and hackathons based on government and civil society's suggestions towards the improvement of the citizens' experience of digitalised services, work in consortia (especially public-private partnerships), sustainability plans of development centres such as the expected tech hubs, inclusion of vulnerable categories in development processes.

# This set of expertise and competences may be complemented by co-applicants and/or affiliate entities, and/or associates.

(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 2.6.10.1 of the Practical Guide.

Lead applicants, co-applicants, affiliated entities and, in case of legal entities, persons who have powers of representation, decision-making or control over the lead applicant, the co-applicants and the affiliated entities are informed that, should they be in one of the situations of early detection or exclusion according to Section 2.6.10.1 of the practical guide, 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 early detection and exclusion system, and communicated to the persons and entities concerned in relation to the award or the execution of a grant contract. In this respect, provisionally selected lead applicants, co-applicants and affiliated entities or those placed in the reserve list are obliged to declare that they are not in one of the exclusion situations through a signed declaration on honour (PRAG Annex A14). See Section 2.4.

In Part B Section 8 of the grant application form ('declaration(s) 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 individually or with co-applicant(s).

If awarded the grant contract, the lead applicant will become the beneficiary identified as the coordinator in Annex G (special conditions). The coordinator is the sole 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.

<sup>&</sup>lt;sup>8</sup> It must be registered and/or authorized to implement activities in Mozambique or in the process of being registered/authorized, demonstrating to already have an office and staff in Mozambique. Other strong proofs of the ability to effectively operate in Mozambique shall be considered and assessed.

Please note: the applying entities (the lead applicant itself or a consortium led by it) must include at least one Mozambican public entity which will contribute to the programme at least with a public-owned facility where the tech hub will be established, after appropriate improvements, refurbishment, equipment, or expansion. The property of the facility will remain public after the programme end.

#### 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.

In order to be eligible for a grant, the co-applicant must:

- be a legal person **and**
- be established<sup>9</sup> in one of the Member States of the European Union or in countries eligible under NDICI-funded programmes (see PRAG Annex a2a for the list of eligible countries)

(this obligation above does not apply to International Organisations).

Co-applicants must sign the mandate in Part B Section 4 of the grant application form.

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

(1) In addition, please note that contracts cannot be awarded to or signed with applicants included in the lists of EU restrictive measures (see Section 2.4. of the PRAG).

#### 2.1.2. Affiliated entities

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 an applicant may hence be:

- Entities directly or indirectly controlled by the applicant (daughter companies or first-tier subsidiaries). They may also be entities controlled by an entity controlled by the

<sup>&</sup>lt;sup>9</sup> To be determined on the basis of the organisation's statutes, which 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.

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 delegatees for public services for an applicant,
- Entities that receive financial support from the 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 and subcontractors) 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 lead applicant and the coapplicant(s). They must sign the affiliated entity(ies) satement in Part B Section 5 of the grant application form.

#### 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 Part B Section 6 — 'Associates participating in the action' — of the grant application form.

#### • 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

#### **Duration**

The initial planned duration of the action may not be lower than **28 months** nor exceed **32 months**. However, according to the dates of the contract signature and of the programme kick-off, an adjustment in the timeline (and possibly in the budget allocations) may be imposed by the end-date of the Contribution Agreement between the EU Delegation of Mozambique and the Contracting Authority (31<sup>st</sup> January 2027).

#### Sectors or themes to be covered by the Action

Since **for each lot** under this Call for Proposals **only one grant will be awarded**, each project proposal shall devote to all priorities listed above and cover the respective areas of work:

- Establishment and management of (tech) hubs, incubators, training centres, etc.
- Start-up promotion, general support and incubation services
- Support access to financing channels for micro, small and medium-sized businesses (M/SME)
- Technical and vocational training, digital literacy, soft skills for human-centric professional development towards (youth) employment
- Social and economic needs assessment, design and digital programming of platforms and services (public or private) to improve the lives of people
- As a cross-cutting area of intervention: inclusion in development processes of people from vulnerable categories, including people with disabilities, with a clear orientation to gender equality and women's / girls' empowerment.

Under LOT 1 (Central Region), actions must take place only in **one** of the following provinces: Sofala, Manica, Tete, Zambézia.

Under LOT 2 (Northern Region), actions must take place only in one of the following provinces: Nampula, Niassa, Cabo Delgado.

#### Types of actions

Actions proposed by applicants must meet the specific Outcomes and Outputs of this Call for Proposals as set out in Section 1.2.

Given the volatile environment prevailing in Mozambique, flexible planning and adaptive management are key to delivering the expected results and ensure the effectiveness of the Programme. Therefore, during the contracting or implementation phases, AICS (Contracting Authority) reserves the right to negotiate with the selected beneficiary minor re-apportioning of activities in order to obtain the best value-for-money. In this case(s), AICS will timely publicise any possible change according to the PRAG stipulations and process a contract amendment as required. Moreover, AICS will duly notify the relevant governing bodies of the overall Programme.

The following types of action are <u>ineligible</u>:

- 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.

#### Types of activity

In Section 1.2 some priorities were established. Each proposal under this Call shall cover all priorities (unless strong justification to leave out one or more<sup>10</sup>). The following sub-sets of activities are suggested as suitable to achieve the desired outputs and may be financed under this call, with possible integrations and changes as deemed appropriate by the applicants.

#### To deliver Outputs 1.1, 1.2 and 1.3 (altogether contributing to Outcome 1):

- Identify a few necessary digital services for a human-centred and inclusive digital future to be developed or improved, through a participative process involving beneficiaries, entrepreneurial, institutional and academic actors from Mozambique and international (so called "*marketplace of needs and ideas*")
- Select the best proposals, award financing through open and innovative methodologies (e.g. open call for ideas, hackathons for young programmers, etc.) and provide dedicated digital oriented incubation services

<sup>&</sup>lt;sup>10</sup> E.g. a major government or aid-agency programme that is fully delivering for one need in the target province, thus making one of the components redundant.

- Establish and operationalise<sup>11</sup> an inclusive tech-hub through public-private partnerships [one per lot, one in the Centre and one in the North of the country], to provide the appropriate facilities for training activities (at various levels, possibly including the courses for training institutions and 'connectors' such as employment agencies), incubation to digital start-ups and acceleration services to digitalising small entrepreneurs. Besides, the tech-hubs will also ideally organise and host the hackathon events, as well as other related activities organised and financed outside the Action (including training in ICT subjects and specific issues), thus acting as sustainable assets for Government, private sector and the community in general.
- Strengthen some Community Multimedia Centres in each province where the tech hubs will be established through training of the respective managers and possibly equip them (where appropriate this will include internet connection for the project's duration).

#### Notes

For the creation of new or improved services it is expected that a participative "brainstorming" process will be organised with all relevant stakeholders (ministries and their provincial directorates, civil society organisations and their umbrella organisations, provincial entrepreneurial associations, research institutions, among others) to identify needs and areas of improvement for existing or still missing services of public interest (especially starting from the province where the tech hub will be based), e.g., needs of people with disabilities to access public services. A second step should involve some form of the "hackathon" methodology and techniques, a call for ideas and (digital) solutions, or prototypes, whereby the best ones are rewarded with cash or in-kind rewards to support the very development of the application, platform or other digitally enhanced services.

The first part of the process suggested above **may be started** by the implementing agencies awarded with the grant **before the actual tech hub is ready** to function through all its physical components.

In each region, the digital hub (a "model" of which is briefly sketched in **Appendix I**, below, as a <u>general</u> <u>reference</u>) shall be established in the province and in the city where most of the economic dynamics are happening, or where there is the highest potential for the economic ecosystem to grow, especially through the digitalisation of the business processes or the creation of digital companies. The choice of the city will also consider the opportunities offered by the public institutions ready to avail an existing facility to be turned into the tech hub.

Thanks to the support and revitalisation of some Community Media Centres (CMC), with the necessary basic equipment, internet connection and digital skills for the respective manager (public official or community volunteer), they will be able to provide surrounding communities with improved affordable access to the internet, digital tools and devices, and information.

<sup>&</sup>lt;sup>11</sup> Refurbishment of an existing infrastructure, the mandatory contribution of a public entity participating in the bidding consortium, or property of a public entity interested in conceding the facility to the applicants, keeping the property and its equipment, but not actively participating in the programme's activities. The public-private partnership will establish a legal entity or operate through appropriate MOU's, it will equip and operate the infrastructure, though the ownership should remain of the public institution.

The equipment of each tech hub will consist mainly in computers (with appropriate software) for training and for work in the incubated start-ups. However, according to the potential technical development of the needs and services in the ecosystem, the tech hub could organise more advanced courses and purchase more sophisticated equipment, such as raspberry pi and other machines (such as Arduino or ESP32 microcontrollers) to accompany the training around IoT services. Please refer to the "model" indicatively described in **Appendix I**.

#### To deliver Outputs 2.1, 2.2, 2.3, 2.4 and 2.5 (altogether contributing to Outcome 2):

- Enhance the digital skills of teachers<sup>12</sup> (identify or develop, then test and share digital tools for teaching) in line with European Framework for the Digital Competence of Educators-DigCompEdu
- Provide training on DigCompEdu and inclusion/accessibility principles with a specific focus on the needs of PwD for teachers. This will include courses on the use of LMS (Learning Management Systems) and other digital tools to develop and implement distance-learning courses
- Provide training on digital technologies, tools and devices for job seekers in traditional digitally enabled sectors (e.g., use of mobile phones and other devices as a working tool, management software, website creation, software for digital marketing, etc.)
- Provide inclusive digital competences basic courses building on DigComp framework for future digital users, with special attention to persons with disabilities (PwD), with the technical support of partner universities and training institutions
- Put in place financial mechanisms (transport subsidies, scholarships, etc.) to facilitate access to continued/ advanced courses for promising low-income learners and young persons with disabilities (including adequate measures to ensure accessibility of courses, provision of relevant equipment, soft skills training for girls, coaching)
- Create private sector partnerships and actively promoting job placements to ensure students acquire hands-on experience and develop soft skills and other relevant competences needed to find employment in the digital economy and non-digital sectors
- Provide skilling (e.g., hardware maintenance and repairing, web development, etc.) and upskilling trainings for ICT professionals focusing on digital inclusion accessibility principles, universal design; advanced use of open-source software development tools)
- Upskill ICT teachers and collaborate with them to organise extra-curricular activities in the tech hubs or their schools or CMC to strengthen digital competences, teach coding skills, increase digital rights awareness and principles (e.g. on cyber-security) and promote STEM disciplines (Science, Technology, Engineering and Mathematics), targeting young people, especially girls, in the provinces where the tech-hubs will be established and to support the organisation of girls' coding clubs (in close collaboration with the tech hubs)
- Workshop(s) with ICT community to develop a specific roadmap for Tech hubs in close collaboration with existing start-up incubators and accelerators, for the incubation of digital start-ups and the acceleration of digitally enabled M/SME
- Organise workshops, business plan competitions, networking events (involving enterprises and universities/research institutions), then identify and select through competitive bidding, support (coaching, pre-incubation services) and train to enable the development of new startups (in the digital sector). Provide start-ups with digital sector-related specific incubation services (targeted training on digitally specific topics – e.g. data protection obligations, networking within the digital and ICT sector, provide support to identify required ICT expertise in developing their solutions, etc.)
- Identify promising M/SME that could significantly advance their productivity, access to finance, customer experience and/or achieve growth through digital technologies, providing them with dedicated acceleration services (ICT training, coaching on how to do this within a

<sup>&</sup>lt;sup>12</sup> The priority will be given to all secondary school and TVET teachers who have the task to teach ICT subjects. However, if possible and appropriate, all teachers might benefit from ICT-based improvement of their technique of teaching (using MS Office or open-source similar applications, for example)

specific business and coaching/ training on how to obtain funding for digitalising their processes)

 Establish partnerships with existing incubators and accelerators to support the tech hubs in providing digital targeted incubation and acceleration services; establish partnerships with established entrepreneurs/ businesses for coaching services.

#### Notes

In line with SDG 4.4.1 and the EU skill policy, activities under Output 2.1, 2.2 and 2.3 should consist mainly in training and related supporting services to design and deliver the capacity building sessions more efficiently and more effectively, especially in the perspective of meaningful inclusion (e.g. development or adoption/sharing of assistive technologies for sight-impaired people, sign language video-translations, distance learning platforms "LMS", etc.). The ideal tech hub concept has equipped training rooms and specialised staff (permanent or *ad hoc*) to design courses and internships to build the skills and knowledge base necessary to fill the need of the market, as agreed with potential employers, thus maximising the chances of employment for the target beneficiaries (also by facilitating internship and job placement).

The courses shall target various groups of youth and other beneficiaries, ranging from basic digital competences all citizens need to digital skills for ICT professionals: digital competence (cf. EU DigComp) and job-specific digital skills in priority sectors (e.g. agriculture) (in support of (self-) employment and innovation); for professional use of specific applications (for a given job that imposes an upskilling of the employees who already work for a company); digital skills for ICT professionals training, aligned with the needs identified by the study and through exchanges with the local private sector (e.g. network maintenance, mobile application development, digital marketing, etc.); for young professionals who went already through skills and experience, but desire or need to improve their knowledge in new computer languages, or operating systems, etc.

#### Deliverables Expected from this Action in each Region

The following targets are desirable from the awarded applicant(s) under each lot. They may be discussed in their merit and their quantitative expectation and, without major changes, a revision may be proposed.

Outcome 1 - A conducive environment for inclusive digital transformation is enhanced			
OUTPUTS	INDICATIVE DELIVERABLES (in each lot)		
<b>O. 1.1</b> - New and innovative e-services available to citizens, and especially accessible to people with disabilities	<ul> <li>3 "marketplace of needs and ideas" and 3 hackathons realised over the duration of the programme, with respective awards in terms of support to develop the applications</li> </ul>		
	<ul> <li>3 new digital services (ready to be implemented by a public institution or private companies, with benefit for a large group of the population)</li> </ul>		
<b>O. 1.2</b> - "Tech hubs" established and operationalised providing appropriate facilities for training, incubation services and possibly for events such as	<ul> <li>1 tech hub established with clear inter-institutional agreements and appropriate mechanisms for functioning</li> <li>1 sustainability plan for its future after the programme</li> <li>1-2 courses for tech hub managing staff on incubation and</li> </ul>		
hackathons etc	acceleration services		
	<ul> <li>Ongoing meaningful dialogue with private sector and local institutions to identify the most relevant needs in terms of skills and services</li> </ul>		
<b>O. 1.3</b> - Access to multimedia services for communities improved (through existing Community Multimedia Centres)	<ul> <li>4-10 CMC supported (e.g. 1-3 computers purchased, centre managers trained, internet connection ensured for the duration of the programme, etc.)</li> </ul>		

Outcome 2 - Inclusive opportunities for youth employment, innovation and digital entrepreneurship are enhanced			
OUTPUTS	INDICATIVE DELIVERABLES (in each lot)		
<b>O. 2.1</b> - Competencies of teachers with a specific focus on the needs of people with disabilities enhanced, in line with the European Framework for the Digital Competence of Educators (DigCompEdu)	<ul> <li>6 courses for ICT teachers (especially of high schools, though they may belong to public or private training institutions, with selection criteria to be clearly set) to enhance their digital skills and digital tools for teaching all subjects of their respective schools</li> <li>10 training institutions assisted in adapting &amp; implementing clear protocols and guidelines on distance learning and supported on the use of LMS (Learning Management Systems)</li> </ul>		
<b>O. 2.2</b> - Digital competencies of (young) job seekers and students, particularly girls and people with disabilities enhanced	<ul> <li>3 awareness-raising campaigns (mainly in high schools) on crucial role of digital skills, on digital rights and principles</li> <li>8 courses in digital literacy for youth</li> <li>6 courses in coding (especially "low code" or "no code") for girls - to encourage them to STEM disciplines</li> <li>2 courses for (public and private) employment agencies [<i>this specific target is not relevant for the skills competencies of the job seekers, but will enhance their employability</i>]</li> <li>100 support measures to ensure that particularly disadvantaged youth (financially or materially) are supported to access to courses and/or incubation services</li> </ul>		
O. 2.3 - Skills of ICT professionals upgraded	<ul> <li>10 courses on technologies, tools and devices for ICT professionals</li> <li>4-6 courses for ICT technicians on open-source software and other subjects that the local and national companies need and are keen to invest in, by recruiting new staff or recurring to start-ups as external service providers</li> </ul>		
<b>O. 2.4</b> - New digital and sustainable start-ups supported with incubation services	<ul> <li>10-30 "successful" start-ups (i.e. sustainable and active at the end of the programme, out of the number of companies created and provided with incubation services by the tech hub)</li> </ul>		
<b>O. 2.5</b> - Micro, Small and Medium sized Enterprises expanded with acceleration services	<ul> <li>3 match-making sessions (or "fairs") (at least one per year) for promising start-ups and other M/SME to let them know and directly access several sorts of financing approaches and opportunities</li> <li>20-40 M/SME which accessed some forms of financing (by development institutions, private or public acceleration programmes, micro-finance companies, innovative financial institutions, etc.) through the facilitation of the tech hub</li> </ul>		

#### <u>NOTE</u>

Especially with regards to the skill transfer component, the tech hubs are meant to be an *additional*, equity-oriented, multi-function asset to each local ecosystem and ensure that a minimum of (effective, market-oriented) training occurs (at different levels). Therefore, they should not replace and push out of the market the existing, active private institutions, e.g. by offering free courses to the same categories that would have purchased this service or soaking up all the existing teaching capacity in the area.

At the light of this principle, the desired minimum deliverables (relevant, effective courses and trained beneficiaries) may be obtained by the awarded applicants <u>directly with own staff and means</u>, when

there is not enough capacity in the local market for delivering a robust supply of training services, <u>or</u> <u>by negotiating and allowing the existing actors to use the facility</u>, <u>or other tech hub resources</u>, provided the target population accesses (mainly for free or according to their economic capacity) the services.

#### Value-adding Principles

The applicants will need to make sure that their methodology explicitly states how the below valueadding principles are embedded in their proposals:

- <u>consultations</u>, assessment of the availability of local partners, suppliers and service providers, the first identification and selection of target beneficiaries and the approach for the activities to be conducted;
- <u>sustainability</u>: all proposed actions should be designed to achieve long-lasting changes.
   Applicants should give a clear description of how sustainability will be promoted;
- <u>complementarity</u>: close coordination among the activities to be run through the digital hubs and with the programmes and projects carried out by other stakeholders in each local ecosystem. Applicants should coordinate with other stakeholders and capture relevant challenges, good practices and lessons learned in their reporting
- <u>National Policy frameworks</u>: the proposed actions should demonstrate awareness of, and synergy with, existing and emerging national policy frameworks.

#### Financial support to third parties<sup>13</sup>

Applicants may propose financial support to third parties.

Applicants may propose financial support to third parties in order to help achieving the objectives of the action.

The maximum amount of financial support per third party is EUR 60,000 except where achieving the objectives of the actions would otherwise be impossible or overly difficult, in which case this threshold can be exceeded.

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 overall objectives, the specific objective(s) and the outputs<sup>14</sup> (i.e. the results) to be achieved 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.

<sup>&</sup>lt;sup>13</sup> These third parties are neither affiliated entity(ies) nor associates nor contractors.

<sup>&</sup>lt;sup>14</sup> As per OECD DAC definition, the term 'results' includes 'impact' (overall objective), 'outcome(s)' (specific objective(s) and 'output(s)'.

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.

#### <u>Visibility</u>

The applicants must take all necessary steps to publicise the fact that the European Union has financed the action (through the Italian Agency for Development Cooperation). Unless the EU Delegation in Mozambique and AICS agree otherwise, actions that are wholly or partially funded by this grant must ensure the visibility of the Contracting Authority and of EU financing by displaying the AICS logo, the EU emblem and other logos in accordance with the guidelines set out in the Operational guidelines for recipients of EU funding under the Global Gateway, published by the European Commission and to be agreed on with the Contracting Authority at the signature of the contract.

If applicable, communication activities may be undertaken 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.

All measures and activities relating to visibility and, if applicable, communication, must comply with the latest Communication and Visibility Requirements for EU-funded external action, laid down and published by the European Commission (Communication and Visibility Requirements for EU External Actions | International Partnerships (europa.eu)), to be harmonised with the Guidelines for AICS-funding recipients, also through continuous coordination with the AICS programme management unit, in tight coordination with the EU Delegation in Mozambique, which has the overall responsibility of communication and visibility for the VaMoz Digital! Action.

#### Number of applications and grants per applicants / affiliated entities

The lead applicant may not submit more than one application per lot under this call for proposals.

The lead applicant may not be awarded more than one grant per lot under this call for proposals.

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

A co-applicant/affiliated entity may not be the co-applicant or affiliated entity in more than one application per lot under this call for proposals.

A co-applicant/affiliated entity may not be awarded more than one grant per lot under this call for proposals.

#### 2.1.5. Eligibility of costs: costs that can be included

Union contributions under this call for proposals take the following form(s):

- Reimbursement of eligible costs based on:

(i) actual costs incurred by the beneficiary(ies) and affiliated entity(ies).

Only 'eligible costs' can be covered by a grant. The categories of costs that are eligible and noneligible are indicated below. The budget is both a cost estimate and an overall ceiling for 'eligible costs'. 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 AICS [co-]financing as a result of these corrections.

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

#### 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).

Salary costs of the personnel of national administrations may be eligible to the extent that they relate to the cost of activities which the relevant public authority would not carry out if the action were not undertaken.

#### 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 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 under this Programme.

Co-financing is not requested under this Call for Proposals and 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 an AICS grant or a European Union grant (including through EDF);

- 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;
- in kind contributions;
- bonuses included in costs of staff;
- VAT, except in specific cases for costs incurred in Mozambique;<sup>15</sup>
- negative interest charged by banks or other financial institutions;
- auditing costs: the auditing service for the whole programme, including the expenses of the grantees under this Call for Proposals, will be organised, coordinated and directly contracted by the Contracting Authority (AICS). Therefore, there is no need to allocate resources to this activity in budget submitted by the applicants and it would not be accepted as an eligible direct cost.

#### 2.1.6. Ethics Clauses and Code of Conduct

Under this action, the Contracting Authority (AICS) adopts the ethics clauses and the Code of Conduct of the European Union. Therefore, the following provisions apply.

#### a) Absence of conflict of interest

The applicant must not be affected by any conflict of interest and must have no equivalent relation in that respect with other applicants or parties involved in the actions. Any attempt by an applicant to obtain confidential information, enter into unlawful agreements with competitors or influence the evaluation committee or the contracting authority during the process of examining, clarifying, evaluating and comparing applications will lead to the rejection of its application and may result in administrative penalties according to the Financial Regulation in force.

#### b) Respect for human rights as well as environmental legislation and core labour standards

The applicant and its staff must comply with human rights. In particular, and in accordance with the applicable act, applicants who have been awarded contracts must comply with the environmental legislation including multilateral environmental agreements, and with the core labour standards as applicable and as defined in the relevant International Labour Organisation

<sup>&</sup>lt;sup>15</sup> VAT in any other country is ineligible. For costs incurred in Mozambique, VAT may be eligible unless the deliverables of the activities benefit from the provisions set by Decree n. 66 of 23rd November 2017 of the Government of Mozambique and subsequent updates (Mecanismo Fiscal de Regularização do IVA suportado nas aquisicoes de bens e servicos no ambito de projectos publicos financiados por instituicoes financeiras internacionais e parceiros de desenvolvimento).

conventions (such as the conventions on freedom of association and collective bargaining; elimination of forced and compulsory labour; abolition of child labour).

#### Zero tolerance for sexual exploitation, abuse and harassment

The Contracting Authority applies a policy of 'zero tolerance' in relation to all wrongful conduct which has an impact on the professional credibility of the applicant.

Physical abuse or punishment, or threats of physical abuse, sexual abuse or exploitation, harassment and verbal abuse, as well as other forms of intimidation shall be prohibited.

Applicants (and affiliated entities) other than (i) natural persons, (ii) pillar-assessed entities and (iii) governments and other public bodies, whose application has been provisionally selected or placed in a reserve list shall assess their internal policy against sexual exploitation, abuse and harassment (SEA-H) through a self-evaluation questionnaire (Annex L). For grants of EUR 60 000 or less no self-evaluation is required. Such self-evaluation questionnaire is not part of the evaluation of the full application by the contracting authority but is an administrative requirement. See Section 2.5.6 of the PRAG.

#### c) Anti-corruption and anti-bribery

The applicant shall comply with all applicable laws, regulations and codes relating to anti-bribery and anti-corruption. The contracting authority reserves the right to suspend or cancel project financing if corrupt practices of any kind are discovered at any stage of the award process or during the execution of a contract and if the contracting authority fails to take all appropriate measures to remedy the situation. For the purposes of this provision, 'corrupt practices' are the offer of a bribe, gift, gratuity or commission to any person as an inducement or reward for performing or refraining from any act relating to the award of a contract or execution of a contract already concluded with the contracting authority.

#### d) Unusual commercial expenses

Applications will be rejected or contracts terminated if it emerges that the award or execution of a contract has given rise to unusual commercial expenses. Such unusual commercial expenses are commissions not mentioned in the main contract or not stemming from a properly concluded contract referring to the main contract, commissions not paid in return for any actual and legitimate service, commissions remitted to a tax haven, commissions paid to a payee who is not clearly identified or commissions paid to a company which has every appearance of being a front company.

Grant beneficiaries found to have paid unusual commercial expenses on projects funded by the European Union are liable, depending on the seriousness of the facts observed, to have their contracts terminated or to be permanently excluded from receiving EU [and AICS] funds.

#### e) Breach of obligations, irregularities or fraud

The contracting authority reserves the right to suspend or cancel the procedure, where the award procedure proves to have been subject to breach of obligations, irregularities or fraud. If breach of obligations, irregularities or fraud are discovered after the award of the contract, the contracting authority may refrain from concluding the contract.

#### **2.2.** How to apply and the procedures to follow

#### (Open Call for Proposals)

Registration in the PADOR system is **not** required under this Call for Proposals and information already archived on the platform will not be drawn upon.

#### 2.2.1. Application forms

Applications must be submitted in accordance with the instructions on the concept note and the full applications in the grant application form annexed to these guidelines (Annex A). Lead applicants should then keep strictly to the format of the grant application form and fill in the paragraphs and pages in order.

Applicants must apply in English and use the English version of the models of the annexes, provided together with these Guidelines. English will be also the language of the communications between the applicants and the Contracting Authority and the language of the contract.

However, the concept note and the full proposals (including the budget and the logical framework) may be written in English or Portuguese. In fact, applicants are encouraged to submit a concept note and a full proposal in the language which best allows coordination and joint project design with European and local partners.

Please complete the full application form carefully and as clearly as possible so that it can be assessed properly.

Any error or major discrepancy related to the points listed in the instructions on the concept note or any major inconsistency in the application (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 the information provided is unclear and thus prevents the contracting authority from conducting an objective assessment.

Please note that only the grant application form and the published annexes which have to be filled in (budget, logical framework) will be evaluated. It is therefore of utmost importance that these documents contain ALL the relevant information concerning the action.

## Please note that the following documents should be submitted together with the application form:

- 1. <u>The statutes or articles of association of the lead applicant, (if any) of each co-applicant and (if any) of each affiliated entity</u>. 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. Legal entity form (see Annex D of these guidelines) duly completed and signed by each of the applicants (i.e. by the lead applicant and by each co-applicant, if any), 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.
- 3. <u>A financial identification form of the lead applicant</u> (not from co-applicant(s)) conforming to the model attached as <u>Annex E</u> 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, or AICS, 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.

4. In addition, for the purpose of the evaluation of the financial capacity, the following documents should be submitted:

the lead applicant must provide <u>an audit report produced by an approved external auditor</u> <u>where it is available</u>, and always in cases where a statutory audit is required by EU or national law. That report shall certify the accounts for <u>up to the last three available</u> <u>financial years</u>.

In all other cases, the lead applicant shall provide a <u>self-declaration signed by its</u> authorised representative certifying the validity of its accounts for up to the last three <u>available financial years</u>. Such self-declaration shall be dated and signed, either by hand or by applying a qualified electronic signature (QES)<sup>16</sup> by an authorised representative of the signatory.

This requirement shall apply only to the first application made by a beneficiary the same contracting authority in any one financial year.

The external audit report is not required from the co-applicant(s)) or affiliated entities (if any).

This obligation does not apply to pillar assessed entities.

5. <u>A dated and signed agreement document shall be enclosed, whereby the technical</u> <u>role of each member of the applying consortium is stated</u> (besides the Lead, Coapplicant, Affiliate or Associate categories), <u>and its commitment towards the</u> <u>implementation of the programme is specified</u>.

Documents 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 the supporting documents listed above are in a language **other than English**, **French**, **Spanish**, **Catalan**, **Italian or Portuguese**, a translation into English or Portuguese 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.

If the abovementioned supporting documents are not provided by the deadline for the submission of the application form, the application may be rejected.

#### No additional annexes should be sent.

#### 2.2.2. Where and how to send applications

Applications must be submitted in **one original and one copy in A4 size, each bound**. The complete application form (Part A: concept note and Part B: full application form), budget, logical framework and other mandatory annexes must also be supplied in electronic format (CD-ROM or USB memory stick), each in a separate and single file (i.e. the application must not be split into several different files). The electronic file must contain **exactly the same** application as the paper version enclosed.

Hand-written applications will not be accepted.

The declaration by the lead applicant (Section 8 of Part B of the grant application form) must be stapled separately and enclosed in the envelope.

Where a lead applicant sends several different applications under this Call for Proposals (**one per lot**), each one has to be sent <u>separately</u>.

<sup>&</sup>lt;sup>16</sup> Please note that only the QES within the meaning of Regulation (EU) No 910/2014 (eIDAS Regulation) will be accepted. Regulation (EU) No 910/2014 of the European Parliament and of the Council of 23 July 2014 on electronic identification and trust services for electronic transactions in the internal market and repealing Directive 1999/93/EC.

The outer envelope must bear:

- the reference number of the Call for Proposals (<u>01/2023/VaMoz Digital/AICS NDICI</u> <u>Africa/2023/442-998</u>)
- the lot number (1 or 2)
- the **full name and address** of the lead applicant, and
- the words 'Not to be opened before the opening session' and 'Não abrir antes da sessão de abertura oficial'.

Applications must be submitted 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 and for hand delivery):

Agência Italiana de Cooperação para o Desenvolvimento (AICS) Rua Damião de Góis 381 <u>Maputo</u> Mozambique (telephone: +21 49 17 87/88)

Applications sent by any other means (e.g. by fax or by **e-mail**) or delivered to other addresses will be rejected.

With regards to the electronic copies, each Annex should be attached as a separate file, as follows:

Annex A: Grant application form, in PDF/A and Word format.

Annex B: Budget in PDF/A and Excel format.

**Annexes C, D, E**: Logical framework, Legal Entity File and Financial Identity File in PDF/A format.

Please note that incomplete applications may be rejected. Lead applicants are advised to verify that their application is complete using the checklist (Section 7 of Part B of the grant application form).

#### 2.2.3. Deadline for submission of applications

The applicants' attention is drawn to the fact that there are two different systems for sending applications/full proposals: one is by post or private courier service, the other is by hand delivery.

In the first case, the application/full proposal must be sent before the date for submission, as evidenced by the postmark or deposit slip, but in the second case it is the acknowledgment of receipt given at the time of the delivery of the application/full proposal which will serve as proof.

The deadline for the submission of applications is **5**<sup>th</sup> **April 2024** as 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 **5**<sup>th</sup> **April 2024**, before **2,00 pm** (Maputo time), as evidenced by the signed and dated receipt. Any application submitted after the deadline will automatically be rejected.

The contracting authority <u>may</u>, for reasons of administrative efficiency, <u>reject</u> any application submitted on time to the postal service but <u>received</u>, for any reason beyond the contracting <u>authority's control</u>, after the effective date of approval of the first evaluation step (i.e. concept note), if accepting applications that were submitted on time but arrived late would considerably delay the

award procedure or jeopardise decisions already taken and notified. (see indicative calendar under Section 2.5.2).

Any application submitted after the deadline will be rejected.

#### 2.2.4. Further information about applications

Two (2) information sessions on this call for proposals will be held on the following dates, through virtual meetings (see respective links below):

Information session	Link for participation
15 <sup>th</sup> January 2024 at 3,00 pm	Info-session n.1
(Maputo time, i.e. GMT+2)	(Teams platform)
15 <sup>th</sup> February 2023 at 3,00 pm	Info-session n.2
(Maputo time, i.e. GMT+2),	(Teams platform)

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

#### E-mail address: maputo@aics.gov.it

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), an action or specific activities.

Questions that may be relevant to other applicants, together with the answers, will be **published on the website where the call was published (Maputo.aics.gov.it/opportunities/calls)**, as the need **arises**. It is therefore advisable to consult the abovementioned website regularly in order to be informed of the questions and answers published.

Please note that the contracting authority may decide to cancel the call for proposals procedure at any stage according to the conditions set out in Section 6.5.9 of the PRAG.

#### 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 <u>eligibility</u> <u>criteria</u> stated in Section 2.1, the application will be rejected on this sole basis.

#### (1) STEP 1: OPENING & ADMINISTRATIVE CHECKS AND CONCEPT NOTE EVALUATION

During the opening and administrative check the following will be assessed:

- If the deadline has been met. Otherwise, the application will be automatically rejected.
- If the application satisfies all the criteria specified in the checklist in Section 7 of Part B of the grant application form. 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 using the breakdown in the evaluation grid below. The evaluation will also check on compliance with the instructions on how to complete the concept note, which can be found in Part A of the grant application form.

The <u>evaluation criteria</u> 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.

1. Relevance of the action	Sub-score	20
1.1 Given the detailed description and articulation of the objectives and priorities of the call for proposals, how closely and comprehensively does the proposal cover the specific themes/sectors/areas or any other specific requirement stated in the guidelines for applicants? Are the expected results of the action strictly aligned with the priorities defined in the guidelines for applicants (Section 1.2), or competently discussed and appropriately revised?	5	
1.2 Does the proposal reveal that the particular needs and constraints of the target country(ies), region(s) and/or relevant sectors (including synergy with other development initiatives and avoidance of duplication) are clear to the applicants? Have the needs of the beneficiaries (as rights holders and/or duty bearers) and constraints been clearly understood, or discussed and redefined, and does the proposal address them appropriately?	5	
1.3 How clearly defined, appropriate to the programme and strategically chosen is(are) the facility(ies) where the tech hub will be established? Is(are) it(they) likely or suitable to address the needs of final beneficiaries / target groups?	5	
1.4 Does the proposal contain particular added-value elements (e.g. innovation, best practices and the other additional elements indicated under 2.1.4 of the guidelines for applicants)?	5	
2. Design of the action	Sub-score	30
2.1 How coherent is the overall design of the action?	5x2**	
Does the proposal indicate the expected results to be achieved by the action and, in case they substantially differ from the ones proposed in the Guidelines for Applicants, are clear and solid reasons provided? Does the intervention logic explain the rationale to achieve the expected results?		

#### Scores\*

TOTAL SCORE			50
2.5	To which extent does the proposal integrate relevant cross-cutting elements such as environmental/climate change issues, promotion of gender equality and equal opportunities, needs of disabled people, rights of minorities, youth?	5	
2.4	Are the activities feasible and consistent in relation to the expected results (including timeframe)? Are results (output, outcome and impact) realistic, also in consideration of the total budget?	5	
2.3	Does the design take into account external factors (risks and assumptions)?	5	
2.2	Does the design reflect a robust analysis of the problems involved, confirming the approach adopted in the Call for Proposals or proposing a different one, and the capacities of the relevant stakeholders?	5	

- \* Note: A score of 5 (very good) will only be allocated if the proposal specifically addresses all the required priorities as indicated in Section 1.2 (objectives of the programme) of these guidelines.
- \*\* This score is multiplied by 2 because of its importance.

Once all concept notes have been assessed, a list will be drawn up with the proposed actions ranked according to their total score.

Firstly, only the concept notes with a score of at least 30 will be considered for pre-selection.

Secondly, the number of concept notes will be reduced, taking account of the ranking, to the number of concept notes whose total aggregate amount of requested contributions is equal to **500%** of the available budget for this call for proposals, i.e., **five (5) proposals**.

After the evaluation of the concept notes, the contracting authority will send letters to all lead applicants, indicating whether their application was submitted by the deadline, informing them of the reference number they have been allocated, whether the concept note was evaluated and the results of that evaluation.

The evaluation committee will then proceed with the lead applicants whose proposals have been pre-selected.

#### (2) STEP 2: EVALUATION OF THE FULL APPLICATION

If the applications pass the opening and administrative checks along the instructions of the Step 1: they will be further evaluated on their quality, including the proposed budget and capacity of the applicants and affiliated entity(ies). They will be evaluated using the evaluation criteria in the evaluation grid below. There are two types of evaluation criteria: selection and award criteria.

<u>The selection criteria</u> 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 any affiliated entity(ies).

<u>The award criteria</u> help to evaluate the quality of the applications in relation to the objectives and priorities set forth in these 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.

#### Scoring:

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		
1.1 Do the applicants and, if applicable, their affiliated entity(ies) have sufficient in- house experience of project management?	5	
1.2 Do the applicants and, if applicable, their affiliated entity(ies) have sufficient in- house 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 in- house 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	20	
Score transferred from the Concept Note evaluation		
3. Design of the action	15	
3.1 How coherent is the design of the action? Does the proposal indicate the expected results to be achieved by the action? Is the intervention logic proposed by the Contracting Authority understood, discussed and possibly amended or integrated? Is the actual set of activities proposed appropriate, practical, and consistent with the envisaged outputs and outcome(s)?	5	
3.2 Does the proposal/Logical Framework assess the need for a credible baseline, targets and sources of verification? If not, is a baseline study for some indicators foreseen or is a justification provided for skipping this normal step? If a baseline survey is included, is it budgeted appropriately in the proposal?	5	
3.3 Does the design reflect an interpretation and appropriation of the analysis of the problems involved (partly supplied in these guidelines), and the capacities of the relevant stakeholders?	5	
4. Implementation approach		
4.1 Is the action plan for implementing the action clear and feasible? Is the timeline realistic?	5	
4.2 Does the proposal include an effective and efficient monitoring system? Is there is any form of evaluation planned (previous, during or/and at the end of the implementation) with a clear purpose (e.g. sustainability, learning and replication, risk management, etc.)?	5	

4.3 Is the co-applicant(s)'s and affiliated entity(ies)'s level of involvement and participation in the action satisfactory, taking into accounts the skills, competencies and experience they bring to the consortium?	5
5. Sustainability of the action	15
5.1 Is the action likely to have a tangible impact on its target groups? (especially when comparing the tactical implementation choices of the applicants with the choices of the competing consortia/applicants)	5
5.2 Is the action likely to have multiplier effects, including scope for replication, extension, capitalisation on experience and knowledge sharing?	5
5.3 Are the expected results of the proposed action sustainable?	5
- Financially (e.g. financing of follow-up activities, sources of revenue for covering all future operating and maintenance costs)	
- Institutionally (will structures allow the results of the action to be sustained at the end of the action? Will there be local 'ownership' of the results of the action?)	
- Socially	
- Environmentally (will the action have a negative/positive environmental impact?)	
6. Budget and cost-effectiveness of the action	15
6.1 Are the activities appropriately reflected in the budget?	/ 5
6.2 Is the ratio between the estimated costs and the 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 4.3 shall be 5 unless the involvement of co-applicants or affiliated entities is mandatory according to these guidelines for applicants.

#### Provisional selection

After the evaluation, a table will be drawn up listing the applications 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.

# (3) 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 2.2.1). It will by default <u>only</u> 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 8 of Part B of the grant application form) 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 Section 2.1.1.

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

The lead applicant should submit the documents listed in Section 2.2.1 at the moment of the application.

In addition, 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:

- Declaration on honour: the lead applicant as well as all co-applicants and affiliated entities shall fill in and sign the declaration on honour certifying that they are not in one of the exclusion situations (see Section 2.6.10.1 of the PRAG). The declaration on honour shall be dated and signed, either by hand or by applying a qualified electronic signature (QES)<sup>17</sup> by an authorised representative of the signatory.
- Self-evaluation questionnaire on SEA-H: the lead applicant as well as all co-applicants and affiliated entities shall fill in the self-evaluation questionnaire assessing the organisation's internal policy and procedure against sexual exploitation, abuse and harassment (SEA-H) (Annex L) (see Section 2.5.6 of the PRAG)<sup>18</sup>.

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. Please note that the lead applicant is the intermediary for all communications between applicants and the contracting authority during the procedure.

An applicant believing that it has been harmed by an error or irregularity during the award process may lodge a complaint to AICS, Agenzia Italiana per la Cooperazione allo Sviluppo, Via Cantalupo in Sabina 29, 00191 ROMA (Italy) – Tel. +39 06 324921.

<sup>&</sup>lt;sup>17</sup> Please note that only the QES within the meaning of Regulation (EU) No 910/2014 (elDAS Regulation) will be accepted. Regulation (EU) No 910/2014 of the European Parliament and of the Council of 23 July 2014 on electronic identification and trust services for electronic transactions in the internal market and repealing Directive 1999/93/EC.

<sup>&</sup>lt;sup>18</sup> Applicants, co-applicants and affiliated entities who are (i) natural persons (ii) pillar-assessed entities and (iii) governments and other public bodies do not have to submit the self-evaluation questionnaire.

#### 2.5.2. Indicative timetable

		DATE	TIME*
1.a	Information meeting 1	15 <sup>th</sup> January 2024	3,00 pm*
1.b	Information meeting 2	15 <sup>th</sup> February 2024	3,00 pm*
2.	Deadline for requesting any clarifications from the contracting authority	10 <sup>th</sup> March 2024	4,00 pm*
3.	Last date on which clarifications are issued by the contracting authority	25 <sup>th</sup> March 2024	~ 4,00 pm*
4.	Deadline for submission of applications	5 <sup>th</sup> April 2024	2,00 pm*
5.	Information to lead applicants on opening, administrative checks and concept note evaluation (Step 1)	~ 19 <sup>th</sup> April 2024	-
6.	Information to lead applicants on the evaluation of the full applications (Step 2)	~ 30 <sup>th</sup> April 2024	-
7.	Notification of award (after the eligibility check) (Step 3)	~ 7 <sup>th</sup> May 2024	-
8.	Contract signature	May 2024	-

\* All times are in the time zone of the country of the contracting authority.

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 web site where the call was published, i.e., the website of the Contracting Authority, AICS Maputo Office:

Maputo.aics.gov.it/opportunities/calls.

## **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 contribution agreement based on the contribution agreement 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 contribution 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.

In this context, a distinction should be made between awarding implementation contracts and subcontracting parts of the action described in the proposal, i.e. the description of the action annexed to the grant contract, such subcontracting being subject to additional restrictions (see the general terms and conditions in the model grant contract).

Awarding implementation contracts: implementation contracts relate to the acquisition by beneficiaries of routine services and/or necessary goods and equipment as part of their project management; they do not cover any outsourcing of tasks forming part of the action that are described in the proposal, i.e. in the description of the action annexed to the grant contract.

Subcontracting: subcontracting is the implementation, by a third party with which one or more beneficiaries have concluded a procurement contract, of specific tasks forming part of the action as described in annex to the grant contract (see also the general terms and conditions in the model grant contract).

#### 3. LIST OF ANNEXES AND APPENDICES

#### DOCUMENTS TO BE COMPLETED AND SUBMITTED (AMONG OTHERS) WITH THE APPLICATION

- Annex A: Grant application form (Word format)
- Annex B: Budget (Excel format)
- Annex C: Logical framework (Excel format)
- Annex D: Legal entity form
- Annex E: Financial identification form

#### **DOCUMENTS FOR INFORMATION**

Annex G: Standard grant contract (and Special Conditions)

Annexes to Annex G:

- 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 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 e3h11: Appendix to the Special Conditions on derogations to General Conditions when the contractor is an International Organisation
- Annex H: Declaration on Honour (to be submitted at a later stage)
- Annex J: Information on the tax regime applicable to grant contracts signed under the call.
- Annex L: Self-evaluation questionnaire on SEA-H

Annex a2a1: Countries eligible to participate into this Call for Proposals

#### Appendix I (below, in this file): Essential Elements of a Tech Hub Model

#### Useful links:

Daily allowance rates (per diem) are available at the following address: https://international-partnerships.ec.europa.eu/funding/guidelines/managing-project/diem-rates\_en

Project Cycle Management Guidelines https://ec.europa.eu/international-partnerships/funding/managing-project\_en

The implementation of grant contracts

A Users' Guide

https://wikis.ec.europa.eu/pages/viewpage.action?pageId=48169235

Financial Toolkit

https://ec.europa.eu/international-partnerships/financial-management-toolkit\_en

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.

\* \* \*

#### **Call for Proposals**

#### **Guidelines for Grant Applicants**

#### 01/2023/VaMoz Digital/AICS NDICI Africa/2023/442-998

#### **APPENDIX I**

#### Essential Elements of a Tech Hub Model

As a general reference (not mandatory) of what it is expected to establish and operationalise through each grant under this Call for Proposals, the following essential elements of tech hubs and issues to consider when designing them are proposed.

#### Functions a tech hub (or "digital hub") should perform

- Create community (easily accessible physical space if possible, located in the central business district or near a technical university – through an open coworking model to be devised, it is where start-ups, businesses, government institutions and civil society meet)
- Transfer skills at various levels (digital literacy, professional use of applications, coding, soft skills where appropriate), thus contributing to tackle the major issue of insufficient human tech capital for African new businesses
- Support start-up creation through the meeting space (see above) and supply incubation services, thus contributing to economic development and job creation
- Serve as intermediary between start-ups and the entrepreneurial and financial ecosystem (acceleration services)
- Foster collaboration and catalyse innovation, e.g., by organising hackathons and similar prize competitions (dialogue with authorities and civil society should help select the main intervention areas and needs to address through new or improved digital services), "Tech Talks" (in presence and online), etc;
- (if a sort of "internet café" is established inside or next the tech hub, then somehow a form
  of connectivity service will be provided to the "occasional beneficiaries")

#### [Moreover, only for this specific Call for Proposals:]

• Provide appropriate training to managers of a network of community multimedia centres (*Centros Multimedia Comunitários*) in the Province where each tech hub is established, to be identified jointly with the relevant authorities and the institutions supporting them.

The digital hub needs to adapt rapidly to market changes, therefore it should be a flexible institution, with financial autonomy and lightweight administrative procedures. Though involving a public institution in the consortium of applicants, especially as a guarantee and to contribute with public-owned facilities, the candidates should not be relying upon very bureaucratic government rules for procurement and other administrative procedures. As much as possible, the implementing structure (not necessarily legally constituted since the beginning) should be designed to use donor-allowed procedures during the grant's period and then its own procedures, when the tech hub becomes sustainable.

The lead applicant shall have a proven legal local representation to manage the funding through local a bank account, in order to carry out efficiently the programme activities, or alternative mechanisms to ensure immediate operational capacity (i.e., not depending on ongoing or future license, authorisation, registration processes) shall be presented and justified in the application. A management committee, comprising representatives of all the

consortium's institutions, should approve periodical (e.g., monthly) planning of activities and related costs.

As a general principle, tech hubs must address ecosystem needs and tackle its weaknesses, by creating opportunities for youth. Their core purpose, structure, business model, and activities, should be aligned to the needs and capacity of the ecosystem.

#### Possible complementary functions and activities

- A tech hub may also act as a recruitment agency for the ICT sector, maintaining a roster of ICT talents to create a network between them and the market
- Organise Job Fairs as matchmaking events for businesses and talents
- Tech hubs con be used as a base for research and internships periods of students from local universities
- Host "Tech Talks" (in presence and online) on themes relevant to the digital ecosystem
- Internet café (for sustainable comfort service to staff, regular and occasional users of the digital hub).

#### Management Staff and Steering Organs

Taking into account the available budget, the tech hub should have a dedicated management team with complementary skills, preferably including the following figures and organs:

- Team leader with experience in the ICT ecosystem
- (possibly) Marketing or networking manager with experience in the ICT private sector
- Start-ups incubation programme manager
- Administration manager
- An operational Management Board
- An Advisory Board with steering functions, incorporating representatives of tech hub founders and (if appropriate) invited strategic partners, which defines the strategy to adopt to take the tech hub to a sustainable stage, with an (evolving) business model that best matches the entrepreneurial ecosystem needs.

#### Issues to address around sustainability

- Further funding can be awarded by interested parties (including donors, development institutions) for filling the gaps in the local digital ecosystem
- Incubating and/or funding start-ups in exchange of an equity stake or in the profits of products developed by start-ups
- Funded programmes by Government and development organisations
- Consulting fees for services
- Coworking space and services
- Tapping into corporate social responsibility when sponsors choose to provide financial or direct support (training, mentoring, equipment) to "incubatees" (start-ups), especially if they could become part of the company's value chain and network.

#### Tech hub models

A balance shall be stricken among the advantages and disadvantages of the most common models, considering the viability of each option:

- <u>Private models</u> Sustainability achieved completely with income from paid services, space renting, events organizations, etc.
- <u>Public models</u> Contingent on programmes and services subsidised by government, international cooperation institutions, philanthropic associations, etc.
- <u>Mixed models</u> Combination of for-profit and non-profit activities, with a mix of funding sources from paid services and subsidies from government, international cooperation institutions, international financial institutions, etc.

• Since most entrepreneurial local ecosystems in Mozambique (and in general the digital ecosystem in the country) are not yet mature and still need to develop to reach their potential, the mixed model has probably the highest chances to be sustainable.

## Suggested minimum physical infrastructures expected for establishing and operating a digital hub

- 1 or 2 computer training room(s) for, at least, 15-20 participants (~30-40 sqm)
- Incubation space for, at least, 6 startups, for 15-20 total members (~60-100 sqm)
- Meeting room for, at least, 12 participants (~30 sqm)
- Conference space for, at least, 40 participants (~50 sqm)
- Office space for management staff (6-10 persons) (~50 sqm)
- Utility rooms (~30 sqm)
- Air conditioning system
- Office furniture.

#### Suggested minimum network infrastructures and other ICT equipment

- 15-20 computers for each training room
- 12-15 computers for the incubation space
- Conference equipment for online meetings
- Cabled and wireless LAN for computers (and telephone system if appropriate)
- 5-10 computers for management and other staff
- 2-4 laser printers
- 1 professional office photocopier
- Reliable broadband internet access.