

Invitation for Competition on the Local Subsidy

Announced by the project “Digital Transformation of small and medium-sized enterprises (SMEs) in Eastern Partnership countries”

Clarification on the submission of technical proposal for the Local Subsidy by the clusters, associations, and registered business network, to support the digitalization of small and medium size enterprises in Georgia.

Dear partners!

We are pleased to invite your esteemed organization to participate in the local subsidy Program for the Digitalization of Small and Medium enterprises, organized and financed by the German government.

The programme is implemented by the German Federal Company Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ). This program aims to support and accelerate the digital transformation of small and medium-sized enterprises (SMEs) in Georgia.

This competition is open and is conducted in accordance with GIZ regulations, which guarantee an objective and independent evaluation of applications. We hope that the following clarifications will help you to make your application interesting and competitive.

The GIZ Team wishes you success and thanks you for your cooperation!

1. General information about the project:

The project Digital Transformation of small and medium-sized enterprises (SMEs) in Eastern Partnership countries (hereafter “the Project”) works on the support of digitalization on the micro, meso, and macro level.

SMEs in Georgia, Armenia, Moldova, Ukraine, and Azerbaijan will profit from direct support to digitally upgrade their business models. Intermediary organizations such as business associations or company networks will be supported to work with research organizations, financial institutions and public policy makers to create regional innovation systems conducive for digitalization. Together with its political partners the Project will work on the improvement of national and supranational framework conditions and policies for digital growth of SMEs. Furthermore, statistical authorities will be capacitated to provide reliable information for policy makers and the public discussion on promotion policies. The Project fosters international exchange between the five Eastern Partnership countries mentioned above and with Germany and other European Union member states.

2. General Information about the local subsidy:

- **Objective:** The primary goal of this program is to promote digitalization initiatives in networks of SMEs (e.g. clusters, associations) and empower them to overcome barriers and unlock new opportunities. By embracing digital technologies, networks of SMEs can foster collaboration, knowledge exchange, and shared resources.
- **Eligibility:** This competition is open to all Clusters/ associations/ SME network registered in Georgia and actively operating across diverse sectors. We encourage networks from various industries to participate and seize the benefits of digital transformation, which can contribute to the growth and strengthening of SMEs.
- **Compliance with Current strategies/plans:** projects proposed for the local subsidy completion must comply with current strategies/plans for the development of clusters/associations and clearly demonstrate a lasting and effective impact strengthening digitalization of SMEs and the sector.
- **Local subsidy Amount:** Maximum amount of the local subsidy is **25000 EUR each in GEL**. Estimated Number of local subsidies within the competition: **up to 5**. each winning participant

must use and distribute the received subsidy according to the following proportion: **60%** should be spent **directly on the relevant project**, and **40%** will be allocated to the **administrative (up to 11%) and operation costs**.

- **Duration:** The duration of the proposed project must be not less than 12 months.

3. Evaluation Criteria

The evaluation process is conducted in accordance with GIZ regulations, which guarantee objective and unbiased assessment of application. The Assessment matrix document provided as an attached file.

The winning participant will additionally be assessed based on the commercial aptitude test. If the test results indicate a lack of ability to independently manage financial accounting, the support from GIZ to address this matter accordingly will be provided.

4. Other Conditions

Each winner participant selected in the competition must create a robust communication and awareness-raising ecosystem during the program.

- **Communication:** Winners will be required to actively engage and inform their member companies about purpose, action plans and the contributions of the digitalization project. To facilitate this process GIZ will the conduct an online kick-off event/meeting.
- **Training Sessions:** The recipients of the local subsidy are required to conduct a series of three training sessions for the beneficiaries within their respective clusters. As well as provide online trainings as per request. The winners must ensure proper evaluation of training activities (e.g. through pre/post questionnaire, end of activity evaluation survey) and maintaining participants lists. At least 30% different gender representation into trainings must be ensured.
- **Social Media Visibility:** As part of the communication ecosystem, each recipient of the local subsidy must actively engage in social media activities to raise awareness about the digitalization project and its impact on the cluster/Association, at least 12 social media post. Also, the winners are required to conduct satisfaction survey, which will focus on capturing benefits received from the digitalization project.

The recipients of the local subsidy must comply with the GIZ Data Protection rules in the process of implementing, managing, and monitoring the contract. The recipients of the local subsidy must consult with GIZ on the reporting templates for activity monitoring and integrate sex-disaggregated data collection.

5. Annex - Documents and templates

These documents and templates will help you create an acceptable form of local subsidy proposal.

Annex Nor	Name of the Annex	Document Name
Annex 1	Local Subsidy budgeting document <u>Note: please calculate the budget in EUR and indicate the exchange rate</u>	Local Subsidy Budget.xls
Annex 2	Application form for participation in the local subsidy /Technical offer	Application form.doc
Annex 3	Eligibility Requirements for participating in the local subsidy program	Eligibility Requirements.doc
Annex 4	Guideline of evaluation approach	Assessment grid.xls

Note: In order to provide the interested potential applicants with the detailed information about the local subsidy and the program, project will conduct two information sessions

Session I - date: 10.08.2023 time: 11:00-12:00

Session II - date: 24.08.2023 time: 11:00-12:00

[Click here to join the meeting](#)

Meeting ID: 351 793 188 610 Passcode: WZXmMs

Submission deadline: 06.09.2023, 23:59 O CLOCK

You are requested to comply with the following requirements when submitting offers electronically to to the following E-mail: ge_quotation@giz.de:

- Bids must be submitted in **PDF**-format.
- Following text must be indicated in the subject line of the e-mail: **“Invitation for Competition”** Otherwise, your bid can not be identified.
- Any bids that are submitted to other GIZ email accounts will be excluded from the contract award procedure.
- The size of emails for quotation is limited to 20 MB. In case the offer exceeds the maximum data size, offer documents must be sent via following website: <https://filetransfer.giz.de/Start?2> . GIZ accepts only this specific file transfer solution for submission of documents exceeding the default mail size.
- GIZ is not responsible for the failure of electronic delivery of e-mail messages to the address provided, either for technological problems on the part of GIZ or the candidate