

Questions and answers for the call for proposal : Supporting vulnerable youth, Syrian refugees, and women to create new micro businesses or to develop their existing businesses
JOR23001-10011

Is there any restriction if we would want to provide more than 15 new micro businesses seed funding?

No, on the contrary.

Can beneficiaries use the seed funding to improve the capacity of their staff/themselves through trainings and certifications?

Yes, they can include these activities in their business plan. However, tailored capacity building should be part of the business support provided by the applicants, which cannot only act as intermediary.

Thank you for clarifying that cash transfers are not allowed. For enabling resilience for businesses(especially new ones), can they be allowed to access a ‘Safety Net Fund’(which will have specific rules set in place ahead of implementation) for meeting any business related crisis/accident/incident that would prevent the success of their business?

At this stage, I don't have all the necessary details to provide a definitive answer. To make an informed decision, I would need to review the full proposal and the attached budget. However, in principle, new businesses can access a ‘Safety Net Fund’ to address business-related crises or incidents. The specific rules and criteria for accessing this fund would need to be established to ensure alignment with program objectives and Call for Proposals guidelines.

Additionally, please be aware that there is a limited budget available for businesses. Therefore, accessing the fund may require a contribution from the business itself or external support from your side.

Can we support microbusinesses which are run by a registered cooperative(instead of an individual)?

The call supports individuals and does not target cooperatives. This means we can support individual businesses or entrepreneurs who may be affiliated with a cooperative, but not vice versa.

Are applicants required to adhere to the size of the sub-grants mentioned in section 2.1.3 (page 13) of the call?

Yes, applicants are required to adhere to the size of the sub-grants as specified in section 2.1.3 (page 13) of the call. The maximum seed fund grant for each sub-beneficiary is €3,500 for new micro-businesses and €7,500 for existing micro-businesses, per business based on the approved business plan.

Can you also confirm that Enabel expects sub-grants to existing businesses be larger than sub-grants to establish new business.

The maximum amount for sub-grants to existing businesses exceeds that for new businesses, in accordance with these guidelines. This generally means that more funds will be allocated to existing businesses. However, there is a (remote) possibility that a new business receives €3,500 while an existing business might receive €3,500 or less.

Are applicants required to adhere to the sub granting modality proposed in the call? More specifically would adopting a direct purchasing of equipment, goods and services be acceptable (as it mitigates

certain risks related to implementation which would required additional training and coaching on procurement methods and guidelines)? Is bank transfer the only acceptable method (for example cheque payments and mobile wallets could also be proposed, especially with businesses that are unregistered or in the course of registration)

Applicants should adhere to the sub granting modality mentioned, for procurement they are allowed and showed be obvious in the budget if you were asked.

For payments it is only through bank transfers.

Would non-formalized businesses be considered acceptable as potential beneficiaries? Would formalisation be required ?

Formalization is indeed a crucial pillar of decent work definitions, encompassing the principles of legality, rights, and stability in employment. In the context of the 70 existing businesses earmarked for acceleration, our focus will be on businesses that are already formally registered. This ensures adherence to legal frameworks and enables us to support enterprises that are established and recognized within the formal economy.

Similarly, for new businesses entering the program, we recognize the importance of fostering a pathway towards formalization, even if this process may extend beyond the initial year of support. This approach aligns with our commitment to promoting sustainable economic participation and enabling businesses to operate within the legal framework over time. Applicants are encouraged to provide more details regarding an alternative decent work strategy if formalization is not immediately feasible.

Regarding exemptions to formal registrations for Syrians due to governmental restrictions, we acknowledge that specific governmental policies and humanitarian considerations may affect the ability of refugees to engage formally in economic activities. While our program encourages formalization as a means of ensuring rights and protections for workers and businesses, we also recognize the need for flexibility in supporting refugees who face barriers to full formal registration. In such cases, applicants are encouraged to provide more details regarding an alternative decent work strategy if formalization is not considered as a viable option.

Can you please confirm that the targeting of social businesses is a primary objective but not a restriction, i.e. targeting businesses that cannot be classified as social business is acceptable.

Yes, targeting social businesses is a primary objective but not a restriction. Therefore, it is acceptable to target businesses that do not fall under the classification of social businesses. However, as targeting social businesses is a primary objective, applicants should demonstrate a clear strategy and justification if they choose to include businesses outside this classification, ensuring they also try to include a significant proportion of social businesses in their proposals.

For the targeted micro-businesses, for both the new and existing ones, do they have to be officially registered in the Ministry of Industry, Trade, and Supply?

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Can you clarify the target numbers? According to the CFP document, applicants should attempt to reach

- a. 350 individuals receiving business training
- b. 30 new micro businesses
- c. 70 microbusinesses with improved performance and job creation
- d. 15 new and 35 existing businesses benefiting from financing

Can we assume b,c,d are all subsets of a?

What is stated in the guidelines is that '350 individuals, including 50% women and 35% refugees, participated in basic business technical sessions, including financial literacy.'

This refers to the preliminary technical training sessions conducted by the partner in the community before launching the call. The aim is to generate interest within the community for participating in the call and to enhance basic technical skills (refer to the type of activity in section 2.1.3, the first two activities). Therefore, among the 30 new microbusinesses that will be supported later (and possibly among the 70 existing microbusinesses, though less likely), you may encounter individuals who participated in the basic training. This would serve as a positive indicator that the strategy was effective.

Is d. a subset of b. and c.?

Among the 30 new micro businesses and the 35 existing businesses supported, 15 new and 35 existing businesses will benefit from seed funding.

Are income support cash transfers permissible at the early stage of new businesses? I want to clarify these are distinct from grants, but are small monthly payments paid out to individuals starting new businesses

Cash transfers are not allowed in this call.

What is the expected level of formalization expected in the supported businesses? Do these need to be registered? Can exemptions to the formal registrations be made for Syrians due to governmental restrictions?

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Do the jobs created by the businesses have to be formal, full time jobs or can they can be part time/piece rate based income generating opportunities ?

Jobs created by the supported businesses do not necessarily have to be full-time positions. They can include part-time or piece-rate income generating opportunities. However, regardless of the nature of the job (full-time, part-time, or piece-rate), it is important that these positions are formalized. This means that there

should be a formal contract between the employer and the employee outlining the terms and conditions of employment. Additionally, arrangements for social security benefits should be provided as per the local regulations and standards. In cases where formal employment is not feasible despite efforts, applicants are expected to develop and describe an alternative decent work strategy in their proposal. This strategy should outline alternative measures aimed at ensuring fair treatment, safety, and adequate compensation for workers, aligning with principles of decent work even in non-traditional employment arrangements.

For the needed documents No.7 and No.8 (Non-sentence Certificate from Ministry of Justice (for board members), Ministry of interior approval on the Board of Directors) as COOPI does not have a board of directors in Jordan but in Head quarters in Italy, is there another document that we need to provide or an alternative for those documents? please advise.

Yes, you have to share the equivalent documents from Italy the show the clear criminal record.