

Call for Proposals under the intervention

Establishment and management of incubation and acceleration tracks for MSME coupled with a subsidy fund to provide financial support to entrepreneurs active in the green mobility sector in Dar-es-Salaam (EU Transport and Trade Improvement Project - Pillar 3 Green Mobility)

Questions and answers for the Info Session for Round 2

1. Which exchange rate is used?

ANSWER: For consistency, we suggest you use the amount which is provided on the budget template provided without changing it, BUT during the execution, the exchange rate system to be used is the monthly average rate (Bank of Tanzania) when converting the EURO to the local currency.

2. Will a financial contribution of an associate/co-applicant entity also be accounted for as a financial contribution?

ANSWER: Yes, but only co-applicants' financial contributions can be considered part of the overall financial contribution of the action.

According to section 2.1.1 "Admissibility of applicants", "the co-applicant(s) shall participate in the definition and implementation of the action, and the costs that they incur shall be eligible in the same way as those incurred by the applicant." This means that each co-applicant's financial and operational contribution must be included in the overall budget of the action and forms part of the total eligible costs.

However, as defined under section 2.1.2 "Associates and contractors", associates "actively participate in the action but cannot be eligible for grants, except for daily allowances and travelling expenses." Their support (financial or in-kind) cannot therefore be counted as part of the financial contribution of the action.

3. Will procurement and third-party grants under the action follow EU PRAG? Does Enabel have any additional procurement / third party guidance etc. in addition to PRAG?

ANSWER: No. Procurement and third-party grants under this Call for Proposals will not follow the EU PRAG. As stated in the Guidelines for Applicants, section 2.5.1 "Implementation contracts", where the implementation of an action requires public procurement by the contracting beneficiary, contracts must be awarded in accordance with:

- Annex VIII of the Grant Agreement templates for private sector contracting-beneficiaries, or

- Belgian or partner country public procurement law or the beneficiary's own regulation for public sector contracting beneficiaries.

Accordingly, procurement under Enabel grants follows Enabel's own procurement principles and procedures as detailed in Annex VIII of the Grant Agreement.

Third-party (sub-)grants are also governed by Enabel's internal grant management framework described in Annex E (Grant Agreement).

4. What are the key indicators to be included in the proposal? Does Enabel have a logical framework it can be shared with us?

ANSWER: The key indicators will depend on your proposal and how you would like to evaluate and monitor your activities. However, it is important that these indicators should at minimum cover the activities indicated in *section 2.1.3* of the guidelines.

5. Can Enabel confirm if the subsidy must always be linked to credit from a regulated financial institution or can other blended finance instruments (e.g. cooperative lending, SACCO pilots) be considered?

ANSWER: Yes, the subsidy must be linked to credit. This means the financial support provided (excluding technical assistance) must have a combination of grant, loan, and co-financing. However, the loan can come from any financial institution (e.g. cooperative lending, SACCO pilots, etc.), but it is important to consider the interest and sustainability of these services.

6. We understand that Enabel and partners have conducted prior market analysis on e-mobility in Tanzania. Are the findings accessible publicly, and could you share these?

ANSWER: The market analysis which was conducted by this project has not been published. However, there are several publicly available resources on the Tanzania e-mobility market. For example, the SOLUTIONSPlus, another EU funded project to support e-mobility in Tanzania, (<https://solutionsplus.eu/>) project could be a good resource.

7. Given the call's emphasis on sustainability and ecosystem building, does Enabel encourage models that include local servicing and technical capacity development, for example, training technicians beyond the 15 MSMEs mentioned in the guideline, supporting after-sales systems, and building maintenance capacity to ensure long-term functionality and adoption?

ANSWER: We would like to emphasize focusing on doing more within existing activities and not adding new activities. Examples of doing more include increasing the target number of beneficiaries, increasing the ticket sizes, supporting startups to get additional external funding etc. Additionally, training of technicians is already planned as part of the main project.