

CLARIFICATIONS

Contract title:

Call for Proposals - Enhancing Waste Collection Services through Women-Led Businesses

Reference: MOZ22005-10074

TECHNICAL

N°	Issue / question raised	Response
1	<u>Financial proposal</u> <i>If a proposal focuses on only one municipality, should the requested budget be proportionally reduced (i.e. from EUR 220,000 to approximately EUR 110,000), or is it acceptable to submit a proposal with a total budget of up to EUR 220,000 for a single municipality?</i>	It is not acceptable to submit a proposal covering only one municipality. Applicants are required to submit a proposal that covers both municipalities with minimum amount of EUR 200,000 and maximum amount of EUR 220,000
2	<u>Geographical coverage</u> Is it mandatory for a proposal to cover both municipalities (Nacala and Nampula), or are applicants allowed to submit a proposal focusing on only one municipality?	It is mandatory to cover both municipalities. It is mandatory for proposals to cover both municipalities. Proposals focusing on only one municipality will not be considered eligible.
3	<u>Disability inclusion</u> <i>How will disability inclusion be assessed during the evaluation of the proposals, beyond disaggregating data by disability? What are Enabel's expectations regarding disability inclusion?</i>	Disaggregation is the minimum reporting requirement, not the expectation. Disability inclusion is assessed as part of the intersectional approach set out in section 1.3.1, and is scored at concept note stage under criterion 19 of the Concept Note Verification and Evaluation Grid, alongside the other transversal topics. Concretely, evaluators will look at whether disability has been considered in the design of the selection criteria assessed under criterion 18, in the choice of service areas and roles proposed under 1.3.3, in the accessibility of the training package described in 2.1.3, and in the safeguarding measures required under 1.3.5. No quantitative target is set. Applicants should propose what is realistic for the service areas they select and justify it; a modest, well-argued approach will be assessed more favourably than an ambitious commitment the proposed business model cannot support. Operational detail — identification of participants without requiring formal certification, budgeted accommodations, data collection arrangements — is expected at full proposal stage.
4	<u>Experience</u> <i>Does the 5 years' experience required need to be in Mozambique?</i>	No. The reference project(s) do not need to have been implemented in Mozambique.

		The requirements are set out in section 2.1.1 (D) and criterion 13 of the Concept Note Verification and Evaluation Grid: at least one completed or ongoing project reference from the last five years, of comparable scale and complexity, in municipalities in the Eastern and Southern African region. Knowledge of the Mozambican context, and of Nampula Province in particular, is assessed separately through the CVs of key experts under criterion 15. It is not attached to the project reference.
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LEGAL

N°	Issue / question raised	Response
5	<u>Local Presence Requirement</u> <i>Section 2.1.1 – Admissibility of Applicants, Criterion B states that an applicant must:</i> <i>“be legally established in Mozambique or demonstrate a formal operational presence in Mozambique through a registered office or a local implementing partner.”</i> <i>However, the additional guidance under “Local Presence and Delivery Capacity – 2.1 Local Presence” states that a formal local partnership may be demonstrated through a signed Letter of Commitment or MoU, but also specifies that:</i> <i>“The local presence option is only applicable in the context of sub-granting arrangements. It does not allow an applicant without local registration to rely on a partner solely to meet the local presence criterion.”</i> <i>We would therefore appreciate clarification on how these provisions should be interpreted together.</i> <i>We are an international non-profit organization that is not legally registered in Mozambique and does not currently have a registered office in the country. We have, however, been active in Mozambique for several years through cooperation with local partners.</i> <i>Could you please clarify whether:</i> <i>The international non-profit can act as the applicant, provided that we enter into a formal sub-granting and/or implementation arrangement with a locally registered Mozambican NGO; or</i> <i>The locally registered Mozambican</i>	The two provisions must be read together. To remove the ambiguity between Criterion B and the additional guidance on local presence, a corrigendum has been drafted to clarify the requirement. As clarified by the corrigendum, the applicant must be legally established and registered in Mozambique and have a formal operational presence in Mozambique. A sub-grantee may support the delivery of the action but cannot, on its own, satisfy the applicant’s local presence requirement. Accordingly, an international non-profit organisation that is not registered in Mozambique cannot act as the applicant solely on the basis of a sub-granting or implementation arrangement with a locally registered organisation. A locally registered Mozambican organisation may instead act as the applicant and Contracting Beneficiary, with the international organisation participating as a sub-grantee, contractor or associate, as applicable. In this case, the registration requirement applies to the applicant; The letter of commitment or MoU with a local organisation may demonstrate the proposed local implementation arrangement but does not replace the applicant’s own registration and formal presence in Mozambique. Applicants should note that all admissibility criteria under 2.1.1 – including the project references under criterion 13 and the exclusion-grounds documentation – are verified for the applicant itself. References held by a partner, sub-grantee or contractor are not attributed to the applicant, and subcontractor experience is not treated as equivalent to lead experience unless explicitly justified.

	NGO would need to act as the applicant and Contracting Beneficiary, with the international non-profit participating as a sub-grantee or implementing partner. In the second scenario, would the local establishment requirement under Criterion B apply only to the applicant/Contracting Beneficiary, or would our international organization also be required to have a legal registration or registered office in Mozambique?	
6	<u>Local Presence Requirement</u> Section 2.1.1 – Admissibility of Applicants, Criterion B states that an applicant must: “be legally established in Mozambique or demonstrate a formal operational presence in Mozambique through a registered office or a local implementing partner.” However, the additional guidance under “Local Presence and Delivery Capacity – 2.1 Local Presence” states that a formal local partnership may be demonstrated through a signed Letter of Commitment or MoU, but also specifies that: “The local presence option is only applicable in the context of sub-granting arrangements. It does not allow an applicant without local registration to rely on a partner solely to meet the local presence criterion.” Could you please clarify what constitutes an acceptable “formal operational presence in Mozambique through a local implementing partner” for an international organization that is not itself legally registered in Mozambique? In particular, could you clarify under which circumstances a signed Letter of Commitment or MoU with a locally registered implementing partner would be sufficient to demonstrate the applicant’s formal operational presence?	A formal operational presence must be held by the applicant itself. To clarify the wording of Criterion B, a corrigendum has been drafted specifying that the applicant must be legally established and registered in Mozambique and have a formal operational presence in the country. Accordingly, a signed letter of commitment or MoU with a locally registered organisation is not, on its own, sufficient to demonstrate the applicant’s formal operational presence. Such an agreement may demonstrate the proposed local implementation arrangement, including in the context of sub-granting, but it cannot substitute for the applicant’s own registration and presence in Mozambique. Therefore, an international organisation that is not registered in Mozambique cannot satisfy Criterion B solely through a local implementing partner.
7	<u>Eligibility of Profit Entities with Social Objectives</u> The guidelines allow “for-profit legal bodies for which profit maximization is not the primary purpose” to apply, provided that more than half of profits are reinvested and the organization reports externally on social goals. Could you please confirm whether social enterprises registered as limited companies (Lda) in Mozambique are eligible, provided they meet these reinvestment and transparency criteria?	Yes. As already stated in the Guidelines, private-law entities whose primary purpose is not profit maximisation, including Mozambican Lda companies, may apply. The corrigendum clarifies the additional conditions: applicants must demonstrate their social objectives, transparent profit management with more than 50% of profits reinvested on average, external reporting on social objectives, at least 10% co-financing, and compliance with applicable State aid/de minimis rules. For example, for the maximum EUR 220,000 grant, the applicant could propose a total budget of EUR 242,000,

		including EUR 22,000 in co-financing. This may include eligible staff time not charged to the grant, provided it is properly documented and valued.
8	<u>Social objectives</u> A "social enterprise" does not exist as a distinct legal form in Mozambique. As a result, there is no legal document that formally certifies an organization's "social purpose."	
9	<u>Eligibility of private-law entities as Lead Applicants</u> Section 2.1.1, criterion C, indicates that eligible applicants may include "other private-law legal entities whose primary objective is not profit maximization". Footnote 1 further establishes three conditions under which a for-profit legal entity may meet this definition. However, the same section subsequently states that the organizations eligible to act as Lead Applicants are NGOs, Foundations and Community-Based Organisations (CBOs). Could you please clarify whether a private-law for-profit entity that demonstrably meets all three conditions established in footnote 1 may be eligible to act as Lead Applicant, or whether Lead Applicant eligibility is restricted exclusively to NGOs, Foundations and CBOs?	Any other private law legal entities whose primary objective is not profit maximization are eligible. This can not necessarily be NGO, Foundation and CBO.
10	Eligibility of Sub-grantees It is unclear which types of organizations may act as sub-grantees. The guidelines refer to community-based organizations as eligible sub-grantees. However, during the information session, it was also mentioned that international NGOs with demonstrated experience working with communities in the target provinces may be eligible. Could you please clarify which types of organizations are eligible to act as sub-grantees under this funding call, and in particular whether international NGOs meeting the above-mentioned conditions may be included as sub-grantees?	Section 2.1.3 lists legally registered community-based organisations as eligible for sub-grants. That list is indicative. The binding conditions, all of which must be met, are set out in the same section: legal registration; proven experience in women's economic empowerment and/or waste management, including circular economy approaches; basis in or strong operational presence in Nacala and/or Nampula; status as a natural partner or target beneficiary of the Contracting Beneficiary, in line with its mandate, mission and operational scope; and clear added value contributing directly to the expected results. CBOs, waste picker associations and cooperatives, and women-led enterprises are the intended primary category, consistent with the objectives of the Call. An international NGO legally registered in Mozambique, with a country office and demonstrated operations in the target municipalities, is not excluded as a sub-beneficiary. Applicants proposing this should justify explicitly why the sub-grant is routed to an international organisation rather than to a local actor, given that the purpose of sub-granting under this Call is to strengthen local women-led and

		community-based actors. An international organisation without operational presence in Nacala or Nampula does not meet the conditions. The limits in section 2.1.3 apply in all cases: maximum EUR 60,000 per sub-beneficiary; one level of sub-granting only, with no further redistribution; and sub-granting may not be the main objective of the action.
11	<u>Eligibility of International NGOs as Sub-grantees or Contractors</u> <i>Can you confirm if international NGOs with a country office in Mozambique and working in the target areas are able to be a sub-grantee or contractor?</i>	For sub-grantees specifically, the key eligibility requirement is that the entity must be a legally registered community-based organization. An international NGO would therefore need to prove this to be authorized to be a sub-grantee.
12	<u>Participation of International NGOs in the Implementation</u> <i>What is Enabel's preferred way for an international NGO to participate in implementation?</i>	There is no preferred modality as such. However, if the international NGO acts as the lead applicant, it must fulfil all requirements set out in the guidelines.
13	<u>Co-applicants and Partnership Requirements</u> <i>The document states that "Co-applicants are not allowed under this call for proposals."</i> <i>However, the same section emphasizes that "Combining international and national expertise – by collaborating with local actors – is essential." This appears contradictory, as collaboration with local actors seems mandatory, yet co-applicants are not permitted. Could you please confirm whether partnerships with local organizations should be formalized as associates/sub-implementers rather than co-applicants, and whether such partners may be included in the budget and implementation plan?</i> <i>The guidelines state that co-applicants are not allowed, but associates may participate. Could you please confirm the permissible scope of associate involvement, and whether associates may contribute to implementation without being considered co-applicants?</i> <i>Contractors are defined as entities procured for services, while sub-granting is allowed only in limited contexts. Could you clarify whether a local partner engaged for operational delivery should be treated as a contractor (procured) or as an associate (non-beneficiary)?</i>	The Contracting Beneficiary signs the Grant Agreement alone and remains fully responsible for technical implementation, financial management and reporting. Three instruments are available for working with other organisations, and applicants may combine them: • Sub-grants — for organisations meeting the conditions in section 2.1.3, within the limits set out there. The proposal must describe the selection criteria, contractualisation, disbursement, monitoring and control arrangements listed in that section. • Contracts — for services, works, equipment or specialised technical expertise, awarded in accordance with Annex VIII of the Grant Agreement template. This is the appropriate instrument where a partner brings technical expertise rather than acting as a community-level implementer. • Associates — organisations participating actively in the action without receiving grant funds, other than daily allowances and travel expenses (section 2.1.2). Municipalities and other public institutions normally fall into this category, and their engagement is directly relevant to the structured partnership arrangements under ER3. The combination of international and national expertise referred to in section 2.1.1, and working proficiency in Portuguese, are therefore achieved through contracting and sub-granting arrangements under a single Contracting Beneficiary, not through joint applications. These arrangements are assessed under the technical and operational capacity criteria of the evaluation grid.

		Applicants should note that admissibility is verified for the applicant alone. Experience, references and capacity held by a sub-grantee, contractor or associate are not attributed to the applicant for the purposes of criteria 13 to 15.
14	<u>Consortium members</u> <i>Can a private company join a consortium with a Foundation?</i>	Consortiums are not authorized under this Call for Proposals. We require single applicants, meaning co-applicants are not permitted. However, a private company may still participate, separately from the Foundation, provided its primary objective is not profit maximization.
	<u>Sub-grantees</u> <i>Must sub-grantees be mentioned in the proposal?</i>	Yes. This is important information, and if you intend to use sub-grants, disclosing this is mandatory. You will need to explain why a sub-grant is necessary for your implementation, and your sub-grant scheme must be clearly described in the concept note, including: • The objective of the sub-grant(s); • The allocation criteria ; • The selection process (how sub-grantees have been identified and chosen, selection cannot be based on personal or informal connections); • The contracting arrangements ; • How you will monitor and control the sub-grantees' activities and use of funds; • How disbursement or reimbursement of their expenses will be handled (e.g., against invoices); • Etc.
15	<u>Collaboration between national and international organizations</u> <i>If the guidelines encourage collaboration between national and national organizations, how does enable envisage those partnerships working in practice, given that co-applicants are not allowed?</i>	See question 13
16	<u>Eligibility of organizations based outside the target municipalities</u> <i>Could you please confirm whether an organization registered in Mozambique but based outside Nampula Province is eligible to apply as the Lead Applicant, provided that all project activities are implemented entirely within the municipalities of Nampula and Nacala?</i>	Yes, these organizations are eligible.
17	<u>Documents</u> <i>Should all the documents required be provided only for the lead organization? Or also for the subcontractors/consortium partners?</i>	Consortiums are not permitted under this Call for Proposals. All required documents must be provided for the lead organizations, which is the sole applicant. Partners or sub-grantees may still be involved, but they are appointed as

		contractors and do not bear responsibility under the grant. Accordingly, no documentation is required for them.
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FINANCIAL

N°	Issue / question raised	Response
18	<u>Grant Disbursement and Transfer of Funds</u> <i>We are an international non-profit organization that is not legally registered in Mozambique, and our prospective main partner, a Mozambican NGO, has informed us that transferring project funds from Mozambique to organizations abroad may be subject to significant costs and/or taxation, potentially amounting to approximately 20% of the transferred amount. This could substantially reduce the resources available for project implementation.</i> <i>In this context, could you please clarify whether, if the Mozambican NGO acts as the Applicant/Contracting Beneficiary and the international non-profit participates as an approved sub-grantee/sub-beneficiary, could Enabel transfer the portion of the grant allocated to the international non-profit directly to its Belgian EUR bank account, rather than requiring the funds to first pass through the Contracting Beneficiary's bank account in Mozambique, which would also avoid unnecessary currency conversion and international transfer costs?</i> <i>If direct payment by Enabel to a sub-grantee is not possible under the applicable grant arrangements, could you please indicate whether any alternative payment or financial arrangement could be used to avoid or minimise these additional transfer costs and taxes?</i>	No. Enabel's contractual relationship is exclusively with the Contracting Beneficiary. Under section 2.5.2, funds are transferred to a single dedicated account or sub-account opened by the Contracting Beneficiary. All sub-grant funds pass through that account, and the Contracting Beneficiary remains contractually and financially accountable for them. Enabel cannot make direct payments to sub-beneficiaries, nor enter into a parallel payment arrangement outside the Grant Agreement. On the cost implications raised: • Opening the dedicated account in euros, where the bank permits it, limits conversion steps. Currency exchange losses are expressly ineligible under section 2.1.4; bank charges directly attributable to the action may be included as direct costs where reasonable and justified. • Tax treatment of transfers and payments to non-resident entities is governed by Mozambican law. Enabel does not provide tax advice and cannot give a prior opinion on the fiscal treatment of a specific arrangement. Applicants should verify the applicable rules with a qualified adviser and reflect any non-recoverable costs in their budget.
19	<u>Financial Demonstration</u> <i>The guidelines require applicants to demonstrate operational capacity through "mandatory financial statements and, where applicable, audit reports." Could you please specify whether audited financial statements are mandatory for all applicants, or if certified annual accounts are acceptable for smaller organizations registered in Mozambique?</i> <i>Could you confirm whether associates or contractors are required to provide financial documentation (e.g., statements or audit reports), or if this requirement applies solely to the lead applicant?</i>	Applicants must provide their most recent financial statements, including the income statement and balance sheet for the last closed financial year. An external audit report produced by an approved auditor is required where the total grant amount requested is above EUR 100,000. As the grant amount under this Call for Proposals ranges from EUR 200,000 to EUR 220,000, the external audit report is therefore mandatory for all applicants under this Call. Certified financial statements alone are not sufficient.

20	<u><i>Audit Requirements for NGOs with Limited Activity History</i></u> <i>Can an NGO that has been audited for two years, but only has 1 year of activity, participate in the Call for Proposals?</i>	Yes. If the NGO has one year of documented activity along with a corresponding one-year audited financial statement, this will be accepted.
21	<u><i>Mandatory Audit Requirement for Applicants</i></u> <i>If a national NGO has 6 years of existence and experience but has never been audited, can it still apply?</i>	No. An audit is a mandatory requirement, regardless of the organization's years of existence or experience.
22	Limit on Grant Funding Allocated to Contractors/Sub-grantees Is there a limit on the percentage of grant funding that can be allocated to contractors/sub-grantees?	The maximum amount for the sub-grants is EUR 60 000 per sub-beneficiary.
23	<u><i>Grant Disbursement Schedule</i></u> <i>How will the grant be disbursed?</i>	Grants are disbursed in instalments, with the number and conditions determined by the organisational assessment conducted following selection of the winning proposal. The specific arrangement will be set out in the grant agreement. No advance payment is made before the grant agreement is signed. Once the agreement is signed, however, an initial amount (a set percentage specified in the agreement) is disbursed without requiring prior justification, allowing the organisation to begin work. Subsequent instalments are then disbursed in accordance with the terms of the grant agreement.
24	<i>How will the organizational assessment be conducted for international organizations that do not have a physical presence in Mozambique?</i>	The organizational assessment will be conducted remotely.
25	<i>Could you please provide further clarification on criterion 16?</i>	This criteria assess how the proposed action clearly addresses the three key focus areas: • Women's economic empowerment • Improving local waste management services • Partnerships framework
26	<i>Should the CVs reflect the experience and qualifications of the organization or those of the proposed personnel?</i>	The organization should demonstrate its experience over the past five years, and CVs should be provided for the individuals who will be responsible for implementing the activities.

