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GRETA

მწვანე ეკონომიკა: მდგრადი სამთო ტურინგი და ორგანული სოფლის მეურნეობა
GREEN ECONOMY: SUSTAINABLE MOUNTAIN TOURISM AND ORGANIC AGRICULTURE

Austrian
Development
Agency

GRETA TDI

Tourism Development Initiatives

Call for Proposals

Reference: 01/2020/TDI

Deadline for submission of

Application Form and supporting documents for this call is

03.08.2020, 18:00 Tbilisi Time

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Abbreviations

ADA	Austrian Development Agency
DoA	Description of the Action
EU	European Union
GRETA	Green Economy: Sustainable Mountain Tourism & Organic Agriculture in Georgia
Sida	Swedish International Development Agency
SMT	Sustainable Mountain Tourism
TDI	Tourism Development Initiatives

1 Introduction and Context

The Austrian Development Agency (ADA) with the financial support from EU, Sweden and Austria implements the project **“Green Economy: Sustainable Mountain Tourism and Organic Agriculture” (GRETA)**. The project aims at facilitating an improvement of the business environment and the creation of new income opportunities in sustainable mountain tourism and organic agriculture to reduce poverty and exclusion in selected regions of Georgia. GRETA covers the municipalities of Mestia, Lentekhi, Tsageri, Oni, Ambrolauri, Sachkhere, Chiatura and Tkibuli, and is being implemented during the period December 2018 – March 2023.

2 Overall Objective, Project Purpose, Guiding Principles and Priorities

2.1 Overall objective of GRETA

The business environment is meeting market demands (in the fields of organic agriculture and sustainable mountain tourism).

2.2 Specific objective of GRETA

To facilitate an improvement of the business environment and the creation of new income opportunities in sustainable mountain tourism in order to reduce poverty and exclusion in the selected mountain areas of Georgia.

TDI is designed to support sustainable mountain tourism development in 8 target municipalities of the GRETA project. Local initiatives of tourism business should contribute to:

- Increase the quantity and quality of the existing tourism products;
- Create new and innovative products and services; diversify tourism products, including eco-friendly products;
- Improve the quality standards in tourism, including certification and control;
- Create complementary tourism products, including guidebooks, hiking trails, additional offers;
- Prolong the tourism season;
- Create new market linkages;
- Strengthen the authenticity;
- Follow the best feasible energy efficiency practices to preserve and protect environment;
- Provide service to guesthouses and other tourism businesses;
- Create products which will remind travellers of their experience in Georgia;
- Create the learning opportunities (capacity development) to bridge the gap between market demand and supply;

- Develop and conduct trainings for businesses and individuals engaged in tourism sector.

2.3 Activities

Activities which GRETA considers as the part of tourism include and are not limited to the list below:

- Mountain tourism;
- Adventure tourism;
- Recreational tourism;
- Winter tourisms;
- Summer tourism;
- Wine and gastro tourism;
- Agricultural tourism;
- Production of souvenirs;
- Traditional craftsmanship;
- SPA & wellness;
- Cultural guidebooks (culinary, traditions, ethnography, folklore etc.)

2.4 Guiding Principles

GRETA together with EU promotes community-based tourism in Georgia and cooperation of all stakeholders (as stated in the Association Agreement (AA) with Georgia) on the following principles: (a) respect for the integrity and interests of local communities, particularly in rural areas, bearing in mind local development needs and priorities; (b) the importance of cultural heritage, and (c) positive interaction between tourism and environmental preservation.

2.5 Priorities

The Project GRETA will promote and encourage the applicants to follow the below - listed priorities:

- Diversification of tourism products and services;
- Enhancing authenticity;
- Protection of cultural heritage;
- Ecosystem and environment protection (avoidance of negative impact);
- Socio-economic impact for the project area
- Economic viability;
- Gender equality;
- Social inclusion;

- Due to Covid19 special attention will be paid to labour intensive projects.

The above-mentioned objectives, guiding principles and priorities must be reflected in the applications submitted within the framework of this Call for Proposals.

3 Eligibility

The eligibility of proposals will be assessed by a commission based on mandatory criteria described below. Only proposals that fulfil all mandatory criteria and contribute explicitly and demonstrably to the achievement of the overall and specific objectives of this Call for Proposals will be evaluated with respect to their content. The project's relevance for this Call for Proposals must therefore be clearly apparent from the "Expression of Interest"

3.1 Strategic Compliance

- Applicants should contribute to the achievement of the overall and specific objective of the GRETA project and implement proposed activities according to the priorities and guiding principles described above.

3.2 Eligible applicants

- Individual entrepreneur (I.E.); limited liability company (LLC); cooperative and other profit oriented legal entities established according to Georgian legislation;
- Non-entrepreneurial (non-commercial) Legal Entity (NNLE) and other non-profit oriented legal entities established according to Georgian legislation;
- Individual or group of people which will register as any legal entity in case of and subsequent to a successful grant application.

3.3 Location of the activity

- Actions must take place in the project area predominantly, i.e. at least 75% of the project implementation must be performed in the target municipalities of GRETA (Mestia, Lentekhi, Tsageri, Oni, Ambrolauri, Sachkhere, Chiatura and Tkibuli).
- Some actions may take place at national level (like institutional strengthening, coordinating tourism activities and PR activities) but must relate to marketing of GRETA target regions and strengthening of mountain tourism in general.

3.4 Duration of the activity

- The duration of an TDI project should ideally be 12 months, must be at least 6 months and may not exceed 24 months. All TDI activities must have finished by 30 September 2022, as to enable a proper GRETA project closing by March 2023.

3.5 Amount of the Support and contribution

- Minimum amount of TDI support from GRETA - 5 000 Euro;
- Maximum amount of TDI support from GRETA - 50 000 Euro;
- The applicant's contribution shall be at **minimum 10%** of the total budget *(For example, if the total budget including the cash contribution is 55 000 EURO, then the minimum contribution of applicant should be 5500 EURO. The applicants are free to increase their contribution percentage which will be considered during the selection process).*

Amount of the support in Euro	Contribution requirement	Form
5 000 to 10 000	10%	In cash or in kind
10 001 to 50 000	10% and more	In cash, contribution percentage will be considered by the evaluation committee.

- An applicant cannot submit more than one project proposal under this Call for Proposals.
- The applicant shall be responsible for the payment of any taxes, fees, social charges or insurances related to the proposed project, the amount of which will be deemed to have been included in the project costs.

3.6 Financial support to third parties

- Financial support to third parties or sub-contracting of the whole project is not allowed. Partnership projects will be considered.
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4 Application Procedure

The process of the TDI shall be as follows:



Following the final evaluation of the applications received in response to this Call for Proposals, ADA will inform all applicants with sufficient evaluation scores about their successful application and the grant award decision. It is expressly noted that the information about the decision does not yet give the Applicant any

entitlement to the award of the grant. The applicant will not acquire that right until a grant agreement has been signed in which the terms and conditions of the contract will be stipulated.

Unsuccessful applicants will be informed about the decision.

5 Evaluation

5.1 Evaluation of the Expression of interest

At the stage of Expression of Interest (Eoi) applicants will be shortlisted based on a check against the six eligibility criteria described in Chapter 4 above. The purpose of this check is to screen whether applications fit the GRETA scope. Only applicants who meet all six criteria will be shortlisted.

5.2 Evaluation of the full application

Submitted full project proposals will be evaluated based on a scoring system. The scoring criteria are based on ADA's quality assurance criteria, and targeted and weighted according to the specific requirements of the present Call for Proposals.

A minimum of at least 75 points (out of 100) is required with no section scoring zero for the awarded project to be eligible.

5.2.1 Relevance of the Planned Project: max. 35 Points

The project is considered relevant if it addresses the actual problems, priorities and needs as well as the size and purchase power of the market segment. The proposed product/service should meet the demand of the selected market segment, and should be adapted to the local context and environment.

- Quality of the tourism market research: Are the target segments and competitors clearly identified?
- Tourism market demand /needs assessment: Have the specific problems of potential market segments and stakeholders been analysed in a comprehensive way?
- How well does the proposed product/service meet the tourism market demand?
- How well is the proposed project in line with GRETA's priorities and guiding principles?
- How well is the local context reflected in the proposal (legal, economic, ecological, social and cultural data and facts)?
- Does the project contribute to diversification of tourism products and services?
- Does the project enhance authenticity and protects the cultural heritage?
- Does the project protect the environment and ecosystems?
- Does the project strengthen gender equality and social inclusion?

- Does the project positively impact local economy, employment and income generation?

Only projects, which have no negative impact on the environment and ecosystems, women/girls and vulnerable groups will be considered for funding.

5.2.2 Feasibility of the Planned Project: 25 Points

The planned project is considered feasible if the project objective(s) can be achieved within the given time frame with the proposed means, and if the risks are not too high.

- Quality of the business model: Coherence of project goal, results and activities, risk assessment and mitigation strategies;
- Quality of implementation approach and methodology: Are they appropriate to achieve the objectives and expected results? Are they based on sound experience and best practices?
- Quality of project planning: Is the proposed timeframe and activity planning realistic under the given circumstances and with the budget available?
- Quality of the organizational set-up: Who is responsible for project management? Are the roles of all stakeholders clearly defined with respect to responsibilities, coordination and collaboration modalities?
- Quality of the quality control and record keeping: Who is responsible for quality control? How will customer feedback and lessons learnt be taken into account?

5.2.3 Sustainability of the planned project: 25 points

Sustainability means that the positive effects and impacts initiated by the project will persist after the end of project.

This part of the evaluation will focus on:

- Development of economically viable structures of the tourism business: Can the structure sustain the targeted improvements? Are the respective functions, responsibilities etc. clearly defined, understood and maintainable in the mid- and long-term?
- Income: Quality of the sales forecast and activities to achieve forecasted targets; use of other income opportunities;
- Profitability: Does the applicant follow best available solutions to decrease running costs?
- Compliance with the legal requirements (food safety, fire security, environmental protection etc.);

- How are gender equality, social inclusion, and environmental protection incorporated in the company's operations practice?

5.2.4 Financial Criteria: 15 Points

Only costs that are directly related to the implementation of the proposed project are eligible for funding. The calculation of the project budget must be sound and comprehensible as well as coherent with the proposed project flow. The adequacy of the assumed (unit) costs will be checked.

- The applicant should provide any information relevant to financial condition and should be able to provide contributions;
- Are the individual costs appropriate for planned activities?
- Are the individual costs adequate?

6 Project Implementation modalities

A grant agreement will be signed with successful candidates and funds will be transferred to the beneficiary's bank account. The beneficiary will use funds as described in the agreement and provide all respective expense validation documents.

The recipient is advised that the competent tax authority may not deem any grant amount received as a "grant" within the meaning of Georgian tax legislation and for the purposes of taxation. Unless otherwise agreed in the grant agreement with ADA, it is the sole responsibility of the recipient to comply with their tax obligation and to pay any income tax, corporate tax or other taxes, charges or duties that may be due on the grant amount received.

7 Submission

The applicants should fill out the [Expression of Interest \(Eoi\) form online \[LINK\]](#) in Georgian.

Questions regarding this Call for Proposals may be addressed in writing until **20.07.2020 18:00 (Tbilisi time)** to **greta@ada.gv.at** and indicate in the subject line **"TDI SUPPORT"**. Clarifications regarding questions received by interested applicants will be published until **24.07.2020 18:00 (Tbilisi time)** or should be directed to **GRETA Tourism Project Manager Tamar Chelidze 591 44 83 02** (Mondays to Thursdays from 09.00-13.00).

Deadline for submission of application form and supporting document for this call is **3.08.2020, 18:00 (Tbilisi time)**.