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CHALLENGE FUND

SLOVAK SOLUTIONS FOR SUSTAINABLE DEVELOPMENT GOALS

TERMS OF REFERENCE

Ref Nr: UNDP-IRH-202002-CFP-01-SLOVAK INNOVATION CHALLENGE

I. GENERAL INFORMATION

Title of the Call: **Challenge Fund – Slovak Solutions for SDGs (Slovak Challenge Fund – SCF)**

Agency: **UNDP Istanbul Regional Hub**

Managing Unit: **UNDP RBEC Partnership Unit**

Type of Contract: **Agreement between UNDP and the Winning Entities under the “Slovak Challenge Fund”**

Locality: **Republic of Moldova; North Macedonia**

Expected contract start date: **April/May 2020**

Expected contract length: **Up to 12 months**

Estimated prize: **Between US \$20,000 and US \$40,000, and the applicants will provide co-funding of at least 20% of the total cost of the project.**

II. OBJECTIVES

The objective of the **Slovak Challenge Fund (SCF)** is to facilitate the transfer of Slovak know-how and innovative solutions that would address development challenges in Moldova and North Macedonia and contribute to the SDGs achievement.

What kind of innovations and challenges?

The purpose of this challenge is to identify promising innovations for the **sustainable socio-economic development, and empowered and resilient communities** in partner countries, the proposed projects/solutions will address one of the following **development challenges**:

- **Sustainable use of natural resources through improved water management, waste management, or increased energy efficiency and clean energy utilization in residential, agriculture and other sectors;**
- **Increased productivity, partnerships, access to markets and competitiveness of organic agriculture actors like farmers and producers;**
- **Introducing / improving e-governance and open data use in public sector management and delivery.**

Which SDGs should be address?

SDGs refer to 17 Sustainable Development Goals adopted by all United Nations Member States in 2015. They provide a shared blueprint for peace and prosperity for people and the planet, now and into the future. They recognize that ending poverty and other deprivations must go hand-in-hand with strategies that improve health and education, reduce inequality, and spur economic growth – all while tackling climate change and working to preserve our oceans and forests.

The following SDGs will be primarily addressed by this Slovak Challenge Fund call:

- SDG 6: Ensure availability and sustainable management of water and sanitation for all.
- SDG 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.
- SDG 9: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.
- SDG 11: Make cities and human settlements inclusive, safe, resilient and sustainable.
- SDG 15: Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.
- SDG 16: Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.

To see all SDGs, please visit: <https://sustainabledevelopment.un.org/sdgs>

III. OUTCOMES

The SCF is looking for innovative solutions that generate improvement and added value especially by introducing new methods, ideas, or products. The SCF views innovation as:

- A new approach, product, idea or service that has not been tested anywhere;
- New to the beneficiary country;
- Has not been applied to the sector in the beneficiary country; or
- A service or business model being introduced to a target group where it has not been applied before.

The proposed project should have a potential for **financial sustainability and scaling up**. The proposed project shall **support environmental and social sustainability**. This includes consideration of **climate change and gender equality**.

The following types of activities will be funded:

a) **Feasibility studies**: to test the proposed solutions and/or to be able to tailor-make them. The Feasibility study in this context is understood as technical and technological solutions to the identified challenges in partner countries and their valuation and identification of concrete financial instruments for their support from international financial institutions, donors, public budget of the local governments or local or international investors.

b) **Solutions implementation**: in case feasibility of the solutions has been tested, proved feasible and the partners identified, the applicants can receive support for the implementation of their ideas. Within implementation, introduction of new production processes, training of local workforce, reimbursement of legal and translation services and capacity building of local suppliers, raising awareness about new products or services are typically supported.

The applicant is to consult their solution with local partners, stakeholders and/or final beneficiaries in order to make sure that the solution is adapted to and viable in local conditions. Engagement with local partners needs to be documented.

The applicant is also expected to identify potential financial partners from the public/private sector, international financial institutions or donors that could finance the implementation of the solution and scaling up. Identification with financial partners needs to be documented, e.g. by letter of intent from a reputable financing partner and an indicative term sheet for the terms and conditions of financing.

IV. ELIGIBILITY

The eligible applicants include the **Slovak private sector entities**. The applicants are required to engage with local partners to assure viability in local conditions and to promote sustainability and scalability of the solution.

Entities wishing to apply to the SCF need to meet the following eligibility criteria:

- The lead applicant must be a registered entity from the private sector in the Slovak Republic.
- The project must be implemented in one of the partner countries: Republic of Moldova or North Macedonia.

- All applicants must demonstrate their capacity to implement their proposed project and will need to demonstrate adequate financial, material, human and other non-financial resources to implement the proposed project within the set timeframe.
- The applicant may partner with other entity/entities which meet the eligibility criteria herein.
- All projects must be inclusive in nature and benefit the target beneficiaries and contribute to the achievement of SDGs rather than solely benefitting the participating entity.
- The projects must demonstrate that the activities funded by the SCF will be in addition to the entity's existing activities and that the projects would not go ahead without SCF funding.

V. APPLICATION SUBMISSION

The applicants must submit their proposals using the application form in Annex 2 and 3. All applications have to be signed by the authorized person and have to be sent to: procurement.irh@undp.org by **Tuesday 14 April, 2020, Central European Time (CET), 4:00 pm.**

The following documents are further required:

- CVs of Experts and Background of the Entity
- Budget in the Breakdown Form (Excel Sheet)
- Extract from Public Registry, i.e. Commercial Register [Obchodný register]
- The declaration of the partnership with local partner Moldova and North Macedonia in form of the Letter or Contract
- Any other relevant documents supporting the application like patent registration, list of implemented projects, references from other institutions or additional contracts with partners from Slovakia etc.

General rules for applications:

- A. Each entity may submit one application per SCF country however only one application per entity will be selected for award.
- B. Re-submission of modified and improved applications are not allowed.
- C. Deadline for application is to be strictly respected.
- D. In the evaluation process, only complete applications will be accepted.
- E. All submitted documents must be in the English language.
- F. UNDP shall examine the proposal to confirm that all terms and conditions under the UNDP General Terms and Conditions and Special Conditions have been accepted by the Proposer without any deviation or reservation.

VI. AWARD AMOUNT AND BUDGET

The UNDP-Slovakia Partnership Project will provide between US\$20,000 and US\$40,000 per project through the SCF. The applicants are expected to provide in kind or financial co-funding of at least 20% of the total project costs.

Typical items that can be covered from the Challenge Fund may include, but are not limited to:

- Salaries of project staff;
- Technology, design, business, development and other consultancy services;
- Advisory inputs;
- Small equipment and supplies;
- Training and workshop expenses;
- Costs including travel connected to the implementation of the project.

VII. CRITERIA FOR SELECTING THE WINNER

After the deadline for the submission, all duly submitted applications are reviewed against the eligibility criteria and completeness. All rejected applicants will get a notice accompanied by a short explanation. For these applicants, the selection process is finished. They also do not have the right to appeal.

All eligible and complete applications will be evaluated by a five-member UNDP Evaluation Panel.

Eligible and complete applications will be evaluated according to the evaluation criteria as follows:

- A. Innovative solution (introduction of a new idea, approach, product or service to a target group) with consideration of risks (10%);
- B. Development impact and project quality including intervention logic (20%);
- C. Experience of management and development team (20%);
- D. Potential for scale up and replication (10%);
- E. Long-term sustainability (financial, environmental, social) (10%)
- F. Value for money and cost-effectiveness (20%);
- G. Availability of co-funding (0% for the required minimum of 20% of total project costs, then 0.5% for every additional 1% co-funding of the total projects costs up to a maximum of 10% = 40% co-funding of total project costs)

Only applications that score above 50% will be evaluated in full and considered for awarding the project.

VIII. ANNEXES

Annex 1 – SCF Guidelines

Annex 2 – Application Form

Annex 3 – Proposed Budget Breakdown Form (Excel Sheet)

Annex 4 – Contract Form

Annex 5 – Evaluation Criteria