

DELIVERABLE 3.1.3
SOCIAL AND FINANCIAL INSTRUMENTS TERMS AND
CONDITIONS.



NOTICE
CALL FOR APPLICATION FOR SOCIAL ENTERPRISES
PROJECT
IDEA
INVEST DEVELOPMENT AND EMPOWERMENT ACTION

Contract Number: 300677/MA 1941

VLORE June 2019

Sub Granting Authority:



This Project is financed by the European Union

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1. Introduction

1.1. Background of the project

Social economy and social entrepreneurship are identified as factors of social and economic cohesion across Europe, contributing to the construction of a pluralistic and resilient economy. They create jobs, provide innovative products and services and promote a more sustainable economy, while contributing to the integration of democracy into economy and environmental protection. They also create new perspectives and hopes for the future and help citizens regain control over decisions that affect their lives. It is a common belief that the development of the sector of social and solidarity economy in Greece and Albania inherently has the potential to form simultaneously an important factor of the crisis exit strategy and the local/regional development, a significant source for job maintenance and creation and, finally, an effective catalyst in reshaping the economic and social fabric of each country. The cross-border area of the program has a long history of cooperatives and communalism which has so far not been acknowledged as a development lever to the extent that it should. The main factor holding back the development of social entrepreneurship in the regions of Epirus and South Albania is the lack of financial-investment tools.

The problem is maximized as social entrepreneurs in very few cases have own funds while they are practically excluded from bank lending through systemic banks. In contrast to the above, as a comparative advantage of the region is the significant presence and intense activity of national-local organizations which have helped the ties of expatriate Greeks and Albanians with their place of origin to remain active, creating a peculiar volunteerism. This form of volunteerism and offering is activated through actions that have to do with the support of the place of origin and the people who continue to reside in it. Alongside, local communities are able to fund innovative social entrepreneurship efforts with a direct positive impact on local communities.

The main difficulties that have been identified in relation to the above could be summarized as follows:

- There are no financial tools that can ensure the legality and transparency of funding and which will not be burdened with excessive taxation or bureaucracy;
- Innovative social entrepreneurship ideas cannot be easily known or they are unable to become mature in technical-economic terms and therefore cannot convince for the feasibility of the venture leading to many questions on behalf of potential donors /investors /supporters;
- There is no reliable and flexible mechanism to monitor and ensure that all resources are being exploited for the purposes they were meant for and to substantiate the reasonableness of the cost.

The proposed project:

- Studies and records the supply for support of social economy initiatives and the demand for such form of support at local level.
- Studies and creates hybrid financing tools that are characterized by transparency, low administrative costs and reliability and which can be applied at local level. Under the project, there will be pilot application of these tools for financing 8-10 social ventures.
- Brings together social entrepreneurs with potential sponsors/supporters/investors and acts as a facilitator in order to have a harmonious and effective cooperation through the use of an appropriate financing tool.
- Implements advisory, training and capacity building actions to support social entrepreneurs to ripen their ideas and also to be able to present to sponsors/supporters/investors a comprehensive, documented and costed proposal.
- Evaluates the social impact of the proposed social economy and entrepreneurship projects.
- Also creates non-financial support tools Concerning the selection of partners, strong emphasis is given on issues such as:
 - Expertise in social economy and social entrepreneurship, counseling support and experience in networking and social capital mobilization projects (AULEDA and SOCIETY 3/3).
 - Scientific knowledge on issues of financing tools creation and training - counseling support (University of Ioannina & University of Vlora).
 - Representation of local government and ability to activate the local society (Municipality of Himara, Municipality of Arta)

II. INSTRUCTIONS FOR THE APPLICATION

This is the first call for applications for social enterprises in the contest of IDEA Project implementation, financed from INTERREG Cross Border Greece – Albania 2014-2020

2.1 Purpose and Scope of the Call for Applications

The scope of the call is to create the possibilities for nonprofit organizations to present their business ideas based on the new legal contest on SE-s.

The establishment of Social Enterprises for:

- Employment opportunities for people which their age, health condition and family conditions, forbid them to be available for work.
- Employment of the person by offering him the necessary life conditions, meeting the human dignity criteria.
- Economic and social integration of vulnerable groups, promoting responsibility, solidarity and social cohesion in the community.

- Offering diversified goods and services with good quality, opportunities for individuals with special needs aiming at gender equality.

2.2 Who can apply?

2.2.1. Only non-profit organizations have the right to apply for a "social enterprise" status that must meet a minimum of economic and social criteria as defined by law no. 65/20 "On Social Enterprises in the Republic of Albania" to benefit and maintain the status of social enterprise.

2.2.2. Only nonprofit organization that have their activity focused on:

1. Social development and social services
2. Circular economy (recycle and reuse)
3. Tourism and ecotourism
4. Tradition and innovation (typical products, handcraft, creative industry)

2.2.3. Economic Criteria:

1. Social enterprises should run continually an activity in the field of goods production and / or offering of services.
2. At least, 20% of their incomes, after the second year of their activity and, at least, 30% of their incomes, should come from activities as are identified in the Council of Ministers decision.
3. In its activity the social enterprise, in addition to the contribution of volunteers, must necessarily include, at least, 3 paid employees.
4. The income generated by the economic activity of social enterprises serves the continuous expansion of their activity.

2.2.4 Social Criteria:

1. The social enterprise aims at promoting social objectives in a well-defined field of activity.
2. At least, 30% of the employers in the Social Enterprise have to be part of the category of vulnerable groups from the Social Protection program, social and economic perspective.

2.2.5. The total amount of business idea for social enterprises should not be over 10 000 (ten thousand) Euro (in coherence with national start up supporting programs).

III. APPLICATION PROCEDURE

3.1 Application documents

According to the Instruction of this call the requested documents to be presented from each applicant are as follows.

3.1.1 Official request to express the interest to apply under this call. The request should be in written form and should contain also a short description of the activity of the organization and presentation of

the purpose of how the organization fulfills the economic and social criteria's identified in the law of Social Enterprises.

3.1.2. When a social enterprise carries out activities for which a license is needed, according to the legal regulations governing licensing, must be ensured before the application for obtaining the status.

3.1.3. In case that the license is not obtained in time the following documents should be presented:

- a) A verification issued no later than three months before the date of application by the NGO Registration Office to the Court of the Tirana Judicial District;
- b) A copy of the statute and the founding act;
- c) A decision of the highest decision-making body of the non-profit organization in which is expressed the purpose of the organization for obtaining the status of the social enterprise;
- d) Other documents that verify the fulfillment of economic and social criteria;
- e) Copy of the license, if it would be necessary;
- f) Copies of the financial statements of the previous year if the organization has been active for more than a year.

3.1.4 If the submitted documentation is incomplete or when is considered reasonable, the relevant structures may require additional documentation other than that submitted by the applicant.

3.1.5 In any case, the applicants are notified of the decision to recognize or reject the status within 30 calendar days from the date of submission of the request.

3.2 Application procedure

The application must be submitted in two copies. The application must also be provided in electronic format (By e-mail). The electronic format should contain the same proposal as the version of the attached paper.

Full proposals must be received in a sealed envelope in the below address:

"AULEDA"

Local Economic Development Agency

L."Isa Boletini", Rruga Vlore-Skele, Kati III,

Prane Bankes IntesaSanPaolo

Vlore, Albania

Tel.Fax.++355 33 403 237

Web page: www.auleda.org.al

Or By e-mail: auledavlore@gmail.com

IV. Administrative and Qualitative Procedure Evaluation

1 The selection and evaluation of proposals will be carried out by AULEDA- Local Economic Development Agency staff and external expert.

2 The Evaluation Commission will take over and analyze the application to make sure that the application is properly completed and the eligibility of the application.

3 The decision to approve or reject an application is based solely on the documents submitted.

4 The Commission, when reviewing any application, takes into account the criteria set out in the law referred to point 1 of this Instruction.

5 The results of all submitted applications that will be assessed by the Group of Work, on the respective application will be published through official and social media channels.

Step 1: Administrative Check

Through the administrative verification, the following will be evaluated:

- Missing or inaccurate documentation and / or information. If any documents (including annexes) or information required are missing, the proposal is rejected.

Step 2: Taking of the decision and notification of the applicant

After the Commission is gathered, the applicant is notified by the technical staff within two days

- i. The application for further coaching and mentoring scheme was rejected by the Commission for the Evaluation of Applications, listing the reasons for the refusal.
- ii. The application is approved by the Commission of the Evaluation of the applications.

The notification is done by official post in the format approved by the head of the commission.

You can be supported in your application for the Application Package by receiving information also at the Social Media of the Project www.facebook.com/IDEA or AULEDA - LOCAL ECONOMIC DEVELOPMENT AGENCY to www.facebook.com/auleda or you can request for the package by sending an email to auledavlore@gmail.com

Or

By direct contact with us at the below address

OFFICIAL ADDRESS:

"AULEDA"

Local Economic Development Agency

L."Isa Boletini", Rruga Vlore-Skele, Kati III,

Prane Bankes IntesaSanPaolo

Vlore, Albania

Tel./Fax.++355 33 403 237

Web page: www.auleda.org.al

Appendix A

Application Form

1. Data of NGO-s

Name of NGO	
Representative / person authorized to make the application	
Address Street City	
Tel	
Fax	
E-mail	
Website:	
Year of Creation	
Legal Status	
Main products / services	

5. THE STAFF FOR NGO

Please consider only permanently and temporarily employed	Qualification		Temporary	Permanent	
	(Field)	(Title)	(Nr)	(Nr)	(Period)

personnel formally employed.					

For further clarifications

"AULEDA"

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