

**SME Support Grant Scheme for Job Creation
ICMPD/2021/4/ENHANCER/SME/TUR
Clarification No 11 / Questions and Answers**

Following the receipt of a high number of questions, ICMPD would like to announce that Q&A will be published on a regular basis until 05 November 2021 - 17.00h Vienna Time (the deadline for issuing clarifications)

Note 1: Most of the questions that have been received concerning this call for proposals can be answered by **carefully reading** the Guidelines for Grant Applicants (Guidelines).

Note 2: Please note that in the interest of equal treatment of applicants, the Contracting Authority does not give a prior opinion on the eligibility of a lead applicant, a co-applicant, an action or specific activities (Please see section 2.1 of the Guidelines).

General Issues

Question 1: What do you mean by "turnover"? For which heading of the balance sheet is it used? Or is it the ratio obtained by dividing some balance sheet titles by each other? This word is used in different places in the guideline and application form, but looking at the translation from the dictionary, it does not meet the correct meaning. I would be glad if you share this information.

Answer 1: The term `turnover` is used for `total sales` and it is in income statement not in balance sheet.

Question 2: Will we find the personnel at the point of recruitment of Syrian employees? Or will you be guiding? If there are no Syrian personnel, will the project be rejected?

Answer 2: We do not have a pool of CVs. As the contracting authority, ICMPD will not be guiding for the recruitment process. Grant Scheme aims to prioritize employment of Syrians under Temporary Protection (SuTP), women and young people and such actions (projects) are given priority as you can see in the scoring table (Section 2.3.8 of the Guidelines). The total employment to be achieved by all projects is expected to be at least 225 and 60% of this number should be composed of SuTP whereas 40% should be local host communities. However, not each and every one of the action (project) is expected to meet these percentages. The employment to be created may only involve SuTP or Turkish citizens.

Question 3:

- Does the project cover the entire gross salary of the personnel?



- Is there a Syrian staff limit within the scope of the project, what is the minimum number?
- Should Syrian personnel be recruited first and then the project started? Because in the scoring section, it was said that if there are Syrian employees, your score will increase.

Answer 3:

- Under the Article 2.1.4. Eligibility of Costs of the Guidelines for Grant Applicants, you can see the details of eligible costs which can be covered under the grant awarded. Gross salaries including social security and other human resources cost are eligible for the employee who is recruited for the project as it is stated under that article (2.1.4.).
- There are no limitations about recruitment of Syrians. It can be variable in every project. It will be ranked during the evaluation. You can see "Expected Results" which is the 5th title under the Evaluation Grid which is stated in section 2.3.8. Financial Operational Capacity Check and Technical Evaluation.
- As stated under 2.1.4. Eligibility of Costs: Costs that can be included, eligible costs should occur during the implementation. Costs which incurred before the implementation period are not eligible. Priority will be given to activities respecting gender equality and increasing women/youth employment and employment of SuTPs. Planning the project according to these priorities would increase the points taken during evaluation.

Question 4: Could you please clarify the below part?

"purchase costs for new (second hand purchase is not eligible) equipment, machinery and supplies specifically for the purpose of the Action, provided that ownership is transferred at the end of the Action when required. Please note that the total costs of equipment and supplies (excluding office supplies) should not exceed the 50% of the total eligible direct costs"

Does the part "when required" pose a risk for post-project companies? The part `provided that ownership is transferred at the end of the Action` is a point that I have difficulty in interpreting. Can you help interpret this item?

Answer 4: This can be determined during the implementation phase. There is not a risk with that during the application process.

Question 5: One of our companies is a manufacturer and at the same time has a trade and foreign trade company in its own structure. It sells the products made by the manufacturer to the domestic and foreign markets. The manufacturer company does not meet the application criteria, as its balance sheet appears to have a loss in 2019, but the foreign trade company meets all the application criteria. Since there is no "manufacturer company" obligation in the project, we will apply through the foreign trade company. There is a need for one machine for the manufacturer company. Therefore, when we apply through the foreign trade company, can we request machinery for the manufacturer company?

Answer 5: As stated under Section 2.1.1 Eligibility of applicants (i.e. lead applicant and co-applicant(s)) of the Guidelines for Grant Applicants, *"Co-applicants participate in designing and implementing the action, and the costs they incur are eligible in the same way as those incurred*

by the lead applicant." Other than that, costs incurred by 3rd party companies instead of the lead applicant or co-applicants (if applicable) are ineligible.

Question 6: In the precondition of having at least 10 employees, should employees be Syrian or Turkish employees?

Answer 6: There is no condition regarding the citizenship for "having at least 10 employees". SMEs, which have above 10 employees, including the partners, are eligible applicants for this call for proposals with condition that they also satisfy the other eligibility criteria.

Question 7: We have 6 foreign national personnel, the project is related to the recruitment of new personnel, does it include the old personnel?

Answer 7: Each project proposal has to foresee employment. As indicated in the Guidelines for Applicants, actions (projects) which do not create jobs will not be considered as eligible. The Grant Scheme aims to create jobs, which may mean either making an unregistered employee a registered one or employing a new person. You may promote or reward an existing staff in an action (project), however it will not be considered as new employment which is a goal of this Grant Scheme.

Question 8: Are there any conditions regarding the employment of white-collar workers within the scope of the project?

Answer 8: It is not a precondition to hire white-collar staff within the context of the project.

Question 9:

- **Are the business lines of the company or the positions to be employed clear? Or is it possible to be employed in any position?**
- **Is there an amount determined as insurance and minimum base wage for the employees?**
- **Is there a criterion on the language skills? Do they have to speak Turkish?**
- **How will the employees be evaluated within the scope of OHS?**
- **What kind of advantages does this grant offer to the employer as a grant or incentive?**

Answer 9:

- Sectoral details have been provided under sections 1.2 and 2.1.3 of the Guidelines for Applicants. Sectors which are stated under section 1.2 "Objectives of the Programme and Priority Areas" are the eligible sectors. However, these sectors are non-exhaustive, and sectors which aim to create new jobs are also eligible. Sectors that cover the priority areas can be ranked higher, but evaluation will be done within the scope of the relevance (Please see the second heading "Relevance" of the scoring table under section 2.3.8 Financial & Operational Capacity and Technical Evaluation.) There are no limitations regarding the position of recruitment.
- Salaries must be reasonable according to the standards of the relevant market. You must fill the justification part of the Human Resources budget title.
- There are no limitations for language skills of the recruited person.

- Recruited persons should be assessed equally with the current employees according to the Work Health and Safety rules, which should fulfil the legislation conditions that are relevant to the sector and workspace.
- Awarded grant amount will be between €20,000 - €55,000 as stated in the Guidelines for Grant Applicants under section 1.3, "Financial Allocation Provided by the Contracting Authority".

Question 10: The main target groups of this Call for Proposals are defined as SMEs - those with less than 250 employees AND -Annual turnover not exceeding 50 million Euros OR -Annual total balance sheet (Asset size) below 43 million Euros.

Regarding the intended number of 250 personnel:

- Is it the number of personnel of our company as of now?
- Even if 250 personnel work, is it the number of bonus days?
- Or is it based on the SME Statement of the previous year (2020)?

Answer 10: Annex F-Supporting Documents-SME Status Declaration Form, which has to be filled, will guide you to determine the number of employees. As stated in that form, the number of employees for 2019 and 2020 should be taken into consideration.

Question 11: For businesses that are active seasonally, would it be a problem to recruit an employee for a shorter period than the period of recruitment?

Answer 11: The main objective of the SME Support Grant Scheme for Job Creation is to generate sustainable employment as stated in the Guidelines for Grant Applicants, under section 1.2 "Objectives of the Programme and Priority Areas". It is expected to recruit employee(s) for at least the period of project implementation.

Question 12: If the proposal demands %90 of total eligible costs, can the contracting authority decide to award a grant amount less than requested in the evaluation process?

Answer 12: Annex B-Budget should be filled according to the information given in the Guidelines for Grant Applicants under section 2.1.4. "Eligibility of Costs: Costs that can be included". There is no possibility for a modification/deduction during the evaluation process; however, independent evaluators assess according to certain criteria.

Question 13: We work in the mining sector. If the location of SME and the implementation is in the implementation provinces, can the recruitment occur in another province?

Answer 13: Recruitment should take place in the implementation province as it is an activity within the project proposal.

Eligibility of Applicants

Question 14: Our enterprise was established on 29.08.2019 and had a total asset of "1.695,775.32" TL. In the Guidelines for Grant Applicants, it is stated that "Enterprises whose annual turnover (based on the income statement for the most recent financial year, which the

accounts have been closed) are below TRY 3 million are not eligible applicants for this call for proposals." We would like to learn if our enterprise is eligible to apply within the scope of the statement given above?

Question 15: Our company complies with the conditions, but our 2019 turnover is 46% lower than the 2020 turnover. Can we apply?

Question 16: I have a Syrian Partner. Can we benefit from this grant?

Answer 14-16: In the interest of the equal treatment of applicants, the contracting authority does not give a prior opinion on the eligibility of a lead applicant or a co-applicant. Please check the Guidelines for Applicants, section 2.1.1, "Eligibility of Applicants". Please keep in mind that there is no exception to these criteria.

Application Process

Question 17:

- **Trade Registry Gazette (For lead applicant and co-applicants)-Is it for the first registration and current capital status?**
- **Decision of Board- Should there be a specific decision? Is there a sample? What would be the context?**
- **Up-to-date evidence on the fulfilment (including restructuring etc.) of obligations related to social security contributions and taxes- Which Organization should be addressed?**
- **Authorization, licenses or necessary permits from the relevant authorities necessary for the implementation of the project, if required by the Law - for the lead applicant and each co-applicant (if any). - We couldn't understand which document to submit.**
- **Title deed or the documentation (rental agreement) proving the right of usufruct of the building/facility/premise of the company where project activities will be implemented - for the lead applicant and each co-applicant (if any). -Is there a necessary certain period of time for rental agreement?**
- **Declarations/mandates/statements/certificate obtained from the authorized execution offices of the lead applicant and co-applicant that there are no finalized seizure transactions of 3% or more of ICMPPD's financial support - for the lead applicant and each co-applicant (if any). - Can you provide a sample if there is one?**
- **Is proforma requested within the scope of the project?**

Answer 17:

As Stated under section 2.3.2 of the Guidelines for Grant Applicants:

- Copies of the Turkish Trade Registry Gazette of the Lead Applicant and, if any, of each co-applicant, should show the establishment and the current shareholders' structure of the company are declared (sole proprietorship and self-employed persons engaged in craft or

other activities may not have Turkish Trade Registry Gazette, so they shall submit a document that proves their legal status).

- Board decision should show the decision of the lead applicant's and (if any) each co-applicant's Managing Body to implement the Project with an indication of the person(s) nominated to sign documents. This decision should be particularly taken for the implementation of proposed project. The decision should include details of the representative, authorized signatory(ies) of Lead Applicant and Co-applicant. There is no sample for that decision. It has to be generated by the SME.
- Up-to-date evidence on the fulfilment (including restructuring etc.) of obligations related to social security contributions and taxes: can be addressed to "International Center for Migration Policy Development" if not, "Turkey" in general option can be selected.
- Authorization, licenses or necessary permits from the relevant authorities necessary for the implementation of the project, should be presented "if required by the Law" - for the lead applicant and each co-applicant (if any). "If required by the law" phrase should be taken into consideration.
- Title deed or the documentation (rental agreement) proving the right of usufruct of the building/facility/premise of the company where project activities will be implemented - for the lead applicant and each co-applicant (if any): The agreement should cover the entire implementation period of the project.
- Declarations/mandates/statements/certificate obtained from the authorized execution offices of the lead applicant and co-applicant that there are no finalized seizure transactions of 3% or more of ICMPD's financial support - for the lead applicant and each co-applicant (if any): There is no sample for that, it should be generated by the SME.
- Proforma invoice is not necessary for the budget however in the second sheet of the Annex B-Budget justification part should be filled in with due diligence.