

Guidelines for Applicants

1st Call for Proposals by the Facility Investing for Employment in Egypt

This document is intended to help applicants by providing detailed information on the conditions, timelines and procedures applicable to the Call for Proposals of the Facility Investing for Employment (IFE) in Egypt.

Please read these Guidelines for Applicants in their entirety before registering with the online application system SmartME to start your application process. For instructions on how to access SmartME, please review Section 3.1.

Process Step	Dates / Timelines	Notes / Guidance
Call ID Number	IFE-08-EGY-C1	Each applicant will be assigned a unique applicant number beginning with this Call ID number.
Call for Proposals Launch Date	30 November 2021, 17:00 CET	From this date, you can log into SmartME and fill out the application
Webinars	Webinars will take place on: 6, 13, and 20 December 2021 at 09 am CET (10 am in Egypt)	
Deadline for Submission of Questions	17 January 2022	Questions submitted after this date will not be answered. See Section 5 for more detail.
Concept Note submission deadline	<u>24 January 2022, 17:00 CET</u>	This is the cut-off date for submission of proposals. IFE will not consider late submissions; it is recommended to submit in advance.
Concept Note Evaluation process	Approximately 6 weeks	This assessment process establishes a shortlist to invite for a Full Project Proposal. During the evaluation process, information provided in the Concept Note will be verified, including potentially through site visits.
Full Project Proposal Formulation Period	6-7 weeks	The shortlisted candidates will be invited to develop and submit an in-depth Full Project Proposal via SmartME
Full Project Proposal Evaluation process / Due Diligence Period	Approximately 6-10 weeks	Assessment of Full Project Proposals and an in-depth Due Diligence process on the applications. The timeframe depends on project complexity, time required for site visits, etc.
Contracting Period	Approximately 4-6 weeks	Finalisation of a Grant Agreement including all required supplements such as the disbursement plan and project's implementation plan

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1. Background

1.1 Special Initiative on Training and Job Creation

Africa needs about 20 million new jobs per year in order to provide its young population with prospects for the future. With its Special Initiative on Training and Job Creation, the German Federal Ministry for Economic Cooperation and Development (BMZ) has set itself the goal of supporting German, European and African businesses and investors engaging in Africa. The Special Initiative aims to remove obstacles to investment in African partner countries, facilitate investment and thereby contribute to (i) creating decent jobs, improving income and working conditions; (ii) creating possibilities for training and further education; and (iii) increasing private investment. The Special Initiative hereby pursues three principle strategies:

- Foster the attractiveness of business locations and industries
- Support sustainable investments by eliminating investment constraints and trade barriers
- Promote the SME sector and stimulate international business cooperation.

For more information regarding the Special Initiative and its range of activities, please visit <https://invest-for-jobs.com/en>.

1.2 The Facility Investing for Employment

The Facility Investing for Employment (IFE) is a regional investment facility, created by KfW Development Bank (KfW) on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ) and is an integral part of the Special Initiative on Training and Job Creation.

The purpose of the Facility is job creation. Grant funding is therefore available only for projects which will create good jobs.

Within the scope of the Special Initiative, IFE provides funding to companies, non-profit organisations and public partners to overcome obstacles to investments and the creation of jobs in the private sector. IFE contributes co-financing grants for employment-enhancing investments, accompanying advisory services and the set-up of investments, such as environmental and social impact assessments. This will remove barriers to creating additional and better jobs in the private sector.

The grants are made available by means of competitive Calls for Proposals on the basis of transparent funding criteria. The selection of projects is based on a competitive application process. IFE looks for an optimal allocation of available funding to projects with the highest plausibility of success and expected return in terms of the number and quality of new jobs created. IFE provides co-financing grants for new investment projects with a high job creation impact.

IFE grants per project range between 1 million EUR and 10 million EUR per project. In order to ensure a high degree of ownership as well as the sustainability of the projects co-financed by IFE, accepted applicants are expected to co-finance their proposed projects. Own contribution from the applicants will be a specified percentage (from 10% up to 75%) of total project costs (see details in Section 2.1 “Project Categories”) pending type of applicants. Notably, IFE provides grants only for projects, for which the applicants cannot secure complete funding from commercial or donor sources.

Please visit www.invest-for-jobs.com/en/investing-for-employment for more information on IFE.

1.3 The Goal: Job Creation

All projects must create or contribute to create new jobs in the private sector

Every application must convincingly describe and substantiate how the project will create new good jobs in the private sector as a direct result of the IFE funding. This metric is the first and most important Key Performance Indicator (KPI) for IFE and is at the core of how IFE decides which projects to fund (see Section 7.1 for list of IFE KPIs).

Jobs can be counted if they are created either at the Applicant entity (or at an entity in the Applicant consortium) or if they are created at Third Parties. **All jobs created as a result of IFE projects must be created within entities of the private sector in order to be counted.**

<p>Jobs created at the Applicant entity</p>	<p>Jobs created at the Applicant’s entity can only be counted if the Applicant would not have been able to fund his project and to create these jobs without the support of the IFE grant. This needs to be demonstrated in the application</p> <p>Examples of job creation within the Applicant entity include the building of a new processing or manufactory facility and subsequent hiring of staff for the facility. See Section 2.1 for further examples.</p>
<p>Jobs created at Third Party entities</p>	<p>In case the new jobs are to be created at Third Parties, these jobs can only be counted if:</p> <ul style="list-style-type: none"> • The Third Party is a private sector entity; • The Third Party commits via a Letter of Intent to create new good jobs; • The Third party confirms that the job creation is a direct result of the IFE grant (i.e., the Third Party would not have created these new good jobs without the IFE-supported project). <p>Examples of Third Party job creation which can be counted by IFE:</p> <ul style="list-style-type: none"> • The construction of a high-capacity road to an industrial zone, leading a Third Party entity to establish and operate a new factory in this industrial zone with new good jobs; • A new product is developed by the IFE co-financed project and a Third Party entity establishes a special sales force (new good jobs) to sell the newly developed product and the grantee will train the salespeople on the use of the products <ul style="list-style-type: none"> • <i>Note:</i> These new good jobs at either the supplier level or the client-sales level can only be counted if the Grantee has some involvement in <i>supporting</i> the Third Party Entities through training, technical support, etc., and not just selling or buying. Again it must be demonstrated that these new good jobs are created as a <i>direct</i> result of the IFE grant project. <p>See Section 2.1 for further examples.</p>

To prove to IFE that job creation will take place within a Third Party entity, you must be prepared to present **Letters of Intent** (see format in Section 7.4) from any Third Party entity which will create jobs. Presenting Letters of Intent at the Concept Note stage would be considered a strong advantage and is obligatory at the Full Project Proposal stage if your Concept Note is shortlisted.

Once jobs are created, grantees will be required to demonstrate this job creation through:

- Copies of **employment contracts** (employment directly within an Applicant entity)
- **Tax records** demonstrating that appropriate employer taxes have been paid on employee salaries (employment either within an Applicant entity or Third Party)

It will be the successful (Lead) Applicant's responsibility to **report on the job creation** on a quarterly basis to IFE.

For a full list of all documentation required at each stage of the IFE application process, please refer to Section 7.5.

All jobs must be New and Good Jobs

Jobs can only be accepted by IFE, if the jobs are new and fulfil the following conditions according to ILO standards:

- Fulfilment of a minimum employment duration (20 hours/week over 26 weeks within a year or at least 520 working hours/year – only exception is if the employee quits the job)
- Payment of a salary at least equal to the national minimum wage
- Compliance with the ILO core and basic labour standards (no child or forced labour, prohibition of discrimination in employment and occupation, freedom of association and right to collective bargaining).

Any applicant is fully responsible for documenting that the job creation complies with this definition of good jobs and **must provide documentation of the achievement of this job creation** during the operational phase of the project.

For a full list of all documentation required at each stage of the IFE application process, please refer to Section 7.5.

IFE supports only efficient job-creating projects

Every IFE project must realistically expect to create at least 125 new good jobs per 1 million EUR grant from IFE in order to be considered for funding. If your proposed project will not meet this threshold, then please do not apply for IFE funding.

The indicated number of new jobs will be verified during the Concept Note Evaluation and Due Diligence. IFE reserves the right to reject the applications which have overestimated the job creation potential of their project.

Additional project impact

While the primary purpose of IFE is to contribute to the creation of new good jobs, two additional areas of impact are sought by the facility:

- Improvement of working conditions or income (see KPI 2 in Annex 1)
- Provision of higher education or short-term job-related trainings (see KPI 3 in Annex 1)

Therefore, projects which first demonstrate sufficient job-creation potential may receive additional bonus points during the assessment phase if they can demonstrate the two additional areas of impact listed above. Please review Section 7.1 for information and further definitions.

1.4 Thematic Call: Green Economy

In Egypt, this Call for Proposal is a thematic call focussing on Green Economy on a **non-exclusive** basis. This means that IFE will prioritise projects which create good jobs while leading to reduced carbon emissions and pollution, enhanced energy and resource efficiency, and prevention of the loss of biodiversity and ecosystem services. The Applicant needs to demonstrate that and how his/her projects contributes to Egypt's green economy.





This Thematic Call is non-exclusive, therefore other non-green projects may be submitted for funding as long as they comply with the general conditions of IFE and offer significant job creation.

2. Eligibility Criteria

2.1 Project

Project Categories

The proposed project must fall within one of IFE's four categories. It is the responsibility of the applicant to correctly identify the project category which applies to his/her proposed project. In the event that the incorrect project category is indicated, IFE reserves the right to reject the application.

Category 1	Category 2	Category 3	Category 4
			
Public infrastructure and common services for job creation (Not for profit, Non-revenue generating)	Public Infrastructure and common service for job creation (Not for Profit Revenue generating)	Projects with broader job creation impact (For profit)	Projects for job creation (For profit)
For public/non-profit applicants seeking to build infrastructure which does not generate revenue.	For public/non-profit applicants seeking to build infrastructure and common services which generate revenue.	For private companies developing projects which will create jobs within their own entity and at least the same number within Third Party entities.	For private companies developing projects which will create jobs primarily within their own entity.

More information about the project categories can be found below:

Category 1 - Public infrastructure and common services for job creation (not for profit and non-revenue generating)	
Lead applicant profile	National ministries and public investment agencies; Professional Associations (industry, commerce, agriculture); organisations managing industrial zones; NGOs; infrastructure service providers
Project description	<ul style="list-style-type: none"> Public infrastructure projects enabling job creation in the private sector Does not generate revenue

	<ul style="list-style-type: none"> • Job creation within the applicant entity (in case the applicant is a private entity) and/or Third Party entities (evidenced by Letters of Intent from these entities – Lol))
Project examples	<ul style="list-style-type: none"> • Construction of a toll free access road for an industrial zone • Training projects (without generation of fees)
IFE grant	Up to 90% of the total investment cost of the project
Applicant's contribution	At least 10% of the total investment cost of the project

Category 2 – Public infrastructure and common service for job creation (not for profit but revenue generating)

Lead applicant profile	National ministries and public investment agencies; Professional Associations (industry, commerce, agriculture); organisations managing industrial zones; NGOs; infrastructure service providers
Project description	<ul style="list-style-type: none"> • Public infrastructure projects enabling job creation or projects promoting the supply of common services • Generates revenue to be used for covering the operating costs (no distribution of profits) • Job creation either within the applicant entity (in case the applicant is a private entity) and/or within Third Party entities (supported by Letters of Intent from these entities – Lol)
Project examples	<ul style="list-style-type: none"> • Renewable energy generation and transmission facilities to supply an industrial zone • Equipping accelerator centres • Vocational training centres
IFE grant	Up to 75% of the total investment cost of the project
Applicant's contribution	At least 25% of the total investment cost of the project

Category 3 - For-profit projects with broader job creation impact beyond the applicant

Lead applicant profile	Companies; industry/commerce/agriculture/other associations
Project description	<ul style="list-style-type: none"> • For-profit projects which create jobs within the applicant's entity and which trigger the creation of jobs at Third Party entities • More than half of the new jobs will be created within Third Party Entities • Third Party Entity job creation must be directly linked to the IFE co-financed measure • The applicant must present Letters of Intent (Lols) from Third Party entities committing to creating jobs.
Project examples	<ul style="list-style-type: none"> • Construction of a factory to build a new proprietary medical device and one or more Third Party entities committing to hire new sales teams to market and sell the device • Construction of a new food processing plant and a Third Party agricultural entity committing to expanding its operations and hiring new staff to supply the food processing plant with inputs • Construction of a dormitory to house workers in an industrial zone which will enable additional capacity utilisation of the private entities within the zone and lead to additional job creation.

IFE grant	Up to 50% of the total investment cost of the project
Applicant's contribution	At least 50% of the total investment cost of the project
A word of caution	<p>By experience, it is often difficult to convincingly substantiate job estimates to be created by Third Party Entities. In case of non-satisfactory evidence, IFE will not accept the application for a 50% grant and may therefore disqualify the Applicant.</p> <p>Applicants for a Category 3 projects are therefore encouraged:</p> <ul style="list-style-type: none"> - To confirm, whether in case the project does not qualify for Category 3, they accept their project to be re-allocated to Category 4 with a 25% grant, and if so; - To offer a detailed funding plan with an own contribution of 75% of the total project costs.

Category 4 – For-profit projects for job creation	
Lead Applicant profile	Commercial companies
Project description	<ul style="list-style-type: none"> • For-profit projects which involve creating jobs within the Applicant's entity • Category 4 projects may create jobs in Third Party entities but the applicant must provide Letters of Intent
Project examples	<ul style="list-style-type: none"> • Expansion of an existing processing facility • Investment in an upstream or downstream project
IFE Grant amount	Up to 25% of the total investment cost of the project
Applicant's contribution	At least 75% of the total investment cost of the project

The applicant is fully responsible for documenting that the job creation complies with this definition of good jobs and **must provide documentation** for the jobs which have been created as a direct result of the project.

General project eligibility conditions

Each of the following conditions **must be met by the project** in order to receive IFE financing. Please review each requirement carefully and ensure that you can provide sufficient supporting documentation as indicated. If the proposed project does not meet any of these criteria, please do not apply. **For a full list of all documentation required at each stage of the IFE application process, please refer to Section 7.5.**

Project Eligibility Condition	Description	Supporting Documentation (see also Section 7.5)
Project Location	All projects co-financed by IFE must take place entirely in the country of the Call for Proposals. The job creation impact of the project must also take place in the country of the Call for Proposals.	The applicant must state the intended location of the project in the Concept Note and demonstrate of the availability of land.

<p>Project Maturity</p>	<p>For a project to be eligible, the application must demonstrate that the investment phase of their proposed project can be started within a maximum period of 12 months after signing the Grant Agreement. IFE reserves the right to cancel a committed financing contribution if this condition is not fulfilled.</p>	<p>At the stage of the Concept Note, the following is required:</p> <ul style="list-style-type: none"> • Basic cash flow projection (format will be provided) including funding plan and funding sources and contingency budget and investment components and cost estimates • Copy of landowner / lease certificates <p>If your project is shortlisted by IFE and invited to submit a Full Project Proposal, the following is required (note: it is an advantage if the following is also presented in the Concept Note):</p> <ul style="list-style-type: none"> • Detailed cash flow projection incl. 5% retention provision of the requested IFE grant • Cost quotations • Market Study • Technical Study (including feasibility studies, etc.) • Implementation Plan • Procurement Plan
<p>Investment Phase Timeframe</p>	<p>The investment phase is defined as the period during which the project is under implementation. Criteria related to the timeframe of the investment are as follows.</p> <ul style="list-style-type: none"> • For a project to be eligible, the application must demonstrate that the investment phase of the proposed project can be started within a maximum period of 12 months after signing the Grant Agreement; • The investment phase of a project may not exceed 24 months; • Total time from the signature of the grant agreement until the end of the investment phase cannot exceed 30 months. 	<p>At the stage of the Concept Note, this must be demonstrated by a description of key activities and estimated time begin project implementation as well as to complete e.g. construction, installation, surveys etc.</p> <p>If your project is shortlisted by IFE and invited to submit a Full Project Proposal, this must be demonstrated by the submission of a clear implementation plan showing the timeline of, for example, the construction of a new facility, and demonstrating that it is reasonable for the construction to be completed within 24 months of initiating the project.</p>
<p>Additionality</p>	<p>For a project to be eligible the application must demonstrate additionality; in other words, the applicant must prove that the financial contribution from IFE is essential for the implementation of the project, i.e. the contribution does not replace but rather supplement other options of funding currently available to the applicant.</p>	<p>This can be demonstrated by offering evidence that <i>any</i> of the following apply:</p> <ul style="list-style-type: none"> • Local banks do not offer suitable financing products that match the investment terms of the project; • Applicants cannot provide sufficient collateral to obtain loans from local banks for the investment project (demonstrated by, for example,

	<p>Please note that IFE will not approve a grant if the project:</p> <ul style="list-style-type: none"> • has already begun and is at a stage beyond the planning phase; • if the applicant/parent company has sufficient liquid funds to carry out the investment; • or if the applicant can secure sufficient external financing without the IFE grant. 	<p>letter of rejection for a loan from a local bank stating lack of collateral as a reason for rejection);</p> <ul style="list-style-type: none"> • The project's cashflow is positive, but key financial indicators do not support the financial viability of the investment – specifically, the Internal Rate of Return is below 15% (demonstrated by, for example, Basic business plan including a calculation of the Internal Rate of Return (IRR) of the project) • Applicants or their parent companies demonstrate that they do not have sufficient liquid funds – according to their latest financial statements – to make the investment (demonstrated by certified Financial statements). • Local banks or other investors make IFE grant a prerequisite for granting a loan for the project, as stated in a letter from the bank (demonstrated by, for example, Letter from a bank indicating the requirement of IFE grant for a loan) • The applicant can demonstrate that the IFE grant project will substantially expedite the creation of jobs at the applicant entity and will lead to significant job creation during the first two years of the operational period which would not have otherwise been created without the IFE grant.
<p>Absence of Market Distortion</p>	<p>The proposed project should not cause significant negative market distortions or lead to market dominance/monopoly for the applicant. In particular, IFE may not be able to offer co-financing in the event that:</p> <ul style="list-style-type: none"> • The specific product market has less than 5 providers; and/or • The applicant has a market share >20% before the investment and/or might reach a market share of >40% after the investment project to be co-financed by IFE 	<p>To provide sufficient evidence that the proposal does not cause market distortion, the applicant should, where applicable, offer:</p> <ul style="list-style-type: none"> • Market analyses showing the state of the market for the product(s); • Clear description of the existing market situation and forecast for how the IFE grant project will change the market position of the applicant.

	<p>If either of the two above criteria is met based on available market information, or if no sufficiently meaningful market data is available, IFE will examine the risk of possible market distortion in more detail to arrive at a final recommendation to be submitted as part of the evaluation report.</p> <p>Such examination will not be required if one of the following mitigating factors applies:</p> <ul style="list-style-type: none"> • Through the investment new products will be introduced to the market • Known products are introduced into regions where they were not previously sold. 	
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2.2 Applicants

Applicants can be any entity with a proper legal body which enjoys budgetary autonomy. The Call for Proposal is open for applicants applying either as an **Individual** entity or in a **Consortium** of several entities.

Each of the following conditions **must be met** by all Applicants (Individual or Consortium members) in order for a project proposal to receive funding, so please review carefully the requirements and the required supporting documentation. If any of the Applicants do not meet the below criteria, please do not apply. **For a full list of all documentation required at each stage of the IFE application process, please refer to Section 7.5.**

Applicant Eligibility Condition	Description	Supporting Documentation (see also Section 7.5)
Registration	<p><u>When applying as an individual entity;</u></p> <ul style="list-style-type: none"> • Must be a separate legal entity registered in Egypt. The exact type of legal form must be disclosed in the application form. • Must be duly registered and operating under all licenses required for a given line of business in Egypt. <p><u>When applying as a Consortium of several entities,</u> The consortium must nominate one lead applicant amongst its entities. The lead applicant need not necessarily be from Country.</p> <ul style="list-style-type: none"> • All applicants of the consortium must each be a separate legal 	<p>At the Concept Note stage, the following must be submitted:</p> <ul style="list-style-type: none"> • Commercial register from applicant and partners translated into English in case it is in Arabic • Business licenses for all partners (if applicable) • Legal acts of establishment for public sector entities <p>At the Full Project Proposal stage, all submitted translations will need to be notary certified in order for the application to proceed.</p>

	<p>entity registered in Egypt, in Africa or EU/EFTA.</p> <ul style="list-style-type: none"> The exact type of legal form must be disclosed in the application form. Entities registered outside of Egypt, EU/EFTA or Africa are not eligible At least one member of the applying consortium must be duly registered and operating under all licenses required for the given line of business in Egypt. 	
Years of Operation	<p>All applicants (the Individual, Lead Applicant, and Consortium members) must have been operating for a minimum of 3 years at the time of submitting the IFE grant application. No exceptions will be made.</p>	<ul style="list-style-type: none"> Commercial register from applicant and partners translated into English in case it is in Arabic showing date of registration of company
Compliance	<p>The following conditions must be met by <u>all</u> applicants (Individual, Lead, and Consortium members if applicable) and <i>all</i> projects to be financed by IFE:</p> <ul style="list-style-type: none"> No applying entity can be engaged in activities that feature on the IFC Exclusion List as adapted by KfW¹ or otherwise contravene KfW's Environmental and Social Guidelines² The project to be co-financed by IFE does not feature on the IFC Exclusion List as adapted by KfW or otherwise contravene KfW's Environmental and Social Guidelines The applicants shall disclose the names of shareholders / board of directors / owners up to the level of ultimate beneficial owners, or (in the case of entities without shareholders) the main sources of their annual budget or capital endowment 	<p>The following documentation must be submitted with the Concept Note:</p> <ul style="list-style-type: none"> <u>All</u> parties (Individual applicant, Lead applicant, Consortium members) must sign a Declaration of Undertaking <u>All</u> applicants must provide information on the executive management / decision makers / shareholders (if applicable) / ultimate beneficial owners (if applicable) including names, nationalities, and dates of birth in the Concept Note Statement of compliance with IFC Exclusion List / KfW Environmental and Social requirements Private sector applicants must provide a document outlining the ownership structure of all private applicants including a list of all shareholders <p>At the Full Project Proposal stage, the following additional information will need to be submitted:</p> <ul style="list-style-type: none"> List of authorized signatories ID/passport scans of authorized signatories Document showing the specimen signatures of signatories (Certificate of Incumbency)

¹ https://www.kfw.de/PDF/Download-Center/Konzernthemen/Nachhaltigkeit/Ausschlussliste_EN.pdf and

² https://www.kfw-entwicklungsbank.de/PDF/Download-Center/PDF-Dokumente-Richtlinien/Nachhaltigkeitsrichtlinie_EN.pdf

<p>Financial Capacity (Individual or Lead Applicants)</p>	<p>Private sector companies must be in good financial standing in order to qualify for an IFE grant. This includes demonstrating:</p> <ul style="list-style-type: none"> • Average yearly turnover greater than or equal to 50% of requested grant volume (if in consortium, this turnover requirement applies to the entire consortium), • Debt-equity ratio less than or equal to 4.0 (in last financial year), • Positive EBITDA in at least 2 out of past 3 years. <p>All public sector applicants must</p> <ul style="list-style-type: none"> • Confirm their own contribution at submission of the Concept Note; • Commit to exhaust their own contribution for the investment prior to the 1st disbursement of the grant; • Confirm financial capability to cover the operating costs of the project after completion of the investment. 	<p>At the Concept Note stage, the following documents must be submitted:</p> <ul style="list-style-type: none"> • <u>Private entities</u> must present certified financial statements covering the past three years for the applicant and for partner entities (if applicable), translated into English in case it is in Arabic • At the Full Project Proposal stage, submitted financial documents will need to be notary certified in order for the application to proceed. <p>At the Concept Note stage, <u>Public Entities</u> must present documentation of financial capacity such as:</p> <ul style="list-style-type: none"> • Information about the applicant’s overall annual budget for the past three years, • Letter of Commitment from the responsible public authority and if possible proof of authorised budget. • (Optionally) A full budget for the organisation for each of the past three years.
<p>Financial Capacity (Partner Applicants in case of Consortium)</p>	<ul style="list-style-type: none"> • Private sector partners must demonstrate positive EBITDA in at least 2 out of past 3 years. • Public sector partners must confirm their own contribution and provide clear commitment to undertake and fund the project according to their consortium agreements. 	<p>Note: Entities not subject to the legal audit obligation of their accounts must document their budgetary balance (presentation of surpluses / neutral or positive results) over the past three years through other documented means.</p>
<p>Lead Applicant Requirements (for Consortia only)</p>	<p>The lead applicant is responsible for the quality and truth of information provided via the Concept Note. In case of a successful application, the lead applicant will be the one signing the Grant Agreement with IFE. Hence the lead applicant must be the main stakeholder, who will implement the project and be responsible for its full execution, as well as all monitoring / reporting obligations.</p>	<ul style="list-style-type: none"> • Declaration of Collaboration between consortium partners and signed by all partners (if applicable) delegating responsibility to the Lead Applicant and describing the role of each partner in the project • Power of Attorney for signing the potential grant agreement on behalf of the applicant, signed by each partner
<p>Technical Capacity</p>	<p>Applicants must demonstrate the technical capacity to undertake and implement the project at hand. At a minimum this means offering capable</p>	<p>At the Concept Note stage, applicants must present:</p> <ul style="list-style-type: none"> • CVs of key personnel

	personnel to lead the project implementation.	<p>It will be an advantage if the applicant can also present:</p> <ul style="list-style-type: none"> • Project references for other comparable projects which the applicant has undertaken
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2.3 The Grant

Grant size

IFE offers grants between 1 million EUR and 10 million EUR per project. The minimum grant size is fixed: IFE does not offer grants below 1 million EUR. The maximum grant size is 10 million EUR, subject to the specific project category (see Section 2.1 for details) and based on the turnover of the applicant where applicable (see Section 2.2 for details).

Grants are in addition to the applicant’s own financial contribution (both cash and in kind). A sum equal to 5% of the grant amount will be withheld by IFE until completion of the investment (not considering defects liability period) to secure finalisation of projects.

Own contribution requirement

An applicant (individual entity or consortium) must provide own financial contributions towards the overall project expenditure in the required proportion. The percentage of own contribution required is defined based on project category as already stated above in Section 2.1.

The applicant’s required contribution can be in **either cash or a mix of cash or in-kind** towards the overall project budget or a mix of both types of contributions. Notably, an own contribution may not exclusively be in-kind. **Cash-contribution of a minimum of 15% of the overall own contribution is a requirement.** This cash contribution covers running costs and serves as a cushion for miscellaneous or unplanned expenses.

<p>Cash contributions <i>Applicants must demonstrate documentary evidence for cash contributions (signed MoUs, bank statements, etc.).</i></p>	Must be in EUR (or listed in EUR equivalent)
	Can stem from own funds, or loans or other types of financial support, such as grants from third parties
	To be exclusively used for Eligible Expenditures (see below)
<p>In-kind contributions <i>Implementation of project-related (in-kind) measures that can be quantified in cash terms. Applicants must provide evidence (e.g. inventory lists, lease agreements etc. covering the stated project-related in-kind items) for easy verification of the in-kind measures and values.</i></p>	Ownership titles of land or leases of land
	Project-related construction, equipment or similar
	Soft in-kind contributions (e.g. preparatory studies or other measures implemented in the planning phase of the project)

To demonstrate to IFE that the own contributions will be available, the applicant must provide a **full breakdown of the planned own contribution** in the Concept Note including identifying the amount and source of each contribution.

At the Full Project Proposal stage (after shortlisting), the following must be presented:

- **Ownership titles of land, or signed agreements** to lease land and valuation of land (NOTE: this is a requirement for a project to be financed – if the applicant has not identified and secured the land required for the project, IFE will not finance the project)
- Documentation of **account balances** for cash contributions
- If applicable: Signed **loan agreements** and / or **Letter of Intent from financial institutions** / equity providers pertaining to the availability of debt and/ or equity financing
- **Independent, certified valuations** of the value of in-kind contributions of land and equipment

Eligible Expenditures

IFE grants can be used to co-finance only certain expenditures required for executing the project until completion, in particular:

Eligible Expenditures
Purchase or acquisition of equipment, machinery or other capital goods required for the realization of the project, including import duties, taxes, tariffs and other necessary side costs linked to such purchases (such as warranty costs)
Materials and labour for the construction of premises required for the execution of the project
Training, advisory or other technical services required for the project, e.g. the initial capacitation of management or new employees in newly adapted machines or technology
Costs related to licenses needed to operate the acquired equipment or technology

In turn, all other expenditures are non-eligible, such as:

Non-eligible expenditures
The costs of acquiring intangible goods
Normal recurring costs (such as staff salaries, office rental or maintenance of equipment) to be incurred during the period when the Project is operational
Personal or corporate income taxes at the level of the applicant entities or their owners, and generally all taxes or duties arising outside the project country
Lease or acquisition of vehicles that are not directly required by, and used for, the execution of the project (including any vehicle which is allowed to be privately used by managers or staff)
Costs related to renting, leasing, acquiring or purchasing land required for the execution of the project. Note: the cost of land is accepted by IFE as part of the investment costs, but the IFE grant may not be used to finance the land cost.
All types of costs and expenses incurred beyond the investment phase of a project. IFE grants may not be used for the operating phase of a project.

Including non-eligible costs in the funding plan may result in the disqualification of a proposal.

3. Application Process

The Application Process comprises two stages:

1. Submission of Concept Notes
2. Submission of Full Project Proposals, ONLY for shortlisted applicants

The selection of projects will be conducted through a competitive, transparent process, as outlined below.



For information on the timeline, please refer to the table on page 1 of these Guidelines.

3.1 Submission Procedure

IFE utilises an online system called SmartME to receive Concept Notes and Full Project proposals as well as to receive reports from grantees after grants are awarded. Visit using the following link:

<https://smartme.adalia.fi/login/IFE>

Register on the SmartME platform and create an account using your email address. From this account, you will be able to access the Concept Note Application Form and, if shortlisted, the Full Project Proposal Application Form. Technical assistance with SmartME is available via the platform itself by submitting a support request. Please note that IFE does not take responsibility for technical errors and **we strongly recommend**

to submit your application well in advance of the deadline to ensure that your application is properly received. The system will generate an email automatically informing you of the successful submission.

General rules for submission

- Applications received after the submission deadline will be rejected
- Applications must be submitted online on the SmartME system. No other form of submission is allowed
- Applications shall be submitted in English
- All financial information included in the applications shall be in EUR
- All requested documentation must be submitted in English (Arabic documents may be uploaded along with a translation into English)

3.2 Assessment Procedure

1. **Concept Note:** IFE will check the eligibility and subsequently conduct an evaluation against the assessment criteria and prepare a shortlist of Concept Notes. The CN evaluation exercise may also involve an onsite visit by an IFE staff member. In the case of a positive response, the shortlisted Applicants will be informed to submit Full Project Proposals in the online management system (<https://smartme.adalia.fi/login/IFE>). Only shortlisted applicants will be requested to submit a Full Project Proposal. **Please note that IFE does not provide individualised feedback to unsuccessful applicants.**
2. **Full Project Proposal:** The Full Project Proposal must be sufficiently self-explanatory and convincingly document the viability and sustainability of the project. It must include a detailed implementation plan with realistic timelines, detailed budget, proposal-specific results framework with objectives, targets and indicators, detailed technical design or equipment specifications including cost estimate, environmental and social management

checklist, procurement plan, list of force account measures and an operational and maintenance plan, please see section 7.5 for specific documentation to be submitted.

3. **Due Diligence / Full Project Proposal Evaluation:** IFE will conduct a detailed due diligence exercise for each received Full Project Proposals, analyse and check the correctness, completeness and relevance of the information provided. The due diligence exercise may also involve an onsite visit by an IFE staff member.
4. **Contracting:** Applicants, whose Full Project Proposals have been accepted by IFE in terms of content and score will be offered a Grant Agreement. The terms and conditions of the Grant Agreement will reflect the relevant category of the applicant's project. Grant agreements will only be signed, once all conditions pre-contracting (will be determined during the DD procedure) have been fulfilled.
5. **Disbursement/Implementation:** IFE disbursements will be done in instalments subject to achieved pre-defined milestones and upon submission of evidence and proof of expenses. The Applicants are expected to commit their contribution before the disbursement of the grant. Disbursement of the IFE grant will only start, once all conditions pre-disbursement (will be determined during the DD procedure) have been fulfilled.

4. Assessment Criteria

Applicants and Concept Notes meeting the minimum eligibility criteria as described in the previous section will be subjected to a **technical assessment**, and then subsequently will be ranked based on **job creation potential**. The most technically qualified projects which have a realistic possibility to efficiently create a large number of good jobs **will be shortlisted**.

Only the applicants of the shortlisted projects will be requested to submit a Full Project Proposal.

Technical Assessment

The project concept will be reviewed to determine if it is plausible, feasible, and technically sound. This includes an in-depth assessment of the business plan (to establish long-term sustainability) and the plausibility of the estimated job creation. Projects which do not score a sufficiently high score on the Technical Assessment will be rejected.

To demonstrate to IFE that the Concept Note is plausible, feasible, and technically sound, the applicant shall prepare and submit:

- **List of investment components and cost estimates** along with funding source allocations (i.e., what IFE grant will fund, what the applicant will fund from own contribution, etc.)
- **Basic cash flow projection** for the project including minimum 3 years of projections
- **CVs** of key personnel who will be responsible for managing and undertaking the project

It will be considered a strong advantage if the applicant also submits:

- **Implementation plan** for the project including an estimate of all timing and activities
- **References** to previously undertaken projects (to demonstrate the applicant's capacity to manage such an investment)
- Studies such as **pre-feasibility studies/feasibility studies, market analyses, technical studies**, etc.

Job Creation Potential and KPI Assessment

The technically qualified projects will then be ranked based on two factors:

1. The total number of good jobs estimated to be created
2. The cost per job of each project (calculated based on the total grant requested divided by the estimated number of new jobs to be created, taking into account new jobs created at the applicant's entity and 3rd party entities)

Bonus points will be available to proposed projects which will also contribute to improving working conditions and income at the grant recipients and the educational/training opportunities made available as a result of the project (KPI 3). You can read more information about the additional areas of impact in Section 7.1.

5. Need more information?

Questions must be submitted exclusively in writing to the following email address: cfp-ife.egypt@invest-for-jobs.com. Questions submitted via another means of communication or channels are not receivable.

If you have any questions, please consult first our FAQ section here:

<https://invest-for-jobs.com/en/ife-faq>

If you can't find the information you need, please send us an **email** cfp-ife.egypt@invest-for-jobs.com by the end of the day on 17 January 2022 at the latest. Questions must be submitted in English only. Questions in other languages are not accepted.

New questions and their respective answers will be published on the website:

<https://invest-for-jobs.com/en/ife-call-for-proposals-egypt>

IFE will host webinars explaining the terms and conditions for applying; see the schedule presented on page 1 of this document. Technical questions about the online management system (SmartME) must be submitted via the support function in the system itself, in English.

6. Conditions

6.1 Reporting Obligations

Grantees must report to IFE every quarter during project implementation, over the year following the end of implementation (defects liability period), and subsequently for two full years after the project is completed. Thus, the grantees must report in total for three years after the investment period (project implementation) is finalised.

During project implementation, the reporting consists of project progress, Environmental and Social Management, and on KPIs via the SmartME online system. After the end of the investment period (project implementation), the only consists of KPI achievement and documentation.

In addition to the above reporting, there are mandatory compliance reporting obligations. The grantee must report on all circumstances that might jeopardize the achievement of the overall objective, the business activities' purpose and the results, as well as any incidents which may give rise to liabilities or negative publicity.

These reporting obligations will be part of the contracting procedure, meaning that the grantee is legally required to undertake all necessary work to submit comprehensive and complete reports each quarter.

6.2 Tax and cost overruns

Upon submission of the Concept Note, the applicant must make a declaration confirming that any taxes/levies applied upon the IFE grant in the applicant's country of origin will be covered in full by the applicant.

Further, the applicant must declare that he will bear any cost overruns on the project and the grant amount cannot be increased after the award even if the overall project cost increases.

6.3 Procurement

Please note that all goods, services and works to be financed or co-financed using the grant contribution of IFE (refer to section 2.4 "eligible expenditures") must be procured in accordance with the IFE's Procurement Procedures for Recipients which are guided by the KfW Guidelines for the procurement of goods and services³. IFE Procurement Guidelines will be provided to the shortlisted applicants. Although it is generally permissible for applicants to indicate a preferred supplier already in their Concept Notes, the shortlisting of the Concept Note by IFE does not imply the acceptance or pre-determination of the supplier preference stated or implied therein. In fact, as a matter of principle, IFE requires procurements to be carried out in a transparent and competitive manner.

6.4 Cancellation of Call for Proposals

This Call for Proposals may be cancelled prior to awarding any grant, without incurring any liability thereby vis-à-vis the applicants. In the event of cancellation, applicants will be notified thereof by IFE and shall not be entitled to any compensation. Applicants acknowledge that they are taking part in this Call for Proposal process at their own expenses and risks.

6.5 Disclaimer on grant award decisions

The final grant award decisions rest in the sole responsibility of IFE. By submitting a Concept Note or a Full Project Proposal, applicants acknowledge that they participate in a competitive selection process in which the award of the requested financing is not guaranteed, and within which they have no rights of appeal against any decision taken by IFE.

6.6 Applicability of EU State Aid Laws

Applicants and consortium members must take into consideration the rules arising from the laws and regulations of the European Union concerning government support for industry (state aid) in respect of a provision of subsidies by IFE to them directly or through their subsidiaries or affiliates in other countries, including but not limited to Egypt. IFE reserves the right to reject a Concept Note or (at a later process stage) to withdraw or cancel a grant financing award if it deems – in its sole and final discretion – that its financing contribution may lead to a potential infringement of applicable subsidy laws or may require to obtain a special exemption from applicable authorities beforehand.

IFE is not in the position to provide legal advice to applicants in regards to this matter but refers interested applicants to the European Commission's [external website](#), which provides further information on regulations concerning government support.

6.7 Use of data

Prior to submitting their Concept Notes, applicants need to declare in a standardized form that they consent with uploading and processing basic information on the applicant, the partners and

³ Please visit <https://www.kfw-entwicklungsbank.de/PDF/Download-Center/PDF-Dokumente-Richtlinien/FZ-Vergaberichtlinien-V-2021-EN.pdf> for the full Guidelines.

the project to/in the SIIS platform. Basic information includes the names/locations of the entities involved, the relevant economic sector, the project type, a summary of the project objective and activities, the selection status, the total capital mobilized (incl. IFE grant) as well as the KPIs (planned vs. effectively achieved). The SIIS data serve to provide an overview on the Special Initiative's portfolio of ongoing and planned projects as well as the progress in achievements respective to the key performance indicators (KPI). The SIIS facilitates collaborations and synergies between the various instruments of the Special Initiative (part of which is IFE), KfW, GIZ and IFE, including their service providers that have access to the SIIS platform.

7. Annexes

7.1 Annex 1: List of Key Performance Indicators

KPI 1 – Job Creation

Number of people who came into employment as a result of the Special Initiative on Training and Job Creation (**please note: this is IFE's primary key performance indicator**), differentiated by target group (women/men, youth (15-24)).

To be counted for IFE purposes, a new job must be a “good” job, meaning that it meets the following criteria:

- **Fulfilment of a minimum employment duration** (20 hours/week over 26 weeks within a year or at least 520 working hours/year (exception when the employee quits the job);
- **Payment of a national minimum wage**, where legally established;
- **Compliance with the ILO core and basic labour standards** (no child or forced labour, prohibition of discrimination in employment and occupation, freedom of association and right to collective bargaining).

These new good jobs can only be counted if they are created in a private entity either the applicant, including a consortium member or in Third Party entities

The successful applicants will be responsible for demonstrating job creation after project implementation by presenting evidence such as contracts indicating minimum wage, working hours as per legislation in Egypt, etc.

KPI 2 – Improved Working Conditions and / or Income

Number of people who benefit from improved working conditions or whose income has improved as a result of the Special Initiative - differentiated by target group (women/men, youth (15-24)). **Please note that this KPI applies only to already existing employees of applicant entities (i.e., the people employed by the applicant at the time of the submission of the IFE proposal).** It does not apply to new good jobs created under KPI 1 above.

This KPI is divided into two categories:

- **Improved Working Conditions:** If as a direct result of the project one or more of the following measures is put into place, you can count the existing employees already employed when applying for the grant.
 - Access to human resources development programmes (e.g. initial or further training);
 - Access to personnel support (e.g., health programmes, childcare, flexible working-time arrangements, maternity leave, transportation assistance);
 - Compliance with labour standards (e.g. occupational health and safety standards);
 - Social security (contributions to pension, health insurance, access to a company pension scheme);
 - Gender equality situation and better representation of interests within the company;
 - Access to corporate financial services (e.g. savings schemes, business loans).
- **Improved Income:** If as a direct result of the project, it is expected that the income of existing employees already employed when applying for the grant will on average increase, they can be counted. Please note that the expected income increase must be directly resulting from the proposed project.

If existing employees are expected to benefit from both Improved Working Conditions and Improved Income, they should only be counted **once**.

The successful applicants will be responsible for demonstrating improvement of working conditions or income after project implementation by presenting evidence such as e.g. new HR policies, company or organisation procedures; employment contracts demonstrating increase in wages, etc.

KPI 3 – Vocational higher education and job-related measures

Number of people who have participated/are participating in vocational and higher education or vocational/further qualification measures as a result of the Special Initiative - differentiated by target group (women/men, youth (15-24)).

This KPI is divided into two categories:

- **Vocational higher education:** Count people who have participated successfully in initial / further training with the aim of enhancing their employability due to TVET and higher education qualification measures lasting for 12 months or more.
- **Job-related measures:** Count the number of people who are participating / have participated successfully in occupationally relevant short-term measures and courses are programmes with a duration of up to 12 months (usually short vocational-training courses)

The successful applicants will be responsible for demonstrating the number of people participating in higher education or job-related measures after project implementation by presenting evidence such as enrolment in courses or internal company training course enrolments or facilitation of training e.g. apprenticeship etc.

KPI 8 (a) – Job maintained during the Corona Pandemic

Number of companies that have been/are being supported by the Special Initiative on Training and Job Creation in connection with the Corona pandemic to retain jobs, and which (b) employ X employees. Supplemental information on jobs to be maintained in the grantee entity will also be collected.

Demonstrated by, e.g. number and type of staff before and during the pandemic

7.2 Annex 2: Declaration of Undertaking

Standard Declaration of Undertaking

Reference name of the Application: ("Project"⁴)

To: Investitionen für Beschäftigung (Investing for Employment) GmbH
("IFE")

1. We recognise and accept that the Investitionen für Beschäftigung (Investing for Employment) GmbH (hereafter IFE) only finances projects of Recipients⁵ subject to its own conditions which are set out in the Financing/Grant Agreement yet to be entered into with the Recipient. As a matter of consequence, no legal relationship exists between IFE and our company, our Joint Venture or our Subcontractors under the Project. The Recipient retains exclusive responsibility for the preparation and implementation of the Application Process and the performance of the Project.

2. We hereby certify that neither we nor any of our board members or legal representatives nor any other member of our Joint Venture including Contractors and Subcontractors under the Project are in any of the following situations:

2.1) being bankrupt, wound up or ceasing our activities, having our activities administered by courts, having entered into receivership, reorganisation or being in any analogous situation;

2.2) convicted by a final judgement or a final administrative decision or subject to financial sanctions by the United Nations, the European Union or Germany for involvement in a criminal organisation, money laundering, terrorist-related offences, child labour or trafficking in human beings; this criterion of exclusion is also applicable to legal Persons, whose majority of shares are held or factually controlled by natural or legal Persons which themselves are subject to such convictions or sanctions;

2.3) having been convicted by a final court decision or a final administrative decision by a court, the European Union, national authorities in the Partner Country or in Germany for Sanctionable Practice in connection with a Tender Process or the performance of a Contract or for an irregularity affecting the EU's financial interests (in the event of such a conviction, the Applicant or Bidder shall attach to this Declaration of Undertaking supporting information showing that this conviction is not relevant in the context of this Contract and that adequate compliance measures have been taken in reaction);

2.4) having been subject, within the past five years to a Contract termination fully settled against us for significant or persistent failure to comply with our contractual obligations during such Contract performance, unless this termination was challenged, and dispute resolution is still pending or has not confirmed a full settlement against us;

2.5) not having fulfilled applicable fiscal obligations regarding payments of taxes either in the country where we are constituted or the Recipient's country;

⁴ Project Name/Title and Project ID

⁵ The Recipient means, in this case. Applicant having successfully submitted a Project Proposal and with whom IFE signed a Financing Agreement.

2.6) being subject to an exclusion decision of the World Bank or any other multilateral development bank and being listed on the website <http://www.worldbank.org/debarr> or respectively on the relevant list of any other multilateral development bank (in the event of such exclusion, the Applicant or Bidder shall attach to this Declaration of Undertaking supporting information showing that this exclusion is not relevant in the context of this Contract and that adequate compliance measures have been taken in reaction); or

2.7) being guilty of misrepresentation in supplying the information required as a condition of participation in the Tender.

3. We hereby certify that neither we, nor any of the members of our Joint Venture or any of our Contractors and Subcontractors under the Project are in any of the following situations of conflict of interest:

3.1) being an Affiliate controlled by the IFE or a shareholder controlling the Applicant, unless the stemming conflict of interest has been brought to the attention of IFE and resolved to its satisfaction;

3.2) having a business or family relationship with a IFE's staff involved in the Tender Process or the supervision of the resulting Contract, unless the stemming conflict of interest has been brought to the attention of the Recipient and resolved to its satisfaction;

3.3) being controlled by or controlling another Applicant or Bidder, or being under common control with another Applicant or Bidder, or receiving from or granting subsidies directly or indirectly to another Applicant or Bidder, having the same legal representative as another Applicant or Bidder, maintaining direct or indirect contacts with another Applicant or Bidder which allows us to have or give access to information contained in the respective Applications or Offers, influencing them or influencing decisions of the Recipient;

4. If we are a state-owned entity, and compete in a Tender Process, we certify that we have legal and financial autonomy and that we operate under commercial laws and regulations.

5. We undertake to bring to the attention of IFE, any change in situation with regard to points 2 to 4 here above.

6. In the context of the Application Process and performance of the corresponding Contract:

6.1) neither we nor any of the members of our Joint Venture nor any of our Contractors and Subcontractors under the Contract have engaged or will engage in any Sanctionable Practice during the Tender Process and in the case of being awarded a Contract will engage in any Sanctionable Practice during the performance of the Contract;

6.2) neither we nor any of the members of our Joint Venture or any of our Contractors and Subcontractors under the Contract shall acquire or supply any equipment nor operate in any sectors under an embargo of the United Nations, the European Union or Germany; and

6.3) we commit ourselves to complying with and ensuring that our Contractors and Subcontractors and major suppliers under the Contract comply with international environmental and labour standards, consistent with laws and regulations applicable in the country of implementation of the

Contract and the fundamental conventions of the International Labour Organisation⁶ (ILO) and international environmental treaties. Moreover, we shall implement environmental and social risks mitigation measures when specified in the relevant environmental and social management plans or other similar documents provided by the IFE and, in any case, implement measures to prevent sexual exploitation and abuse and gender-based violence.

6.4) We accept that our data (including personal data) generated in connection with the preparation of the Concept Note and Full Project Proposal during the Application Process are stored and processed according to the Applicable Law by the Recipient and IFE. We will share selected information received as part of the Application Process with other organization's part of the Special Initiative on Training and Job Creation for verification purposes.

7. In the case of being awarded a Contract, we, as well as all members of our Joint Venture partners, Contractors and Subcontractors under the Contract will, (i) upon request, provide information relating to the Tender Process and the performance of the Contract and (ii) permit the Recipient and IFE or an agent appointed by either of them, and in the case of financing by the European Union also to European institutions having competence under European Union law, to inspect the respective accounts, records and documents, to permit on the spot checks and to ensure access to sites and the respective project.

8. In the case of being awarded a Contract, we, as well as all our Joint Venture partners and Subcontractors under the Contract undertake to preserve above mentioned records and documents in accordance with Applicable Law, but in any case, for at least six years from the date of fulfilment or termination of the Contract. Our financial transactions and financial statements shall be subject to auditing procedures in accordance with Applicable Law. Furthermore, we accept that our data (including personal data) generated in connection with implementation of the Contract and the performance of the Contract are stored and processed according to the Applicable Law by the Recipient and IFE.

Name: _____

In the capacity of: _____

Duly empowered to
sign in the name and
on behalf of⁷: _____

Signature: _____

Dated:

⁶ In case ILO conventions have not been fully ratified or implemented in the Employer's country the Applicant/Bidder/Contractor shall, to the satisfaction of the Employer and IFE, propose and implement appropriate measures in the spirit of the said ILO conventions with respect to a) workers grievances on working conditions and terms of employment, b) child labour, c) forced labour, d) worker's organisations and e) non-discrimination

⁷ In the case of a JV, insert the name of the JV. The person who will sign the application, bid or proposal on behalf of the applicant shall attach a power of attorney from the applicant.

7.3 Annex 3: Declaration of Collaboration and Power of Attorney

Facility Investing for Employment

Declaration of Collaboration and Power of Attorney

The parties, as listed hereunder (now referred to as Partners):

Partner 1	Name (incl. legal status)	
	Established: (when, where?):	
	Activity (what, where):	
	Role in Project:	
	- Financial	
	- Non-financial	
Partner 2	Name (incl. legal status)	
	Established: (when, where?):	
	Activity (what, where):	
	Role in Project:	
	- Financial	
	- Non-financial	
Partner	Name (incl. legal status)	
	Established: (when, where?):	
	Activity (what, where):	
	Role in Project:	
	- Financial	
	- Non-financial	

hereby confirm the following:

- (i) The Partners intend to form a consortium to jointly carry out following project

Name of project:

Legal Status:

Purpose:

- (ii) The Partners intend to apply for a grant from the facility “investing for Employment for co-financing the investment phase of the project.
- (iii) The Partners nominate the Partner as Lead Applicant to submit the concept note application to IFE, and – in the event of being approved – assume the full responsibility for the execution of the project until its technical completion.
- (iv) The Partners give the Lead Applicant Power of Attorney:
- a. to submit the concept note application on their behalf.
 - b. in case of being shortlisted: to submit the full project proposal on their behalf.
 - c. In case of being approved: to submit the Grant Agreement on their behalf.

City, Country, this [] day of [], 202[]

Partner 1:
Name: []
Function: []

Signature: _____

Partner 2:
Name: []
Function: []

Signature: _____

Partner ...:
Name: []
Function: []

Signature: _____

7.4 Annex 4: Letter of Intent for Third Party Job Creation

Facility Investing for Employment

Letter of Intent on Job Creation and Labour Standard Compliance

This Letter of Intent is offered by a valid Third Party Entity and a Grantee (Individual or Lead Grantee) which is the recipient of a grant from the facility Investing for Employment (IFE) co-financing a job creating project. By this Letter of Intent, the Third Party Entity named as [redacted] hereby confirms its intention to:

- (i) Create [redacted] new good jobs as a direct result of the IFE co-financed project (see Section I below);
- (ii) Commits to ensuring that all such newly created good jobs will be compliant with the labour standards outlined in Section II below;

Agrees to provide documentation necessary for the verification and validation of the creation of these jobs and the compliance with labour standards (see Section III below).

I. Job Creation⁸

As a direct result of the IFE co-financed project, we expect to create new jobs in the following time period:

Total number of new jobs expected to be created: [redacted]
Of which total, the new hires are expected to be women: [redacted]
Of which total, the new hires are expected to be youth (15-24): [redacted]

The new jobs are expected to be created according to the following schedule:

	During Project	Y1	Y2	Y3
Total	[redacted]	[redacted]	[redacted]	[redacted]
<i>Women</i>	[redacted]	[redacted]	[redacted]	[redacted]
<i>Youth</i>	[redacted]	[redacted]	[redacted]	[redacted]

The first year considered for the creation of new jobs corresponds to the year, when the IFE co-financed project has completed its investment phase and commences with its operating phase.

II. Labour Standard Compliance

⁸ We understand that jobs created during the first year will achieve a higher score and therefore improve its chances to qualify for an IFE grant.

As a Third Party Entity, we confirm that all jobs created will comply with the following criteria:

- Employment will be of a minimum duration, currently set at 20 hours per week over a 26-week period in a year, or any combination leading to 520 hours of employment in a year.
- At a very minimum, the national statutory minimum wage laws (where applicable) will be applied or a wage in excess of a pre-defined threshold, applying World Bank standard of 3.80 USD/day
- ILO principles and associated conventions, in particular:
 - No child labour (Minimum age No.138, Worst forms of child labour No.182),
 - No forced labour (No forced labour No. 29, No forced labour No.105),
 - Prohibition of discrimination in employment and occupation (Non-discrimination No. 111, Equal remuneration No. 100),
 - Freedom of association and right to collective bargaining (Freedom of union membership No. 87, Right to organise & collective bargaining No. 98).'

In accordance with the International Labour Organisations (ILO) Fundamental Conventions, the International Finance Corporation (IFC) performance standards and any laws and regulations applicable in the country of implementation of the Contract.

III. Provision of Documentation of Good Jobs created

By signing this Letter of Intent, we confirm that we shall provide all necessary documentation for the Grantee and the IFE team to quarterly verify that the reported number of jobs created are accurate and shall further provide any additional information necessarily requested by IFE to verify compliance with the good job standard outlined above.

IV. Signature

Name of signatory: *Insert full name of signatory*

Position of signatory: *Insert position of the signatory within the Third Party Entity*

Name of entity: *Insert legal name of Third Party Entity*

Signature: _____

Date: _____

7.5 Annex 5. List of Required Documents

Topic	Documents to submitted with Concept Note	Documents to be submitted with Full Project Proposal
General	<ul style="list-style-type: none"> ○ For private entities: Commercial register from applicant and partners translated into English in case it is in Arabic ○ For public entities: Legal acts of establishment or equivalent official documentation of establishment ○ Business licenses for all partners (if applicable) ○ Power of Attorney for signing the potential grant agreement on behalf of the applicant ○ Declaration of Collaboration between consortium partners and signed by all partners (if applicable) ○ Shareholders and directors of applicant and partners (names, nationality, birth dates, address) ○ For private entities: Ownership structure including all shareholders ○ IFE Declaration of Undertaking signed by all partners 	<ul style="list-style-type: none"> ○ Notarial certified translation of Arabic commercial registers (if applicable)
Financial	<ul style="list-style-type: none"> ○ For private entities: Certified Financial Statements past three years for applicant and also for partner entities (if applicable) translated into English in case it is in Arabic ○ Declaration confirming that applicant will cover any potential taxes/levies applied in the applicant's country on the grant received ○ Statement of Applicant that he will bear any costs overruns 	<ul style="list-style-type: none"> ○ Notarial certified translation of Arabic Financial Statements (if applicable) ○ Proof of availability of own contributions
Business Plan	<ul style="list-style-type: none"> ○ Basic cash flow projection (format will be provided) including funding plan and funding sources and contingency budget and investment components and cost estimates ○ Letter of Intent from bank(s) for a loan ○ Letter of Intent from equity providers ○ CVs of key personnel and staff for the proposed project ○ Project references 	<ul style="list-style-type: none"> ○ Detailed cash flow projection (format will be provided) incl. 5% retention provision ○ Cost quotations ○ If not submitted with the CN: <ul style="list-style-type: none"> ○ Market Study ○ Technical Study ○ Implementation Plan and schedule ○ Procurement Plan
KPI(s)	<ul style="list-style-type: none"> ○ Estimated KPIs with explanations 	<ul style="list-style-type: none"> ○ Time plan for creation of jobs at own and 3rd entities ○ Detailed planning (professions) for own entity ○ Lols for at least 25% of jobs to be created at 3rd entities

<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Land and in-kind contributions</p>	<ul style="list-style-type: none"> ○ Land ownership documentation (if applicable) 	<ul style="list-style-type: none"> ○ Independent valuations of assets provided as own-contribution (land e.g.) submitted by Lead Applicant.
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Environmental and Social issues</p>	<ul style="list-style-type: none"> ○ Environmental and Social requirements 	
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Know Your Customer (KYC)</p>		<ul style="list-style-type: none"> ○ Proof of registration (Commercial Register Extract, alternatively Certificate of Incorporation or other document) ○ List of members of the Board and Management/Executive Committee (including their birth dates and nationalities) ○ List of authorized signatories ○ ID/passport scans of authorized signatories ○ Document showing the specimen signatures of signatories (Certificate of Incumbency) ○ Information regarding ownership structure ○ Legal entity identifier ○ Taxpayer registration certificate <p><i>The following items are optional, depending on the type of entity applying for the grant:</i></p> <ul style="list-style-type: none"> ○ Banking license or other proof of being supervised (in case counterparty is a financial intermediary) ○ Operating license (in case counterparty carries out an activity requiring a license) ○ Declaration of Undertaking (if required by contract)

Please note: there may be additional preconditions for contracting and disbursement at the sole discretion of IFE. This will be established during the Due Diligence of submitted Full Project Proposals and communicated to the applicants if applicable.

Document Checklist

Call for Proposals by the Facility Investing for Employment in Egypt

This document is intended to help applicants by providing a checklist of all **Required** and **Optional** documents to submit a Concept Note to the Call for Proposals launched by the Facility Investing for Employment (IFE) in Egypt. Please refer to the Guidelines for Applicants for a full description of the procedures, requirements, and timelines pertaining to the Call for Proposals.

General guidelines:

- All documents **must** be presented in English (a translated copy is acceptable).
- **Only** documents uploaded via the SmartME system can be accepted by IFE for evaluation

Topic	Document Title	Notes / Guidance	Done?
<u>General</u>	Declaration of Undertaking	Required for each application regardless of applicant type	<input type="checkbox"/>
	Commercial Register	Required for all Private entities applying for a grant (Individual Applicant or all Consortium Members if applicable)	<input type="checkbox"/>
	Legal act of establishment (or equivalent official documentation of establishment)	Required for all Public entities applying for a grant (Individual Applicant or all Consortium Members if applicable)	<input type="checkbox"/>
	Business licenses	Optional documentation for Private entities	<input type="checkbox"/>
	List of Key Persons (including shareholders, managing directors, partners, etc.)	Required for each application regardless of applicant type	<input type="checkbox"/>
	Ownership structure (list of shareholders and percentage of ownership)	Required for all Private entities applying for a grant (Individual Applicant or all Consortium Members if applicable)	<input type="checkbox"/>
	Declaration of Collaboration and Power of Attorney	Required for all Consortia (signed by all Consortium Members)	<input type="checkbox"/>
<u>Financial</u>	Financial Statements from the past three years	Required for all Private entities applying for a grant (Individual Applicant or all Consortium Members if applicable)	<input type="checkbox"/>
	Annual Budget from the past three years	Optional for Public entities applying for a grant (presenting an Annual Budget would be a strong advantage to help IFE assess financial capacity)	<input type="checkbox"/>
	Letter of Commitment stating that funds will be made available	Required for all Public entities applying for a grant (Individual Applicant or all Consortium Members if applicable)	<input type="checkbox"/>

<u>Business Plan</u>	Basic cash flow projection including funding plan, investment components and cost estimates	Required for each application regardless of applicant type	<input type="checkbox"/>
	CVs of key personnel/staff for the proposed project	Required for each application regardless of applicant type	<input type="checkbox"/>
	Letter(s) of intent from banks pertaining to a loan	Optional document which can be presented to demonstrate availability of own contribution as well as additionality	<input type="checkbox"/>
	Letter(s) of intent from equity providers pertaining to an investment	Optional document which can be presented to demonstrate availability of own contribution as well as additionality	<input type="checkbox"/>
	Project references	Optional references which can be presented to demonstrate the applicant's previous experience implementing similar projects	<input type="checkbox"/>
	Market studies	Optional documents which can be presented to provide information on the applicant's market position	<input type="checkbox"/>
	Technical studies (feasibility, Environmental & Social, etc.)	Optional documents which can be presented to demonstrate project maturity	<input type="checkbox"/>
	Implementation Plan and Schedule	Optional document which can be presented to demonstrate project maturity and clarify the timeframe for the investment	<input type="checkbox"/>
	Procurement Plan	Optional document which can be presented to demonstrate project maturity	<input type="checkbox"/>
<u>Land</u>	Land title or lease agreement	Required for each application regardless of applicant type to demonstrate project maturity and provide assurance that the project may be initiated within 12 months	<input type="checkbox"/>