

**"IFE-10-WiB-C1: Procurement Procedure "Call for Proposals for women in Business in Egypt"**

**Contest for Participation (Stage 1) – Answers to candidates' questions**

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No.	Section	Questions in English	Answers in English
	<b>Categorisation</b>		
1	Categorisation	If the project provides training against fees for individuals to enhance their qualifications and to be hired by other companies - will the jobs created in 3rd parties be counted for and can we apply for the grant under Category 3?	<p>Yes, as Category 3 pertains to for-profit projects with broader job creation impact. Accordingly, as a direct result of the project, jobs at 3rd party level must constitute more than 50% of the total new job creation estimates. It would be preferred if the applicant could provide sufficient number of Letters of Intent from the off-takers of training graduates (private sector companies) in the Concept Note stage.</p> <p>You can also refer to the Guidelines for Applicants, Annex 5.2: "Eligibility conditions and list of required documents for Projects" for further details.</p>
	<b>Eligibility</b>		
2	Eligibility	Please clarify the breakdown between cash and in-kind to the overall own contribution (i.e. expected percentage of cash contribution vs. expected percentage of in-kind contribution)?	<p>This would depend on the project's specific nature - where applicants are expected to submit their own estimates for the in-kind contribution, if any.</p> <p>For example, the applicant can elect to participate with 100% of its own contribution in cash. However, if the applicant chooses to include in-kind contribution (land, buildings, machinery, equipment) which is to be <b>exclusively</b> used for project purposes, then an independent valuation (by a certified evaluator) would be required for all in-kind contribution items. For the Concept Note stage, IFE would require only the list of planned in-kind contributions and respective values, whereas the mentioned independent valuation is optional but still very much welcomed as evidence of project's maturity (note that this would be mandatory at potential later stages).</p> <p>Please also note: independent evaluators must be certified by the Central Bank of Egypt (CBE) or the Financial Regulatory Authority (FRA).</p> <p>For further details on Own Contribution you can refer to the Guidelines for Applicants, Section 5.2 and Annex 5.2: "Eligibility conditions and list of required documents for Projects".</p>
3	Eligibility	It is mentioned in the Guidelines for Applicants: 30% women of Executive Management or seats in Board of Directors. How do you define Executive Management?	<p>Executive management or top management are typically C-level and leadership positions in the company i.e. CEO, CBO, CFO, etc. or the Executive Board of Directors.</p> <p>Please refer to the Guidelines for Applicants and Annex 5 for full eligibility criteria details.</p>
4	Eligibility	Please clarify the female workforce ratio - 20% above current industry norm. How about 20% above current applicant's female employment ratio?	<p>One of the applicant eligibility conditions for the WiB Call for Proposals relate to the following: (iii) Employment: The envisaged project will have a female workforce participation ratio well above the average female participation ratio of the specific sector of the project (ideally 20 percentage points above average value).</p> <p>This would pertain to a significant increase in the female workforce employment ratio - above the industry norm i.e. ideally 20% above current/average norms. You would be required to indicate to us the current/average norm of the specific industry of the envisaged project - whether based on publicly available statistics or based on your own industry experience.</p> <p>Example: If your proposed project is in a sector where the average female workforce participation is 10%, the project must feature female workforce participation ratio that exceeds the 10% (Ideally more than 12% in this specific example).</p> <p>Please also refer to the Guidelines for Applicants, Annex 5.1: "Eligibility conditions and list of required documents for Applicants".</p>
5	Eligibility	Please clarify how to prove that people that will participate in vocational and higher education training center are eligible for new jobs created in relation with the Special Initiative grant provided by IFE?	<p>The IFE objective is to facilitate job creations based on evidenced, i.e. not just estimated, market demand. This demand would be evidenced by the required LoIs. We can only accept projects that can guarantee creation of new good and sustainable jobs in the private sector. All jobs should be created as a direct result of the project (the investment), regardless of its nature of business.</p> <p>Applicants <b>must</b> substantiate job creation - in your case likely at 3rd Party Entity/-ies level - through Letters of Intent (LoIs) provided from these 3rd parties. If all LoIs are available at the Concept Note stage, that would be a positive sign of the maturity of the project's planning phase.</p> <p>Please note that in case of jobs to be created at 3rd party entities, provision of Letters of Intent for at least 25% of the estimated number of jobs is required at the Concept Note stage.</p> <p>Please see the Guidelines for Applicants, Annex 5.2: "Eligibility conditions and list of required documents for Projects".</p>

6	Eligibility	Can an applicant with no financial history apply for the IFE grant?	IFE cannot provide support to companies without sufficient historical track record i.e. applicants who cannot provide certified audited financial statements (or annual budget in case the applicant is a public entity/NGO) for the past 3 years. However, IFE can support establishing of subsidiaries or of a separate legal entity that is backed up by an applicant or consortium of applicants who can prove sufficient level of comfort with regards to the applicant(s) eligibility criteria.  Please see Section 3: Conditions for Applicants in the Guidelines for Applicants.
7	Eligibility	Please clarify if the costs occurring in the operational phase can be included within the in-kind own contribution? - If Yes: would it be only calculated based on the number of trainees participating in relation to the addressed project?	Costs incurred beyond the investment phase of a project are not eligible for IFE support. Please also note that operating costs (salaries and operating expenses) cannot be considered eligible as part of the total investment costs.  For further reference, please see Section 5.3: Eligible Expenditures in the Guidelines for Applicants.
8	Eligibility	Please illustrate debt to equity ratio less than or equal to 4.0?	IFE is interested in collaborating with financially healthy companies (applicants). Thus, debt-equity ratio <b>must not exceed</b> 4:1 in the last financial year.
9	Eligibility	Please confirm if the 15% cash own contribution applies for category 1&2?	Own contribution as well as minimum cash contribution amounting to 15% of total own contribution applies to <b>ALL</b> categories and all submitted projects, to guarantee applicant's ability of covering running costs incurred during the investment phase.
10	Eligibility	Please advise on lease agreements related to one's project based on its new assets i.e. "Right of Use Assets". Are such assets taken into consideration as part of In-kind contribution?	In-kind contribution can only be accepted if assets are owned by the applying entity/-ies with values substantiated by an external independent expert. As far as lease agreements are concerned, IFE can consider accepting costs that are to be incurred during the investment phase only. Any future payments resulting from a lease agreement or any other commercial financing agreement will not be considered part of the investment cost.
11	Eligibility	Please confirm if the 15% of the own cash contribution can stem from other types of financial support like overdraft bank facility?	Yes, cash contribution can stem from own funds, commercial loans or equity injections that will be exclusively used for the project purpose.  Applicants need to provide documentary evidence for envisaged cash contributions (signed MOUs or Lols for loan agreements and/or equity provision, bank statements, etc.).  Please refer to the Guidelines for Applicants, Section 5.2: Own contribution requirement.
12	Eligibility	Are salaries of newly appointed employees eligible?	No, salaries and other administrative costs are considered operating expenses and accordingly not an eligible investment item.  Kindly carefully review the Guidelines for Applicants, Section 5.3: Eligible Expenditures.
13	Eligibility	Documentation of co-financing: do we have to provide proof for the full amount of co-financing at the onset of the project even if a considerable portion of the funding will not be required at the beginning (year 1)? Or is it sufficient to provide proof of the company's capacity to raise/provide portions of co-financing needed during year 2 and 3?	It depends on the project and its implementation plan. Once the project is successful and a Grant Agreement is signed with IFE, it would be typically expected that the grantee exhausts its own contribution first and IFE would follow after successful deployment of the grantee's own contribution.  However, in some cases, nature of the project requires that the disbursement schedule is defined in a different manner.  At the Concept Note stage, if the applicant provides evidence or plan of availability of own contribution, it would serve as a proof of project's maturity - i.e. Letters of Intent from banks, investors, proof of availability of funds in the applicant's bank account., etc.  As a matter of principle, IFE - like any finance institution - needs to ascertain, that the investor (i) has established a well thought through financing plan, (ii) has the evidenced financial capacity to carry out the investment, and (iii) is financially sufficiently healthy to cope with the risks of his investment including the risk of cost overruns.
14	Eligibility	Regarding own cash contribution (15%): should it be ready before start or it is accepted to be covered throughout the implementation?	Once the Grant Agreement is signed, we expect that the grantee's funds are ready and available. Applicants are expected to provide sufficient evidence on the availability of own cash contribution during the application process.  Please note that the <b>minimum</b> cash contribution expected from the applicant is 15% of the total own contribution.
15	Eligibility	Regarding land valuation: does the valuation need to be certified during the Concept Note phase?	At the Concept Note stage, list of planned in-kind contributions - land - and value(s) necessary for the planned project would be necessary, while external independent valuation remains optional. However, in order to substantiate maturity of the proposed investment, it would be recommended to include it, if available.  External independent valuation of land (and other assets, if applicable) provided as own-contribution is mandatory at the Full Project Proposal stage. The content of the evaluation and the selection of the evaluator need to be acceptable to IFE.  Please see Annex 5.2: "Eligibility conditions and list of required documents for Projects" in the Guidelines for Applicants for further details.
16	Eligibility	How is leverage calculated?	If your question pertains to the Debt/Equity (D/E) ratio in the Financial Eligibility Check tool file (downloadable from SmartME) - it will be calculated automatically once you fill in required data in relevant cells.
17	Eligibility	Are licensing and legal costs considered part of CAPEX?	Yes, these would be considered as part of eligible investment costs only if incurred/to be incurred and used exclusively for the proposed project purposes.

18	Eligibility	In the Guidelines you related the project volume to the turnover of the applicant's entity. Can you please explain?	The average turnover of the applicant's entity (or consortium partners) for the past 3 years must be at least 50% of the requested grant amount. This is to ensure that the proposed project and the requested IFE grant should not be disproportionately large compared to the applicant's current business.  For example: if the applicant is requesting 1million EUR grant, the average turnover should not be less than 500.000 EUR.
<b>General</b>			
19	General	Please clarify: in case the project could not fulfil all criteria to qualify for shortlisting, can I apply in the upcoming call?	Yes, and we would highly advise all applicants whose projects at this point may not be sufficiently mature to apply in the upcoming IFE Calls for Proposals when project maturity and all other criteria and conditions can be adequately met.
20	General	Please clarify how can we prove absence of market distortion?	The proposed project should not cause significant negative market distortions or lead to market dominance/monopoly. This can be substantiated by providing: - Market analysis 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.  The following would be an example of negative market distortion: significant reduction in the product price with no particular innovation to the level that would endanger existence of other market players. On the other hand, investing in a new, innovative product that might change the market parameters and would contribute to positive market dynamics is encouraged.
21	General	Is there a template for the required Concept Note?	Submission of Concept Notes is done electronically, via the SmartME system. Thus, the Concept Note form is available in the electronic form. Please visit our website for the SmartME system link. For access, you should register first, and would then be guided by the system. Please also ensure that you are applying for the addressed call (Women in Business).  Note that you can find the link to the SmartMe system in the Key Information document in the download center on our website ( <a href="https://invest-for-jobs.com/en/ife-download-center">https://invest-for-jobs.com/en/ife-download-center</a> ).
22	General	Please advise on the timeframe and terms of the grant disbursement?	Applicants whose Full Project Proposals have been accepted by IFE will be offered a Grant Agreement. The terms and conditions of the Grant Agreement will reflect the agreed upon Grant Disbursement Schedule. 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 own contribution before the disbursement of the grant. Note that a sum equal to 5% of the grant amount will be withheld by IFE until satisfactory completion of the investment (not considering defects liability period) to secure finalisation of the project.  Kindly consult the Guidelines for Applicants, Section 6.7: Disbursement/Implementation.
23	General	What is the duration of the project(s) we request funding for?	All investment projects are expected to be fully executed within a <u>maximum period of 24 months</u> .  However, in case the need is justified, a preparatory work <u>before the start of the investment activity</u> would be allowed for a maximum of an additional 6 months.
24	General	Please avail the list of independent experts accepted from IFE's side to evaluate the own contribution.	Certified experts can be identified through the Central Bank of Egypt (CBE) or the Financial Regulatory Authority (FRA) certified evaluators lists.
25	General	The Webinar presentation is very valuable - can you share it?	IFE internal procedures do not allow sharing of PowerPoint Presentations. However, please note that everything we have shared in the presentation is available in the Guideline for Applicants, Key Information sheet and Annex 5 which can also be found on our website ( <a href="https://invest-for-jobs.com/en/ife-download-center">https://invest-for-jobs.com/en/ife-download-center</a> ).
26	General	Please avail the required forms in soft formats: Cash flow form, Declarations of Undertaking, etc.	All required forms are downloadable material that can be obtained during the application process through the IFE SmartME system.  Link to SmartME system can be found in the Key Information document.  In case that applicants are faced with any challenges during the application process, they are encouraged to utilize the <b>Help Desk service</b> that is exclusively designed to support the WIB applicants throughout their application process.
27	General	How can we be more competitive other than in terms of the number of jobs created per 1 million EUR grant?	Please note that IFE assesses each project on its own merits. Every project is unique and, apart from the estimated job creation potential, evaluated based on a number of other criteria and conditions, compliance with which further maximizes shortlisting potentials. For further details, please refer to Section 6.2: Concept Note Assessment Procedure and Criteria and Section 6.3: Ranking and Shortlist in the Guidelines for Applicants.
<b>KPIs</b>			
28	KPIs	One of the general project requirements is the job creation. Can you please provide an estimate for number of jobs to be created per project?	Job creation potential should be <b>at least</b> 125 new good jobs for every 1 million EUR grant provided by IFE. All jobs must be new and good jobs, created in the private sector. Please make sure to factor in only the number of jobs that will be created within the first 3 years of the operating phase of the project and to demonstrate that all jobs are created as a direct result of the proposed project's implementation.  Please refer to Guidelines for Applicants, page 1: Job Conditions.

29	KPIs	Must the project address all three KPIs or just KPI 1?	<p>The most important KPI that must be addressed by all projects is KPI 1 (Job creation). Nonetheless, other KPIs would depend on the project's nature. Some projects might contribute to improved working conditions or income of the existing employees (KPI 2), or offer vocational trainings and/or other qualification measures (KPI 3).</p> <p>Please consult Guidelines for Applicants, Annex 1: List of Key Performance Indicators.</p>
30	KPIs	Are jobs created counted only during the investment phase or it needs to continue afterwards?	<p>KPIs are typically created and thus counted in the operating phase of the project (after completion of the investment phase). Temporary jobs (e.g. construction workers engaged to construct a building during the investment phase) cannot be counted towards KPI 1.</p> <p>Sufficient assurance regarding sustainability of new jobs must be provided by the applicant.</p> <p>IFE differentiates two key project phases - the investment phase and the operating phase. Monitoring and evaluation takes place during both phases, whereas KPI monitoring is performed for 3 years from the start of the operating phase, during which the applicant is required to satisfy all jobs creation commitments.</p>
31	KPIs	For KPI2: shall we relate it to the existing workers? By proposing the improvement initiatives and/or programs for skills enhancement - does it fall under KPI2?	<p>KPI 2 relates to improved working conditions or income of <u>existing employees</u> as a result of the investment. i.e. employees already employed when applying for the grant.</p> <p>Skill improvement initiatives or training programs provided for existing workers would fall under KPI 3.</p> <p>Kindly review the Guidelines for Applicants, Annex 1: List of Key Performance Indicators.</p>
32	KPIs	Are the 125 jobs expected to be created during investment or operating period?	<p>Please note that 125 is the minimum number of new good jobs expected to be created for every 1 million EUR of IFE grant requested. A significantly higher number of jobs increases the chances to be accepted for a grant. Typically, jobs creation would be taking place during the operating phase of the project (within the first 3 years following completion of the investment phase). However, depending on the project's nature and respective implementation plan, there are cases with new job creation taking place even during the investment phase.</p> <p>Kindly remember that the Call for Proposals is a competitive process and that scoring also depends on the job creation estimates. Thus, applicants are encouraged to only submit realistic and achievable job creation figures.</p>

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