

HOW WILL APPLICATIONS BE EVALUATED?

➤ All applications must be submitted by the deadline and adhere to all administrative requirements described in the guidelines.

➤ After an initial administrative check, incomplete applications will be rejected, and all remaining applications will be evaluated according to their technical and financial viability.

➤ The strongest/most promising applications will be selected and their complete business proposal will be assessed according to the selection criteria described below.

FAIR staff may visit applicants during the application period to verify information provided in the application. Applications may also be appraised by external environmental and financial expert consultants contracted by FAIR.

➤ The FAIR Grant Approval Committee will make the final decision about awarding grants.

Applications will be graded according to the following selection criteria:

CRITERIA	APPROXIMATE WEIGHT/VALUE
Relevance for economic development, industry facilitation and creation of productive employment opportunities.	20 %
Financial sustainability: which should include the economic benefit of the business proposal in terms of income and profitability	20 %
Growth potential of the enterprise, including its changes of replacing a product or service that is currently available only through imports	20 %
Contribution to environmentally-sound production in Kosovo	10 %
Beneficiaries and impact of the business, its utilization of local resources and benefits and relevance to local markets	10 %
Increase of the skill level among its employees: on-the-job or specialized trainings available; apprenticeship for young/new employees	10 %
Multi-ethnic characteristics of employees and/or primary market	5 %
Impact on the community: employment, services or other considerations given to women, physically disabled persons or veterans	5 %
TOTAL	100 %

FAIR Grant recipients will be required to participate in unannounced monitoring visits to ensure compliance with the terms of the grant agreement and European and local environmental and financial standards and to follow up on the impact (jobs and revenue) generated by the grant.

WHEN CAN I APPLY FOR A FAIR GRANT?

The Second Call for Proposals starts on 3 July 2007

Applications Written in Albanian or Serbian are due on
21 September 2007- 17:00.

Applications written in English are due on
28 September 2007 - 17:00.
for further information visit:
WWW.FAIRKOSOVO.ORG

FAIR



An EU funded project managed by the European Agency for Reconstruction



Fund for Agro-Processing & Industrial Revitalization FAIR

CO-FUNDED BY:



GRAND-DUCHE DE LUXEMBOURG

Ministère des Affaires étrangères



IOM - OIM

WHAT IS THE FAIR PROJECT?

The Fund for Agro-Processing & Industrial Revitalization (FAIR) Project is funded by the European Union through the European Agency for Reconstruction (EAR), co-funded by the Grand Duchy of Luxembourg and implemented by the International Organisation for Migration (IOM).

The FAIR Project is dedicated to supporting local economic development and the creation of new employment in the northern part of Kosovo. The FAIR Project offers financial and technical support to entrepreneurs who are selected through a competitive application process, which takes place two times in 2007.

Existing or new entrepreneurs can apply for a FAIR Grant to purchase equipment and/or technology needed to start, improve, or expand a business.

WHAT ARE FAIR GRANTS?

FAIR Grants are meant to support businesses in the manufacturing, agro-processing and service sectors. Pure trade investment and pure agriculture proposals will not be considered.

FAIR Grants can be used for start-up or expanding business through the purchase of equipment, machinery, hard ware and software, covering the full cost of purchasing machinery and equipment and bringing it to the business site. This includes freight, shipping and handling, customs duties, insurance etc. FAIR Grants may not be used to purchase land, construct or repair a facility/structure or to pay rent or staff salaries however this can be counted as the applicant's own contribution.

FAIR grants range from 50,000 to 200,000 EURO and cannot exceed 75% of the total costs of the new investment.

The applicant must contribute at least 25% from their own resources (capital, secured loans, in-kind), which must be demonstrated in the application. Applicant's own contribution can consist of land, buildings or improvement to buildings necessary for the new/expanded business. Grants will not be paid out the applicants but be disbursed directly to the suppliers of the equipment, technology or services requested.

In addition to receiving financial support, approved FAIR Grant recipients will be offered technical assistance to support the operations of the business and ensure compliance with financial and environmental requirements/regulations.

Applicants must be a legal or natural person, registered in Kosovo and the proposed investment must be located in the northern part of Kosovo, specifically the municipalities of Mitrovicë/Mitrovica, Zvečan/Zvečan, Vushtrri/Vučitrn, Zubin Potok and Leposavič/Leposaviq.

Applicants must adhere to rigorous standards of environmental protection, worksite safety, financial accountability, and transparency. They must have completed all registration and other administrative procedures required by the PISG and paid all taxes owed. The FAIR Project will verify applicants' compliance with these provisions.

Joint ventures with non-Kosovo companies may also be eligible for FAIR Grants and must comply with the same requirements. At least 50% of a joint venture must be owned by a natural or legal person registered in Kosovo.

WHO IS ELIGIBLE TO APPLY?



WHO IS ELIGIBLE TO APPLY?

FAIR Grant applications consist of:

- Business proposal
 - Support documentation
- In the grant application, applicants need to provide a comprehensive description of the new business/ expansion of existing business including:
- Description of the planned product/ service and its market potential
 - Information on potential competition, Unique Selling Proposition and market analysis
 - Detailed breakdown of 100% cost of the new investment, including a detailed breakdown of investment requested from FAIR and a detailed breakdown of the applicant's own contribution
 - Financial projections for the new business venture including impact of the new investment on sales, turn-over and profit
 - Explanation and justification of new employment created
 - For expansion of existing businesses: Complete annual financial statements from the last two years and proof for business taxes paid
 - Relevant professional experience of the applicant
- Detailed guidelines for applicants explaining the Business Proposal, all necessary forms, as well as the list of relevant

support documentation, are available at www.fairkosovo.org.

Applications may be submitted in English, Albanian or Serbian. Applications in English can be turned in one week later than those in Albanian or Serbian, since the latter need to be translated. Please not that incomplete applications, and applications which do not include ALL required support documentation will be automatically rejected.

Applicants may submit more than one business proposal but may not be awarded more than one grant.