

GRANT SCHEME OF "SARED" SUPPORT TO AGRICULTURE AND RURAL ECONOMIC DEVELOPMENT OF DISADVANTAGED AREAS IN ALBANIA

GUIDELINE FOR APPLICANTS

VERSIONI 1.0

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Guideline for Applicants

Grant Scheme of “SARED” Support to Agriculture and Rural Economic Development of Disadvantaged Areas in Albania

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1. SARED Grant Scheme

1.1 Background

The German-Danish Programme “Support to Agriculture and Rural Development in disadvantaged areas of Albania” – SARED is a programme jointly funded by the Governments of Denmark and of Germany in line with the strategic objective of the Inter Sectorial Rural Development Strategy for Albania (ISARD 2014 - 2020).

The Programme duration is from 06/ 2014 until 05/2018.

The aim of SARED is to increase the viability of the rural economy in disadvantaged mountainous areas in such a manner to generate broad based impact. One of the components of SARED is the implementation of an investment Grant Scheme for agro-food and rural tourism sector development. The Grant Scheme is co-funded by the beneficiaries.

SARED Grant Scheme will be implemented by GIZ (German Agency for International Cooperation) in collaboration with MARDWA and will operate in Albania in six regions namely in Shkodra, Kukes, Diber, Korca, Elbasan and Berat.

The SARED Grant Scheme support will be provided to three pre-selected VCs, which are 1) small ruminants, 2) fruit trees and nuts, and 3) medicinal and aromatic plants (MAPs).

The **overall indicative budget** of the Grant Scheme is **EUR 6,500,000**.

This Guideline for Applicants sets out the rules for the submission, assessment and implementation of investment actions under the Grant Scheme along the four VC covering the whole range from the farm to processing, marketing and services.

This Guideline together with all information related to the Call for Application can be downloaded on the web page:

www.bujqesia.gov.al

or clicking directly on the following link:

<http://www.bujqesia.gov.al/al/programi/projekti-sared>

1.2 Key Definitions

- **GfA:** Guideline for applicants
- **Contracting Authority:** GIZ / SARED
- **Applicant:** is an individual farmer, physical or legal person submitting an application for grant under a Call for Applications;
- **Beneficiary** (or grant beneficiary): is a natural or legal person who has been awarded a grant to implement an investment action (project).
- **Investment action** (project): is composed of set of activities for investment in tangible and intangible fixed assets aiming at objectives of the supported sectors.
- **Grant:** is a payment by the Contracting Authority reimbursing part of the eligible expenditures made by the beneficiary for the investment action (project) in tangible and intangible assets.
- **Grant Award Decision:** is a decision of an Authorizing officer to award grant to successful applicants after finalizing the selection process.
- **Public (SARED) contribution:** is the amount of financial contribution granted by GIZ / SARED which is equal to 50% - 75% of the total eligible expenditures of the investment project.
- **Beneficiary contribution:** is the amount of financial contribution granted by the beneficiary which is equal to 25% - 50% of the total eligible expenditures of the investment project.
- **Eligible expenditures:** are the expenditures approved in accordance with the Grant Scheme requirements stated in Annex 6 of this Guideline for Applicants.
- **Young applicant:** an applicant under 40 years of age at the day of application.
- **Enterprise:** a legal entity that can consist of one or more establishments (local production/ processing units).
- **Establishment:** is a local production unit not registered as a legal entity, belonging to an enterprise eligible for support under this grant scheme.
- **Reconstruction:** renovation/refurbishment of an existing building/facility (excluding extension).
- **Construction:** construction of a new building/facility of an existing agricultural holding/ enterprise/establishment.
- **Processing:** means the steps including collection, storage until the final product
- **Marketing:** means the investment and activities for the promotion of the product

1.3 Overall Objectives of the SARED Grant Scheme

The overall objectives of the Grant Scheme for the development of agro-food sector in rural areas are as follows:

- Improving overall performance and competitiveness of the production of primary agricultural products, of their processing and marketing;
- To contribute to increasing competitiveness of Albanian rural areas by enhancing the investment capacities and absorption of the economic actors under the 3 VC;
- To contribute to gradually upgrade Albanian agricultural farms / establishments in rural areas towards meeting national standards, mainly in the fields of environmental protection, food safety and quality, animal welfare, animal and plant health.
- To contribute to gradually greening economic activity of Albanian agricultural farms / establishments in rural areas through renewable energy and environmentally friendly investments.

2. Eligible VC, sectors and beneficiaries

2.1 Eligible investments and VC

SARED supports investments in production, processing, storage and marketing of products under **3 eligible VC** and the following **subsectors**

1- Under VC 1 – SR following subsectors are eligible;

Milk from Sheep and Goat

- on Farm investments supporting production, storage, processing and marketing.
- off Farm investments supporting intermediaries (collectors) and processors.

Meat from Sheep and Goat

- on Farm investments supporting production, storage, processing and marketing.
- off Farm investments supporting marketing of meat and meat products.

2- Under VC 2 – Fruits and Nuts trees

- on farm investments supporting production, storage, processing and marketing.
- off Farm investments supporting intermediaries (collectors), processors and marketing.

3- Under VC 3 – MAPs

- on farm investments supporting production, storage, processing and marketing.
- off Farm investments supporting intermediaries (collectors), processors and marketing.

2.2 Eligibility criteria for Applicants under the 3 VC

2.2.1 Who Can Apply?

The Scheme is open to individuals, micro, small, medium and intermediate sized enterprises involved or wishing to become involved in the activities under the 3 VC:

- individuals registered at the RDA register and own a farmers VAT number¹ or the farmers ID card² and physic persons registered at NRC;
- legal entity registered at NRC and own 100% of private capital shares;
- Associations for cooperation in agriculture (registered as legal persons according the Albanian law);

In order to be eligible for a grant under the 3 VC the applicants must respond to all the criteria listed below:

2.2.2 The eligibility criteria for applicants

The applicant to be eligible must fulfill the following criteria;

- They should apply for investments in the frame of VC 1-3 and only based on the list of eligible expenditures / Investments (Annex 3 to the GfA),
- eligible are all individual farmers registered at RDAs registers (farmers' card and /or farmers' VAT number) who could prove the ownership the land and / or the building where the economic activity (production, collection, storage, processing, marketing) takes place through the legal documentation issued according to the national legislation (see requirements in the application form – Annex 1 of GfA), **or**
- physical persons (registered according to the national legislation) performing economic activities under 3 VC in Albania, who owns the land and / or the building where the economic activity (production, collection, storage, processing, marketing) takes place according to the national legislation and who could prove the ownership through the legal documentation issued according to the national legislation (see requirements in the application form – Annex 1 of GfA) **or**
- eligible are legal entities 100% privately owned and registered according to the national legislation at the National Register and licensed if required according to the national legislation for the eligible agriculture activity (eligible investments) and who could prove the ownership through the legal documentation issued according to the national legislation (see requirements in the application form – Annex 1 of GfA) **or**
- eligible are Associations for Cooperation in Agriculture established and registered according to the national legislation (Law Nr. 38/2012) at the National Register and licensed if required according to the national legislation for the eligible agriculture activity (eligible investments) and who could prove the ownership through the legal documentation issued according to the national legislation (see requirements in the application form – Annex 1 of GfA) **or**
- eligible are individual farmers or physical persons, legal entities or an Association for Cooperation in Agriculture, which has rented the land / building for the eligible agriculture activity/ activities (eligible investments) according to the national legislation for a minimum of 5 years and who could prove the ownership through the

1 Instruction Nr. 19, date 3.11.2014 of General Directorate of Taxes

2 Instruction Nr 4 date 25.02.2015 “Procedures of the administration of the fund of the programme for Agriculture and Rural Development”

legal documentation issued according to the national legislation (see requirements in the application form – Annex 1 of GfA).

- The applicant must have his / her economic activity eligible under the 3 VC in the territory of 6 regions (Shkoder, Kukes, Diber, Korce, Elbasan and Berat)
- An exclusion will be made for those key actors of VC 1-3 (collectors, processors), whose establishments are out of this territory, but 60% of raw materials that they process / sell derives from these territories.
- In order to be eligible for on farm investments in processing / marketing of the products within 3 VC, the applicant must produce at least 30% of the raw material in his farm.
- An applicant may not submit a new application before the final payment on a previous grant contract is done in the frame of SARED.
- the applicants must fulfill the following minimum requirements of their agricultural economic activities within the territory of the Republic of Albania, as specified in the below table:

VC	Minimal requirements		
	Production / marketing	Collection / Processing / marketing	
Small Ruminants Milk			
<ul style="list-style-type: none"> • For investment in sheep/ goat milk 	On Farm		Off Farm
	A minimum of 30 sheep and/or goats of all ages and sexes, registered in the MARDWA's animal register <u>at the time of application</u>	Minimum capacity 100 Lit milk / day at the time of application, but at least 30% of processed raw materials has to be produced by the applicant in his farm.	Minimum capacity 0,5 Ton milk processing per day <u>at end of investment (before final payment)</u> for milk collection or processing units / establishments.
Small Ruminants Meat			
<ul style="list-style-type: none"> • For investment in sheep/ goat meat 	On Farm production, processing, marketing		Off Farm processing
	A minimum of 30 sheep and/or goats of all ages and sexes, registered in the MARDWA's animal register <u>at the time of application</u>	No minimum requirements	Not eligible
Fruits and Nuts VC			
<ul style="list-style-type: none"> • For investment in fruit and nuts production 	Production on Farm	Processing on Farm	Collector / processor
	Minimum of 0.2 ha cultivated land with fruit trees in one block <u>at the end of the investment (before final payment)</u> .	For on-farm processing at least 30% of processed raw materials has to be produced by the applicant in his farm.	No minimum requirements

VC	Minimal requirements		
	Production / marketing	Collection / Processing / marketing	
MAPs VC			
<ul style="list-style-type: none"> For investments in MAPs 	Production on Farm	Processing on Farm	Collector / processor
	Minimum of 0.2 ha cultivated land with MAPs in one parcel <u>at the end of the investment.</u>	For on-farm processing at least 30% of processed raw materials has to be produced by the applicant in his farm.	No minimum requirements

Applicant may apply for investments only in one subsector (f.ex milk) along the same VC (on farm and off farm), but the minimum requirements must be respected.

2.2.3 Other eligibility criteria for applicants

The applicants must:

- have fulfilled obligations relating to the land tax, in case applicant is an individual farmer
- have fulfilled all obligations relating to the payment taxes as required by law, including land tax, tax on property (buildings), and social security (pension and health) contributions, in case applicant is physical, or legal person i.e means a private business or Association for cooperation in Agriculture) and
- have no overdue financial obligations to the MARDWA (must not be on the debtor list of MARDWA and or ARDA).

2.2.4 Eligibility criteria related to the investments

- The investment when concluded must respect the relevant national standards in the respective field as regards environmental protection, animal health and welfare, plant protection and food safety.
- In case of investments in renewable energy (on-farm), eligible are only these for self-consumption of the energy in the agriculture activity on his farm.
- Fruits, nuts trees and/ or MAPs propagation material and/or seedlings to be used must be certified according to the relevant national legislation in force.

2.3 Financial Conditions of Eligible Investment Actions

2.3.1 Minimum and Maximum of eligible expenditures

Under this frame the total eligible expenditures (see section 3) for which a grant may be requested must fall between the following minimum and maximum amounts of eligible expenditures / investments:

- **minimum** amount of total eligible investments size **on farm**: 400,000 ALL
- **maximum** amount of total eligible investments size **on farm**: 3,500,000 ALL
- **minimum** amount of total eligible investments size **off farm**: 700,000 ALL
- **maximum** amount of total eligible investments size **off farm**: 10,000,000 ALL

2.3.2 Aid intensity (The maximum grant amount)

- A. For the on farm investments in frame of VC 1-3 the total Aid Intensity is up to 75 % of total eligible expenditure of the eligible investment implemented.**
- **The basic aid intensity for all beneficiaries for on farm investments is 65 % of eligible expenditures,**
 - **To this amount will be added 10 % of the total eligible expenditures of the eligible investment implemented in regard with effluent storage and handling, treatment and disposal of manure and other waste resulting from the economic activity respecting the national environment protection standards, in regard with the implementation of agro environmental measures**
- B. For collectors and the agro processors (Off farm Investments) in frame of VC 1-3 the Total Aid Intensity is 60 % of the total eligible expenditure for the eligible investment implemented.**
- For the agro processors the basic Aid Intensity is 50 % of the total eligible expenditure for the eligible investment implemented.
 - To this amount will be added 10 % (total up to 60%) of the total eligible expenditures of the eligible investment implemented in regard with waste management (treatment and disposal of the waste resulted from the processing), **OR** if investment is implemented by young applicant (*individual or legal representative of the private company/agricultural cooperative*) **OR** if investment is implemented by woman (*individual or legal representative of the private company/agricultural cooperative*).

2.3.3 Duration of implementation of a project

The planned implementation period of an investment action must end at maximum until **31 January 2018**, and the CfP should be submitted at maximum until **21 February 2018**, but these deadlines will be specified in the individual grant contracts between the Contracting Authority and the final beneficiaries. Beyond the above mentioned there will be not any extension of these deadlines.

2.3.4 Location (Geographical coverage)

All investments related to the VC 1-3 must take place in the territory of the 6 regions of the Republic of Albania and namely in Shkodër, Kukës, Dibër, Korçë, Elbasan, Berat.

2.3.5 How the Grant is paid?

- The grant will be paid in one installment upon completion of the eligible investment.
- Advance or intermediate payments are not made in the framework of “SARED” grant scheme.
- The payment will be made after a reimbursement request in the form of the Claim for Payment is submitted by the beneficiary, as provided for in the contract (see Annex 5 to the GfA).

For an applicant, the number of applications within “SARED” Grant scheme is limited to 2, although an applicant is not allowed to submit 2 applications at the same time. The applicant may apply for a second time only if he/she has successfully finished the first contract and has already received the respective payment for the investment made in the framework of this contract.

3. Rules for Eligibility

3.1 Eligible Expenditures under 4 VC

To be eligible under the Call for Proposals, expenditure must comply with the provisions of the general conditions to the Grant Contract. The template of the grant contract is published on the MARDWAs' web page: www.bujqesia.gov.al

3.1.1 The Eligible expenditures (costs)

For the calculation of the grant amount are taken into account only the “eligible expenditures”. The categories of costs (expenditure) considered as eligible and non-eligible are indicated below (see section 3).

Please note that the eligible expenditure must be based on real costs and supporting documents which has to be presented and retained. In this regard the controls made by the Contracting Authority may result in a need for clarification from the applicants, and may impose modifications which may result in reductions of reimbursement to address and correct any mistake, negligence or unreal cost.

Thus, it is in the interest of applicants to submit a real and cost effective budget.

The eligible costs (expenditures) incurred by the beneficiary should meet all the following criteria:

- are costs related to the investments introduced in the List of Eligible Expenditures (Annex 3 of GfA) and in the detailed budget of the grant contract;
- are necessary costs for the implementation of the investment project described in the application;
- are identifiable and verifiable; Each payment related to machinery purchase, construction works, advisory services bought should be documented by the applicant through invoices issued by registered suppliers and / or service providers. In particular in case of physical and legal persons, being recorded in the accounting records of the Grant Beneficiary and determined according to the applicable accounting standards of Albania and according to the usual cost accounting practices of the Grant Beneficiary.
- are reasonable, justified and comply with the requirements of sound financial management, in particular regarding economy and efficiency.
- are costs relating to purchase of new machinery and equipment, including computer software up to the market value of the asset;
- is also the Value added tax for the applicants that are registered as individual farmers with farmers' card or farmers' VAT number.
- are costs incurred and disbursed during the implementation period of the Investment Action (with exception of general costs). The Implementation period and its start will be stated in the grant contract signed between the applicant and the Contracting Authority: therefore the Investment Action (project) may not be started and Contracts with suppliers and service providers may not be concluded by the Grant Beneficiaries before signing the contract with the contracting authority.
- are costs relating to construction or reconstruction / improvement of immovable property;
 - Construction works must be carried by a third contracted party (registered

physical or legal persons). Labor of the farmer or his relatives / enterprise workers is ineligible cost³.

- Routine maintenance works of buildings and facilities are not eligible. Routine maintenance means services that are performed on a regular schedule and that are intended to extend the useful life of a building system and reduce the need for major repairs.
- are general costs related to Expenditures referred to the investment and happen mainly for the preparation of the application file such as:
 - payments to advisors for the preparation and submission of the application, preparation of the business plan, costs of official translation of documents for submission of the application, costs for advisor to follow up the implementation of the eligible investment, including the preparation of the Claim for Payment.
 - preparation of the project design (architectural project, construction project, bill of quantities, technological project, electrical project, engineering project...) architects', engineers' and
 - other consultation fees for feasibility studies, preparation of marketing strategy closely related to the investment,
 - the acquisition of licenses,

Total amount of the eligible general costs is up to a ceiling of 12 % of total eligible expenditures, including the costs for the preparation of the business plan up to ceiling of 4 % of total eligible expenditures proved by original invoices issued by registered providers of goods and services according Albanian legislation.

3.2 Not Eligible Investments and Expenditures

Under all 3 VC **the following investments/expenditures** will not be taken into account in regard with grant calculation:

- Projects where the end product is not within the list of LEE defined in Annex 3;
- Projects / investments financed by other public support for the same investments;
- Purely research based projects;
- Projects relating to the processing and marketing of products which imitate or substitute for agriculture primary products under the VC 1-3 (e.g. milk and milk products);
- Projects to replace items grant-aided in the previous 5 years;
- Projects commenced before signing a contract with contracting authority (GIZ-SARED)
- Labor of applicant, his employees or his relatives on project.
- Routine maintenance works of buildings and facilities are not eligible. Routine maintenance means services that are performed on a regular schedule and that are intended to extend the useful life of a building system and reduce the need for major repairs
- Purchase, rent or leasing of land and existing buildings;

³ Check in the point eligible costs which kind of "in kind contribution is eligible"

- Purchase, rent or leasing of animals and agricultural production rights;
- Purchase of annual plants and their planting;
- Operating costs (such as consumables, service and fuel supplies – electricity, water, oil, gas, etc.), maintenance, depreciation and rental costs;
- All kind of contributions in kind;
- Value added tax for the applicants that are registered as physical or legal persons;
- Other taxes
- Customs and import duties, or any other charges;
- Exchange costs, charges and exchange losses, as well as other purely financial expenses;
- Lease-purchase, lessors’ margin, interest refinancing costs, overheads and insurance charges;
- Any costs incurred by public administration in managing and implementing assistance
- Purchase of second hand equipment;
- Expenditure incurred prior to the signature of the Grant contract with the exception of general costs as defined in section 3.1;
- Fines, financial penalties and expenses of litigation;
- Bank charges, costs of guarantees and similar charges;
- Debts and debt service charges provisions for losses or potential future liabilities;
- Interest owed;
- Costs to the same investment covered by another action funded by national or donor program.

4. Overall and specific objectives of Eligible investments by VC

Please refer to Annex 3 of GfA that provides details of project investments that are eligible under the Scheme.

One application may target **one or more objectives of one VC and include one or more investment types** listed in the Annex 3 of the GfA of the SARED grant scheme.

Overall objectives of the SARED grant scheme

Increase the productivity and competitiveness of agriculture farms, agro processing establishments, and rural tourism;

To contribute to gradually greening economic activity of Albanian agricultural farms / establishments in rural areas through renewable energy and environmentally friendly investments.

Modernization of production, processing of agricultural products in alignment with national legal requirements, respectively standards *in the fields of environmental protection / preservation, food safety and quality, plant health, animal health and welfare.*

4.1 VC 1 - Small Ruminants (Sheep and Goat)

4.1.1 Production / processing / marketing (Sheep and Goat)

Eligible for support are investment actions targeting following objectives:

- Increase the production and the quality milk on farm through increasing the number of sheep / goat with high genetically potential for milk or meat production, improving feeding and feeding technics, feed production, etc.;
- Improve raw milk hygiene and quality conditions on the farm through modernization of production, storage at milk collection points and transportation technologies and practices;
- Improve animal health and welfare through investments in animal housing and handling facilities;
- Introduce environmentally friendly manure handling, storage and treatment facilities.
- Encourage introduction of technologies and practices at milk processing units / enterprises, contributing to the production of dairy products which meet national standards and improve competitiveness;
- Support introduction of food safety and quality systems;
- Improve treatment and handling of waste.
- Introduce gradually the elements of green economic activity through investments in renewable energy and environmentally ones.

4.2 VC 2 - Fruits and Nuts tree

4.2.1 Production / processing / marketing

Eligible for support are investment actions targeting following specific objectives:

- Improve production and processing techniques and technology, and also certified seedlings production to enable farmers to produce fruit and vegetables of a quality that can compete in the rapidly changing Albanian marketplace;
- Improve fruit and vegetable production technology for the overall improvement of the relevant minimum standards applicable in Albania and in particular in the storage and application of crop protection chemicals and fertilizers, and in chemical residue levels;
- Reduce postharvest losses through on-farm investments in storage technology and infrastructure and postharvest handling equipment, including cooling capacities, sorting and packaging lines.
- Support introduction of food safety and quality systems;
- Improve the marketing of fruit processed products; in particular addressing the problem of high costs of packaging material.
- Introduce gradually the elements of green economic activity through investments in renewable energy and environmentally ones.

4.3 VC 3 – Medicinal and Aromatic Plants (MAPs)

4.3.1 Production, collection / processing / marketing of MAPs

Eligible for support are investment actions targeting following specific objectives:

- Improve production and processing techniques and technology, and also certified seedlings production to enable farmers to produce MAPs of a quality that can compete in the rapidly changing and demanding Albanian and foreign markets (exports);
- Improve MAPs production technology for the overall improvement of the relevant minimum standards applicable in international markets and in particular in the storage and application of MAPs protection, chemicals and fertilizers use, and in chemical residue levels;
- Reduce postharvest losses through on-farm investments in storage technology and infrastructure and postharvest handling equipment, sorting and packaging lines;
- Support introduction of food safety and quality systems;
- Improve the marketing of MAPs processed products addressing in particular the costs related to packaging materials etc.
- Introduce gradually the elements of green economic activity through investments in renewable energy and environmentally ones.

5. Application Procedure

5.1 Call for applications

The Applicants will be invited to submit their application through an open call for applications which will be launched through announcements published at national respectively regional media, MARDWA webpage www.bujqesia.gov.al .

In principle the Call for applications will be open for 5 months. Between 2 calls will be a break of 1 month the calls.

Attention because the precise information on the length of each of the calls for applications and on the deadlines in which the applicants can submit their applications will be defined in the call announcement which will be published in the national newspapers but will be published on MARDWAs' web page www.bujqesia.gov.al .

The first call will be open on the 17th April 2017 and will stay open until 31st July 2015.

In the frame of SARED grant scheme implementation the very final dates for submission of the applications is 30th of September 2017 or the date when the funds of SARED grant scheme are utilized.

5.2 Content of Application file

The applicants have to submit the Application file containing

- (a) **The application form** (Annex 1 of GfA),
- (b) **The Business Plan** and
- (c) **All supporting documents**, as requested in the Application form.

(a) **Application form – Annex 1.** Please submit the application form in one **original paper print**

(b) **Business Plan:**

- **For investments up to 1,400,000 All**, please use the **template of BP** provided in **Annex 2/1**, consisting only on a simple narrative BP;
- **For investments above 1,400,000 All** please use the **template of BP** provided in **Annex 2/2**, consisting of a narrative and a financial part:
 - **Narrative part** of the Business Plan has to be prepared using the template given in **Annex 2/2/1** and to be submitted in one original paper print;
 - **Financial Part** of the Business Plan has to be prepared using the template given in **Annex 2/2/2** and to be submitted in printed and electronic format (CD-Rom)
(calculations made in digital version of financial part of Business Plan provided on CD-ROM will be checked)

(c) **Supporting documents**, requested in the Application form (see the last page of Annex 1 of GfA)

- The applicant has to submit with the application file all supporting documents, which are requested and listed at the last page of the Application Form given as Annex 1 to the GfA, as a prove that he/she has met all eligibility criteria related to the investment. In case the Application Form requires “Copy” of the documents the applicant signs each single page of them.
- The applicant keeps a file with all original documents in his farm / establishment because they will be checked during the on the spot control. In case of discrepancies the application might be rejected or respectively payment will be rejected.
- **Together with the Application form, applicants have to submit;**
 - 3 original offers for all the investment action (project) and or expenditure items which costs are higher than 140,000 ALL.
 - For the expenditures items under the category general costs the applicant submits the following:
 - In case the costs do not exceed 140,000 ALL the applicant submits only 1 offer accompanied by the original invoice issued in accordance with Albanian legislation requirements.
 - In case the costs are above 140,000 ALL the applicant submits only 1 offer accompanied by the contract signed with service provider and the original invoice issued in accordance with Albanian legislation requirements.

The requirements relating to offers are as follows:

The companies invited to submit 3 offers requested for expenditures above 140,000 ALL must not be related to each other or to the applicant (not be relatives or business related).

They are requested to present the registration extract in their own country (even in case they are registered abroad).

In cases when capital connection is determined between applicant and legal representative of the chosen supplier or legal representative of the suppliers than a new offer can be requested.

If applicant does not submit requested document in given deadline application file will be rejected.

If the lowest value offer is not selected, the applicant has to provide his justification.

All 3 offers should be easy to compare, therefore the invitation for the suppliers to send an offer should be done based on the same technical specifications for each item. In case of investment in construction/reconstruction, the offers must contain fulfilled bill of quantity / same technical specifications. The same in case of purchase of equipment or machinery the offer should be based on the same detailed Technical Specification (as f.ex. type, model, capacity, power and other main characteristic of the equipment) sent by the applicant in the request for offers.

The applicant makes the comparison of the offers based on the table of offer comparison in the BP – see annex 2.1 and 2.2.1.

The main elements requested for the offer format are listed below:

- Date of issue;
- Name of the supplier;
- Registration number of the supplier;
- Bill of quantities with unit prices, in case of works;
- Detailed technical specification, in case of equipment/mechanisation
- Price, VAT and other taxes quoted separately;
- Validity of the offer;
- Signature of the legal representative and stamp, where applicable.

The offers should be comparable, issued in original, valid for the time when the purchase / investment will be done, should be real from registered companies and which have not capital relations to each other, translated in Albanian if they are issued from foreign companies registered in other countries.

In case that any offer submitted is false and issued with the intention that the applicant realize undue advantage, such application must be rejected.

All amounts in the offers or invoices should be indicated in ALL. For the ones submitted in relation with the application form and which are issued in EUR from the foreign suppliers / companies, the calculation of amounts from foreign currency to ALL is based on the exchange rate of the 1st working day of the month in which the respective call for

applications was opened. For the ones submitted in relation to the Claim for Payment of the month in which the Claim for Payment is submitted. Exchange rate is available at following address: http://ec.europa.eu/budget/contracts_grants/info_contracts/inforeuro/inforeuro_en.cfm

The application language is the Albanian. If the supporting documents are not issued in Albanian an **official translation into Albanian** language must be attached. The supporting documents requested must be supplied in the form of originals or photocopies, as indicated for each document in the Application Form given as Annex 1.

5.3 Procedure for Submission of Applications

The application files have to be submitted to the respective regional offices of SARED and MARDWA in each of regions covered by SARED grant scheme.

The applications must be submitted in an envelope. On the envelope the applicant should write his full name and address (contacts), the title of the project (investment) and the respective VC.

It will be accepted only the applications submitted according the deadlines provided in the **Call for Applications**.

Prior the publication of the Call for Applications **no application will be accepted**.

Applications must be submitted to the regional offices of SARED:

- hand delivered in person

The Contracting Authority (GIZ) retains ownership of all applications received. Consequently, applicants have no right to have their original applications returned to them.

5.4 Ranking of Applications

Ranking will not be used, since first come – first serve rule will apply. In case this rule will be changed the applicants will be duly notified.

6. Important Notes in regard with the eligibility / rejection of the Applications

If some of the formal requirements stated above are not fully respected the reaction will be proportional to the omission identified and not distorting equal treatment of potential applicants.

6.1 Rejection for major omissions

The application **will be rejected** without requesting submission/ resubmission of documents in case of major omissions of the formal following requirements:

- Application submitted after the announced deadlines or after utilization of funds of SARED grant scheme

- No application form is submitted,
- No BP is submitted
- Standard template of the application form and / or business plan is not used in the application;
- Application form or business plan is handwritten;
- No supporting documents are attached to the application form;
- No offers are submitted;
- The same applicant has submitted two applications for the call for proposals at the same time.
- Applicant has applications that have not been paid yet
- The applicant already received maximum amount of support;
- Applicant is on debtor ledger held by MARDWA
- Total investment is not in line with the List of eligible expenditures (Annex 3).

6.2 Resubmission of documents for smaller omissions

Clarifications / resubmission of missing documents will be requested in case of the following small omissions:

- Application form and Narrative part of the Business Plan is submitted with the correct templates and the requested information is provided, but the way in which the document has been filed in is not clear or some data are missing;
- Application file / declaration or other documents are not signed or contain a scanned signature.
- Part of the supporting documents are missing;
- Validity of the document has expired (certificates, offers etc);
- The total eligible costs are below or above the limit stated in the guidelines for applicants;

The following corrections will be made before contracting as defined in the GfA:

- requested information in the application form and narrative part of the business plan is provided, but the documents are not correctly filled in; e.g. the information is provided in a section X of the template and such information should have been correctly provided in section Y;
- Arithmetical errors corrected;
- Ineligible items deleted.
- If thresholds for the general costs or business plan are exceeded, the costs are reduced;
- The applicant requests a higher rate of aid intensity of grant as he should

6.3 Other cases

In all other cases that are not explicitly stated above, MARDWA and GIZ will take a decision on a case by case basis ensuring

- The equal treatment of proposals and
- In accordance with the principle of proportionality.

The applicant will be given up to 20 working days deadline to resubmit missing documents, and if the documents are not delivered within the deadline or incomplete the application will be rejected.

7. On the spot controls

7.1 OTC before contracting (OTS)

The applications which comply with the administrative and eligibility rules will be checked on-the-spot to verify that the information submitted in the application form is correct.

The OTC will be performed by regional coordinators of GIZ and MARDWA staff in the regions (extension etc) and eventually by National Authorities and short term experts hired by GIZ in the respective field of investment verifying the relevant national minimum standards of the planned investment project (action).

OTC before contracting is done only for investments in construction, reconstruction and planting/replanting (not for new movable machinery and equipment as f.ex. tractors, spraying pumps etc.) During the on-the-spot checks the original documents and assets will be controlled.

If the on-the-spot checks reveal that the applicant or the investment action does not meet the required eligibility criteria stated in the GfA, the application shall be rejected on this sole basis.

7.2 OTC before payment

The CfP applications which comply with the administrative and eligibility rules will be checked on-the-spot to verify that the information submitted in the application form is correct.

The OTC will be performed by regional coordinators of GIZ and MARDWA staff in the regions (extension etc) and eventually by National Authorities and short term experts hired by GIZ in the respective field of investment verifying the relevant national minimum standards of the planned investment project (action).

OTSC before payment will be done on 100% of applications.

During the on-the-spot checks the original documents and assets will be controlled and controller/s can make photos, measure land parcels, buildings, etc. can take notes and collect any other evidence which can support the answers given in checklist.

On-the-spot check will be carried out to verify that the equipment and mechanization are delivered and put in operation, works completed, and payments to all suppliers executed.

Based on the report of OTC and if the investment is done as stated in the contract the CfP is approved. In case of discrepancies the CfP is rejected or revised (corrections in the calculation of the amounts claimed) will be done.

8. Notification of Applicants in regard with the award decision

Applicants will be informed in writing on the decision of the Contracting Authority concerning their application;

In case of positive assessment / decision the applicant will be invited to sign the contract and, in case of rejection, the contracting authority (GIZ) informs them on the reasons for the negative decision.

9. Complaints

Applicants believing that they have been harmed by an error or irregularity during the award process may file a complaint in 15 working days from the date of the decision. The complaint is to be submitted in written form in the regional offices or directly by post to the main office in Tirana, signed by the applicant referring to a justification of the decision taken by the Contracting Authority. Following the reassessment of the situation for which a complaint has been submitted the Contracting Authority will issue an answer in written form.

10. Contract to award a grant

Following the decision of the contracting authority to award a grant, the Beneficiary will be offered a grant contract. The template of the grant contract will be made available online on MARDWA's webpage www.bujqesia.gov.al.

The potential beneficiary will receive a Notice for Grant Award where the beneficiary will be invited to come and sign the Contract in a period of 10 working days from the day when Notice was sent from the central office.

The Grant contract will be issued in two copies on each language (English and Albanian) one for Contracting Authority and another one for the Grant beneficiary.

By signing the grant contract the applicant declares accepting, in case where it is awarded a grant, the contractual conditions as laid down in the grant contract.

The maximum time for preparing the contract is up to 2 months after the date the complete application file is submitted.

11. Visibility of investments and Ex Post controls

The Grant Beneficiary is obliged to place immediately after payment is done, according to the size of investment financed, a *sticker and/or commemorative plaque* indicating that the Investment Action is being financed by: The German-Danish Programme “Support to Agriculture and Rural Development in disadvantaged areas of Albania” – SARED. The logo will be produced and distributed by the GIZ Contracting Authority.

12. Claim for Grant Payment - Approval / Execution of Payment

After completion of the investment according to the contract the Beneficiary should present to the Contracting authority the claim for payment file.

The Claim for Payment file has to be submitted to the respective grant management office in regional level as hand delivery in person according to the official template of: Payment Claim form (see Annex 5)

The beneficiary presents

- The claim for payment file as Annex 5 to GfA
- All invoices / bank payment of all expenditures to the suppliers, and
- All required supporting documents as part of the claim for payment.

All the payments should be done by bank transfer from the account of the beneficiary to the account of the supplier and this should be proved by bank statements for the date the transfer is done.

The Claim for Payment file:

- Should be submitted in the time frame (end date) mentioned in the individual contract signed between the applicant and the GIZ authorizing officer,
- should be submitted to the respective regional offices of SARED and MARDWA in each of the regions covered by SARED grant scheme as hand delivery in person.
- Will be checked for compliance of administrative and eligibility criteria and
- In the payment claim all amounts should be indicated in ALL. The calculation of amounts from foreign currency to ALL for the invoices from the foreign supplier/s is based on the exchange rate of the month when payment claim was submitted. Exchange rate is available at following address:

http://ec.europa.eu/budget/contracts_grants/info_contracts/inforeuro/inforeuro_en.cfm

- With the payment claim request the beneficiary should submit the original invoices,
- The invoices should be arithmetically correct,
- Amount/s of the offer items and technical specifications should be in accordance with the Contract

- the cost/invoices incurred should be after the Grant Contract is signed with the contracting authority, except for general cost (*as grant scheme supports only investments that will be implemented after the signature of the Grant Contract and investments that have been executed in the past or started implementation before the signature of the Grant contract are not eligible under the Grant Scheme*),
- The invoices and supporting documents should be in Albanian; the English ones should be officially translated into Albanian,
- No cash payments will be accepted. All payments submitted in the Claim for payment should be performed through bank transfer from grant beneficiary bank account to the supplier bank account (rather than cash deposit to the supplier's bank account). In addition to the bank transfer confirmation for the transaction mentioned beforehand, a bank statement is requested to be submitted in order to reconfirm the accuracy of the information indicated in the bank transfer (date, amount debited, comment used)
- GIZ retains ownership of all payment claim received. Consequently, grant beneficiaries will not have their original payment claims returned to them (except the original invoice/s after they are stamped if they will not stay with GIZ)
- GIZ will carry out On-the-spot check for all the Claim for Payments to verify that the equipment and mechanization are delivered and put in operation, works completed, and payments to all suppliers executed.

After completion of all administrative and on-the-spot checks, the final amount of grant will be calculated and payment on the approved eligible costs to beneficiary authorized. On-the-spot check will be performed for all Claims for Payment to verify that the equipment and mechanization are delivered and put in operation, works completed, and payments to all suppliers executed.

The grant will be transferred by GIZ country office to the beneficiaries' bank account based on the authorization of payment and payment execution order.

The maximum time for executing the payment to the account of the beneficiaries is up to 2 months after the date the complete CfP (claim for payment) file is submitted.

13. Summary of Important Notes to all the Applicants

- Applications may include only investments in **tangible and intangible assets as described in the LEE Annex 3 to the GfA**.
- All purchased machinery and equipment **must be new**.
- The grant scheme supports only investments that will be implemented **after the signature of the Grant Contract**.
- **Investments** that have been executed in the past or started implementation before the signature of the Grant contract are **not eligible** under the Grant Scheme.
- **Only payments related to general costs** (see point 3.1 above) which are realized prior to the submission of application and which are done related to activities necessary for the preparations of the investment project and application are eligible (consultants, preparation of business plans, technical designs, application form etc.).

- All **investments must comply with the relevant national minimum standards** regarding environmental protection, food safety, animal and plant health, animal welfare, and occupational safety. This may be controlled during the on-the-spot controls before contracting and before authorization of the payment by relevant bodies / authorities subordinated to the MARDWA (National Veterinary Service, National Authority for Seeds and Seedlings and / or National Food Authority) jointly with SARED experts based on SARED request and by using the report templates which are formally used by these bodies / authorities.
The relevant authorities will also check if relevant for the investment:
 - Building / facilities which were constructed/reconstructed; and/or
 - building/ facilities where the newly acquired equipment is installed; and/or
 - Land site where investments took place.
- In case of **construction and/or reconstruction**, the applicant respectively the supplier of works / services should prepare and keep all the technical documentation such as construction/ reconstruction plans including other relevant documents as requested by national law and these should be submitted with the application respectively claim for payment as defined in the GfA.
- To be eligible for support investment actions (projects) proposed must be **economically viable**. The economic viability is shown via business plan. For the investments/total eligible expenditures up to 1,400,000 ALL, the applicant has to prepare and submit simplified version of the business plan provided in Annex 2.1. The applicant with total eligible expenditures above 1,400,000 ALL has to prepare and to submit a **business plan** using the template provided in Annex 2.2 which has to demonstrate economic viability of the holdings at the end of the realization of the project.
- All the payments related to the investments / purchase are to be done by bank transfer from the bank account of the applicant to the bank account of the supplier of services or goods / works based on the invoices in official format as the law requires for the registered service providers / suppliers.
- Contracts with suppliers of services, machineries, construction works together with original invoices should be submitted with the application form respectively CfP and these should have been signed after the signature of the contract between applicant and the GIZ authorizing officer.
- The deadlines set in the GfA related to the finalization of the investment respectively in the individual contract for submission of the CfP should be respected. The expenditures and the CfP presented after these deadlines will be considered ineligible.

ANNEXES

1. Application form

2. Business Plan

2.1 Business Plan for Investments up to 1,400,000 ALL

2.2 Business Plan for investments above 1,400,000 ALL

2.2.1 Business Plan for Investments above 1,400,000 All – narrative part

2.2.2 Financial part for Business plan for Investments above 1,400,000 All

2.3 Instructions for Applicants on how to fill in Business Plan

3. List of Eligible Expenditures

4. List of Eligible Fruits and MAPs/BAMs

5. Claim for Payment 83

SARED Programme

“Support to Agriculture and Rural Development”

Application Form

Name of the applicant:	Please indicate the name of the applicant (name and surname if natural person, or full name by registration, if legal person)
Title of the Investment:	Please indicate the name of investment; (for example investment in building of stable for sheep).
Respective Value chain:	Please indicate one of value chains; (for example; VC 1-Small Ruminants)
Investment type	<input type="checkbox"/> in Farm <input type="checkbox"/> Off Farm
Region:	Please indicate the region

TO BE FILLED IN BY OFFICIALS ONLY	
Protocol no.	
Id no. Of application	
Date of receipt	
Date of receipt of complete application	
Signature	

Part 1. General information about applicant

1.1	Name of the applicant	< Name and surname of the applicant, if natural or physical person <u>or</u> Full name by registration, if legal entity >
1.2	Name of legal representative (for legal entities and Associations for cooperation in Agriculture)	
1.3	Gender of the applicant or legal representative	<input type="checkbox"/> female <input type="checkbox"/> male
1.4	Date of birth of the applicant or legal representative	
1.5	ID or Passport number of the applicant or legal representative	
1.6	Official address of the applicant:	< Village/town, region>
1.7	Correspondence address:	< Village/town, region>
1.8	Phone number:	< fixed and/or mobile: area code + number>
1.9	E-mail of the applicant:	
1.10	Organisational form of the applicant:	a) Individual farmer registered (card or VAT) <input type="checkbox"/> b) Natural / Physical person <input type="checkbox"/> c) Legal entity <input type="checkbox"/> d) Association for Cooperation in Agriculture <input type="checkbox"/>
1.11	The applicant is VAT registered (for physical and or legal persons)	<input type="checkbox"/> Yes <input type="checkbox"/> No
1.12	The applicant is individual farmer registered and owns the farmer card and or farmer VAT number	<input type="checkbox"/> Yes <input type="checkbox"/> No
1.13	The applicant falls into one of the following categories of entrepreneurs	Size Employees Turnover Balance-sheet <input type="checkbox"/> Micro <10 ≤€ 2 m Or ≤€ 2 m <input type="checkbox"/> Small

1.13	The applicant falls into one of the following categories of entrepreneurs	<p><50 ≤€ 10 m</p> <p>Or</p> <p>≤ € 10 m</p> <p><input type="checkbox"/> <i>Medium</i> <250 ≤ € 50 m</p> <p>Or</p> <p>≤ € 43 m</p> <p><input type="checkbox"/> <i>Intermediate</i> <750 <€ 200m</p>
1.14	Main activity of the applicant	<p>please describe; if produce on farm, raw milk and meat from animals, fruits, nuts or herbs, enter production; if process on Farm at least 30-50% of own on-farm production, enter processing; if collect, process raw materials from other producers, enter collector/processor Rural tourism</p>
For applicants registered as Legal entities and / or Associations for Cooperation in Agriculture		
1.15	Share of private capital in legal entity (Shall be 100%)	_____ %
1.16	Organisational form	
1.17	NCR registration number	
1.18	Activity registered in NCR	
1.19	VAT number (for VAT registered)	
INFORMATION ON BANK ACCOUNT		
1.20	Name of the bank	
1.21	Address of the bank	
1.22	SWIFT/ bank code	
1.23	IBAN/ account number	
2.1	Cadastral plot of investment	
2.2	Village/town of investment	

PART 2. INFORMATION ON INVESTMENT

2.3	Region of investment	
2.4	Value chain	
2.5	Type of investment/subsector	<input type="checkbox"/> on farm <input type="checkbox"/> off farm
2.6	Title of investment	Please enter the title like “Improvement of goat farm”
2.7	Short description of investment	Please describe shortly main elements of investments
2.8	Expected date of end of investment	
2.9	Expected date of submission of payment claim	

PART. 3 ELIGIBLE EXPENDITURES

Please specify in the table below the amount in ALL for each type of expenditures, using the List of eligible expenditures (Annex 3 to GfA) including the general costs.

Please note the **VAT is eligible cost** for the applicants that **are not registered in VAT system**, therefore:

- for the applicants that **are VAT registered** amounts shall be presented **without VAT**.
- for the applicants that **are not VAT registered** amounts shall be presented **with VAT**.

The conversion from EUR to ALL is performed according to monthly exchange rate, set out by the European Commission for the 1st working day of the month in which the call is opened. Exchange rate is available at Web address: <http://ec.europa.eu/budget/inforeuro>

CODE	TYPE OF EXPENDITURE	EUR	ALL excluding VAT	ALL including VAT

Total estimated eligible expenditures			
% of support (aid intensity) <i>(see GfA chapter 2.3.2)</i>			
Total amount of support (Grant)			

Note: Additional rows can be added according the need

Table: SUMMARY OF INVESTMENT SIZE AND AID INTENSITY

Total amount of investment in ALL	
Total amount of foreseen eligible costs in ALL	
.... % of eligible costs the applicant is applying for	
Total amount of aid intensity in ALL the applicant is applying for	

PART. 4 STATEMENTS / SELF DECLARATIONS

4.1	Hereby I confirm that at least 60% of raw materials processed/sold by establishments based out of territories Shkodër, Kukës, Dibër, Korçë, Elbasan, Berat derive from these territories. <i>(Note: Applicable only for off-farm investments of collectors/processors if have production out of a/m 6 regions)</i>	<input type="checkbox"/>	<input type="checkbox"/>
4.2	Hereby I confirm that at least 30-50% of raw material has been produced on my farm. <i>(Note: Applicable only for on-farm processing/marketing)</i>	<input type="checkbox"/>	<input type="checkbox"/>
4.3	Hereby I confirm that I have minimum agricultural activity depending on investment, as stated in the table provided in chapter 2.2.2 of Guideline for Applicants. Please indicate minimum activity _____ <i>(Note: applicable for VC-1, on-farm production and on farm processing in VC-2 and VC-3)</i>	<input type="checkbox"/>	<input type="checkbox"/>
4.4	Hereby I confirm that I have sufficient financial means to pre-finance the investments and to finance own contribution without putting at risk the implementation of the contract	<input type="checkbox"/>	<input type="checkbox"/>
4.5	Hereby I confirm that I have no overdue financial obligations to the MARDWA	<input type="checkbox"/>	<input type="checkbox"/>
4.6	Hereby I confirm awareness that the controls made by the Contracting Authority may result in a need for clarification from my side, and may <u>impose modifications which may result in reductions</u> to address any mistake, negligence or unreal cost	<input type="checkbox"/>	<input type="checkbox"/>
4.7	Hereby I confirm that the expenditures I declared meet eligibility criteria as stated in Guide for Applicants chapter 3.1.1 "The Eligible expenditures".	<input type="checkbox"/>	<input type="checkbox"/>
4.8	Hereby I confirm that I am aware of not eligible investments/expenditures as listed in chapter 3.2 "Not Eligible Investments and Expenditures of Guide for Applicants"	<input type="checkbox"/>	<input type="checkbox"/>

GRANT SCHEME OF "SARED"

4.9	Hereby I declare that all machinery and equipment to be purchased through this project will be new.	<input type="checkbox"/>	<input type="checkbox"/>
4.10	Hereby I confirm that I am aware of the fact that all Investments that have been executed in the past or started implementation before the signature of the Grant contract are not eligible under the Grant Scheme.	<input type="checkbox"/>	<input type="checkbox"/>
4.11	Hereby I declare that all investments related to this project will comply with the relevant national minimum standards regarding environmental protection, food safety, animal and plant health, animal welfare, and occupational safety.	<input type="checkbox"/>	<input type="checkbox"/>
4.12	I accept control of relevant national minimum standards which will be performed by relevant bodies/authorities subordinated by MARDWA, as well as on the spot control performed by SARED experts, and for that purpose I will provide access to the buildings, premises, land sites, documents and any information related to investment, which are required for control.	<input type="checkbox"/>	<input type="checkbox"/>
4.13	Hereby, I declare that no costs from this investment have been covered by another action funded by national or donor program.	<input type="checkbox"/>	<input type="checkbox"/>
4.14	Hereby, I declare that neither me, my shareholders nor legal representatives are in conflict of interest with the suppliers, from which offers were collected;	<input type="checkbox"/>	<input type="checkbox"/>
4.15	Hereby, I declare that I am fully aware that I am liable under Albanian law for provision of false, incomplete or misleading statements.	<input type="checkbox"/>	<input type="checkbox"/>
4.16	Hereby, I declare that the information in this application is true and complete and that the situation has not changed since the date of issue of supporting document.	<input type="checkbox"/>	<input type="checkbox"/>

With my signature I confirm the accuracy of all statements mentioned above.

Full Name of Applicant/ Legal Representative _____

Signature and stamp if available _____

Place, Date _____

	Documents related to the legal status and financial standing of the applicant	YES	N/A		
5.1	<i>Copy of ID card/pass of the applicant (individual or legal representative of the private company/agricultural cooperative association)</i>	<input type="checkbox"/>	<input type="checkbox"/>		
5.2	Copy of the certificate of registration in the National Registration Centre (NRC)- <i>Only for legal entities and Associations for Cooperation in Agriculture</i>	<input type="checkbox"/>	<input type="checkbox"/>		
5.3	<i>Copy of the licence certificate from the National Licensing Centre (NLC)- only for legal entities and Associations for Cooperation in Agriculture, if license for certain activity is requested by national legislation. For the start-ups the license (issued by NCL) is requested to be submitted with the CfP (before the payment)</i>	<input type="checkbox"/>	<input type="checkbox"/>		
5.4	<u>Copy of the registration in the tax authority including VAT registration (VAT number of physical and or legal persons)</u>	<input type="checkbox"/>	<input type="checkbox"/>		
5.5	<u>Copy of the Agriculture ID card and or VAT agriculture Number issued by RDA to the individual farmers</u>	<input type="checkbox"/>	<input type="checkbox"/>		

PART. 5 LIST OF DOCUMENTS

5.6	<p>Copy of ownership certificate issued by the Office for the Registration of Immovable Property issued not earlier than 3 months to the date of application accompanied by the indicative map, file and the planimetry (lay out) stating the ownership of the land and building(s), on which the investments will take place, or needed to prove minimum production;</p> <p>or</p> <p>Copy of the ownership confirmation issued by the Office for the Registration of Immovable Property, not older than 30 days on the day of application, accompanied by the indicative map, file and the planimetry (lay out) in relation to the land and building(s), on which the investments will take place, or needed to prove minimum production. This is valid for the regions where the registration process is ongoing (not yet finished);</p> <p>or</p> <p>Copy of the ownership document issued according the Law Nr. 7501, not older than 30 days on the day of application, issued by the cadastral office (signed and stamped accordingly) accompanied by the existing cadastral map (in case when distribution of ownership titles has not yet finished) concerning the land and building(s) on which the investment action will take place, or needed to prove minimum production; I case the applicant is 1 member of the farmers' family (not the one on which name the property is registered it is required the agreement with the other family members certified by the notar);</p> <p>or</p>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>		
5.7	<p>In case the applicant rents the land / building he should submit a <u>Copy</u> of the rental contract with a minimum duration of at least 5 years from the date of application, with notary verification. The rent contract is accompanied by the respective ownership documentation (as described in the points above) of the person who is renting it.</p> <p>Note: <i>This document must be submitted only in case that applicant submitted rental contract instead of proof of ownership</i></p>	<input type="checkbox"/>	<input type="checkbox"/>		
5.8	<p>An original document / extract from MARDWA's animal register, not older than 30 days proving possession of minimum 30 sheep and/or goats of all ages and sexes- <i>only if applied for on-farm production in VC-1</i></p>	<input type="checkbox"/>	<input type="checkbox"/>		
5.9	<p>For investments up to 1,400,000 ALL, Business plan based on the template <u>SARED 2.1</u>, consisting on a simple narrative description</p>	<input type="checkbox"/>	<input type="checkbox"/>		
5.10	<p>For investments above 1,400,000 ALL Business plan consisting of narrative and financial part based on the template of BP as follows:</p>	<input type="checkbox"/>	<input type="checkbox"/>		

5.10	- Narrative part of the Business Plan prepared using the template SARED-2.3 in one original paper print; Financial Part of the Business Plan prepared using the template SARED-2.2 in one original paper print and in electronic format (CD-Rom)				
5.11	3 original offer for all expenditure items of the investment action (project) above 1,400.000 ALL, issued by suppliers not related to each other or to the applicant, with following elements included: <ul style="list-style-type: none"> • Date of issue; • Name of the supplier; • Registration number of the supplier; • Bill of quantities with unit prices, in case of works; • Detailed technical specification, in case of equipment/mechanisation • Price, VAT and other taxes quoted separately; • Validity of the offer; • Signature of the legal representative and stamp, where applicable. Note: Offer and supporting documents must be presented in Albanian language or officially translated to it.	<input type="checkbox"/>	<input type="checkbox"/>		
5.12	<u>Copy</u> of NCR registration certificate (including the extract) of the selected and non-selected suppliers issued by its National Registration Centre from where the suppliers originate, in Albanian language, or officially translated to it.	<input type="checkbox"/>	<input type="checkbox"/>		
5.13	<u>Copy</u> of the contract and / or invoices, for eligible general costs (architect costs, engineer costs, and/ or consultancy costs for preparation of business plan or related costs), if incurred before the application	<input type="checkbox"/>	<input type="checkbox"/>		
5.14	Original certificate proving that the applicant has fulfilled its obligations to payment of taxes including social, pension and health, issued by Tax Office (for legal entities and physical persons) or issued by Institute of the Social Insurance (for natural person), not earlier than 30 days before the application. The applicants with farmer card or farmer VAT number should submit the certificate for paying social and health insurance for the year in which they are submitting the application which is issued not early than 30 days before the application is submitted	<input type="checkbox"/>	<input type="checkbox"/>		
5.15	Original document about land tax issued by Municipality not earlier than 30 days before the application	<input type="checkbox"/>	<input type="checkbox"/>		
5.16	<u>Copy</u> of the balance sheet for the past two years, <i>if the required by the legal status or trial balance in case of the company being established in the year of submission of the application.</i>	<input type="checkbox"/>	<input type="checkbox"/>		
5.17	<u>Copy</u> of the income statements (profit and loss statement) for the past two years <i>if required by the legal status, or for company being established in the year of submission of the application, a copy of the profit and loss calculation.</i>	<input type="checkbox"/>	<input type="checkbox"/>		

GRANT SCHEME OF “SARED”

5.18	Original List of employees stamped and signed by legal representative or Original Certificate from NRC proving that the Enterprise/Establishment employs less than 750 persons (for legal entities and Associations for cooperation in agriculture).	<input type="checkbox"/>	<input type="checkbox"/>		
5.19	<u>Copy</u> of the construction permit- <i>if required by legislation</i>	<input type="checkbox"/>	<input type="checkbox"/>		
5.20	<u>Copy of technical documentation</u> with construction/ reconstruction plans including other relevant documents- <i>as requested by national law.</i>	<input type="checkbox"/>	<input type="checkbox"/>		

Annex 2.1: Business Plan
For investments up to 1,400,000 ALL

SARED Grant Scheme
for the period
2015 – 2018

Applicant Name and registered address

Service provider/consultant
(if not prepared by the applicant)

Date ___/___/2015

Table of Contents

1. BACKGROUND TO THE EXISTING BUSINESS	
1.1.Core activity of the applicant (up to 500 words)	
1.2 Structure of ownership (assets, equipment) (up to 200 words)	
1.3 Management and human resources (up to 200 words).	
2. THE PROPOSED NEW INVESTMENT ACTION	2
2.1.Description of the investment (up to 300 words)	
2.2. Objective/rationale of the investment (up to 300 words)	
2.3. Inputs and outputs related to new investment (300 words)	
2.4. Human resources and skills (up to 300 words)	
2.5.Innovation of the new project (up to 200 words) – optional	
3. FINANCIAL DETAILS FOR THE PROPOSED NEW PROJECT	3
3.1 Summary of the investment costs and funding (up to 200 words)	
3.2 Value Added Tax (VAT) (up to 100 words)	
3.3 Financial figures related to the impact of investment	
4 Other comments related to the application (up to 200 words)	

1. BACKGROUND TO THE EXISTING BUSINESS

1.1. Core activity of the applicant (up to 500 words)

- Describe shortly the history of the business
- When the applicant started or if it is a start-up, when planned to start?
- Describe the products/activities, including the volumes for the main products
 - *What are the main products?*
 - *How much do you produce for each of your main products?*
- Describe your suppliers and the main raw materials (including existing contracts with suppliers if any).
 - *Which are the main inputs that you buy and the inputs that you produce yourself?*
 - *Where do you usually buy your inputs?*
- Describe your market and buyers (including existing contracts if any).
 - *To whom do you usually sale your products?*
 - *Do you have long term relations and/or written contracts with any of your buyers? If yes, specify.*

Note: In case the applicant possesses several activities/businesses, the business plan should focus mainly on the activity which is related to the proposed investment.

1.2. Structure of ownership (assets, equipment) (up to 200 words)

- Describe shortly the main assets and equipment your business (e.g. land, buildings, tractor etc.).
- Provide information about structure of ownership
 - *Who owns the business/farm/land/stable etc.?*

1.3 Management and human resources (up to 200 words)

- Describe the management structure of the business
- Who takes the decisions about the main activities of the business?
- Education, experience and qualification of the manager/owner.

2. THE PROPOSED NEW INVESTMENT ACTION

2.1. Description of the investment (up to 300 words)

Describe shortly the new investment for which you are applying.

- *Please provide a summary description of the planned construction/reconstruction (if applicable).*

- Please provide a list of the equipment and machinery required as part of the investment (if applicable).

2.2. Objective/rationale of the investment (up to 300 words)

Explain the objective of the new investment, such as

- To increase the production (of goods or services),
- To improve production efficiency (e.g. decrease costs)
- To improve safety and quality standards (e.g. to produce higher quality products for higher prices, or simply to comply with legislation standards).

Note: The objective should be the same as in the application form

2.3. Inputs and outputs related to new investment (300 words)

- Describe the inputs that will be used in the process related to the new investment
- Describe outputs/products that will be affected by the investments – quantity and types of products

2.4. Human resources and skills (up to 300 words)

- Describe if the economic activity is run by the family members or if you employ somebody outside of the family (fill in the table 2.1).
- Explain the expertise that is required in the context of the new investment. Explain if the farm employees have that expertise / experience or if not how it will be acquired (e.g. through external employment, training etc.).

Provide figures about employment before and after investment.

Table 2.1: Employment figures before and after investment

Indicators	Before investment			After investment		
	Total	Female	<40 Y	Total	Female	<40 Y
Total household Employees – people						
Total household Employees – months						
Total full time external employees						
Total part-time/seasonal external employees – people						
Total part-time/seasonal external employees - total months						

2.5. Innovation of the new project (up to 200 words) – optional

- Describe the innovation you intend to implement through the investment for which you apply?
- Give details of the social and environmental impacts of the investment on your own business and on the wider community.

Table 2.2: List of innovation indicators related to the investment

	Mark with X	Explain
Introduction of new technology / equipment / machinery		
Increased energy use efficiency		
Higher food safety		
Reduce environmental pollution		
Introduce new product or service		
Enter new market		
Other		

3. FINANCIAL DETAILS FOR THE PROPOSED NEW PROJECT

3.1. Summary of the investment costs and funding (up to 200 words)

Please provide in Table 3.1.a below a summary of the total investment costs and total eligible costs of the proposed investment.

Please note: Not all your investment costs will be eligible for reimbursement under SARED grant scheme therefore the “eligible costs” need to be identified separately from the “non-eligible costs” for grant funding.

Please indicate how will be pre-financed the investment value for which you are applying and that is expected to be accordingly reimbursed through the grant scheme (Table 3.1.b) If it will be covered by your own financial means, or you plan to receive a loan? (Table 3.1.c)

Table 3.1: Investment costs and funding

a) Investment Costs	Value (ALL)
Total Amount of the Investment (all costs including ineligible costs for SARED grant)	
Total Amount of Costs to be funded – (Eligible)	
Expected Grant Value	
b) Sources of Funding for the value of the grant (before reimbursement)	Value (ALL)
Private (own) funds (saving)	
Commercial loans	
Other financing (from friends, relatives etc.)	
Total	
c) Sources of Funding for financing the value of the co-finance of the investment	Value (ALL)
Private (own) funds (saving)	
Commercial loans	
Other financing (from friends, relatives etc.)	
Total	

Fill in table 3.2, by indicating all eligible investment cost components. For example, equipment, technical expertise related to investment implementation, advising for business plan and application preparation etc.

Table 3.2: Investment cost components - Eligible expenditures

Investment Elements/ Type of expenditure	Unit*	Price EUR excluding VAT	Price (Lek/unit) including VAT	Quantity	Total Amount (Eur) excluding VAT	Total Amount (Eur) including VAT	Total Amount (ALL) excluding VAT	Total Amount (ALL) with VAT
Elements of eligible expenditures								
Total								

*Unit should be adapted to the items. F.ex Purchase of g advisory services or a product design plan is expressed in Work Days (if appropriate), while purchase of a tractor, plough etc. in pieces etc.

**** calculation of amounts from foreign currency into ALL for the quotations from foreign supplier/suppliers, shall be made according to the exchange rate of the first working day of the month when the call for applications is opened.**

http://ec.europa.eu/budget/contracts_grants/info_contracts/inforeuro/inforeuro_en.cfm

3.2. Value Added Tax (VAT) (up to 100 words)

- Please explain your legal status related to VAT. (If you are a registered business or not for the relevant economic activity for which you are applying)?
- Please note that operators that are subject to VAT should report figures without VAT, whereas operators not subject to VAT should report values with VAT (when applicable).

3.3 Financial figures related to the impact of investment

Fill in the following tables.

Note: In case of SHBB, it is not compulsory to fill the following tables. However, in this section there should be clearly explained the expected financial impact of the investment on the SHBB and its members (max 500 words).

Table 3.3: Financial data – before investment

Category	Yearly values			
	Units	Quantity	Price	Value
Output sales				
Total output sales				
Production costs				
Total production costs				

Note: You may add additional rows according to the needs, for presenting all the items under the respective category, Sales and Production costs.

Table 3.4: Financial data – after investment

Category	Yearly values			
	Units	Quantity	Price	Value
Output sales				
Total output sales				
Production costs				

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<i>Total production costs</i>				

**4 ADDITIONAL COMMENTS ABOUT THE APPLICATION
(UP TO 200 WORDS)**

Place and date: _____

Applicant's (Legal Representative's) Name: _____

Signature and stamp (if applicable) : _____

5. COMPARISON OF QUOTATIONS (BIDS)

Investment		Winning Quotation (Bid)				Quotation (Bid) 2				Quotation (Bid) 3							
		Quantity	Price/unit ALL (without VAT)	Price/unit ALL (with VAT)	Total Amount without VAT	Total Amount with VAT	Name of the Winning Bidder	Price/unit ALL (without VAT)	Price/unit ALL (with VAT)	Total Amount without VAT	Total Amount with VAT	Name of Bidder 2	Price/unit ALL (without VAT)	Price/unit ALL (with VAT)	Total Amount without VAT	Total Amount with VAT	Name of Bidder 3
Description	Technical Specifications	1															
		i.e. Tractor															
		2															

Note 1: Add rows according to the need.

Justification for the selection of the bid which is not the best

Declaration by the Applicant

The Applicant declares that:

Information on the table above is true and complete and the bids have been received in compliance with the rules of sound financial management and the suppliers invited to submit bids are not related to one another or to the applicant.

Place _____

Date _____

Applicant's Name _____

Part 2
Annex 2.2: Financial Tables

Title of the Investment Action
SARED Grant Scheme
for 2015-2018

Name of the Applicant:

Date: ___/___/___

Version 1.0, January 2015

Name of the Applicant:

Profitability of Pre-investment and post-investment assets

Table 1: Normal year before investment (average last 3 years)				
Category	Vlera vjetore			
	Units	Quantity	Price (without VAT)	Value
Output sales				
				0
				0
				0
				0
				0
				0
				0
				0
				0
Total output sales				0
Production costs				
Total production costs				0
Profit tax and other relevant fix taxes				
Net Profit				0

Table 2: Normal post-investment production year				
Category	Yearly values			
	Units	Quantity	Price (without VAT)	Value
Output sales				
				0
				0
				0
				0
				0
				0
				0
				0
				0
Total output sales				0
Production costs				
Total production costs				0
Profit tax and other relevant fix taxes				
Net Profit				

Table 3: Investment Impact Results	
Category	Value
Total output sales	0
Total Production costs	0
Profit tax and other relevant fix taxes	0
Net Profit	0

Name of the Applicant:
Profitability of Pre-investment and post-investment assets

Table 1: Capacity use

Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25	

Table 2: Cash-flow

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25	
I. Project Investment Cost and SARED Like Grant																										
SARED grant																										
Project Investment Cost																										
II. Investment Impact Results																										
Category																										
Total Output sales	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Production costs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Tax on profit	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Profit	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Name of the Applicant:

IRR and NPV of the project

Note: Please do not change. This value is fixed by SARED.

Bank of Albania interest rate	3%
--------------------------------------	----

NPV and IRR before taxes, interests and principal	Value
NPV	-
IRR	#NUM!

Annex 2.3

Instructions for Applicants
on how to fill in Annex X.2 – Financial Tables,
Part 2 – of the Business Plan

“SARED” Grant Scheme
2015

The Financial Tables consist of 4 excel sheets, namely:

- a) Cover sheet
- b) Income statement
- c) Cash-Flow
- d) Financial Indicators

For each of the Excel Sheets, below is an explanation of how to complete them using detailed information from your business and the budgets for the new investment.

In principle one should only fill in the white cells in the table, whereas highlighted/coloured cells should not be “entered/ changed” as they contain formulas.

a) Cover Sheet – Excel sheet

In this sheet the applicant should enter general information as indicated in the Application Form depending on the type of applicant. In the case the applicant is a legal entity, then the official name of the company should be stated.

In case the applicant is not legally registered (e.g. at QKR or tax authorities), than the name of the person applying should be stated.

Note: The Business Name will be automatically transferred to all the excel sheets.

b) Income statement for the present situation and the after investment situation – Excel sheet

Income statement consists of total output value, production costs, tax on profit and other fix taxes, and net profit. For simplification, amortization and interest costs are not included.

In this sheet there are two income statements to be filled. Table 1 consists of the “Normal year before investment (yearly average for the last 3 years)” where the applicant should list the average revenues and the costs **before** the new investment, only for the activity to which the investment is directly related (e.g. investment consists of irrigation into an existing orchard). In case the investment will be a new economic activity (e.g. new orchard), than Table 1 should be left empty.

In case the enterprise has been established recently and does not have 3 years of experience, than should be based on the latest/last year(s).

In Table 2 “Normal post-investment production year” the values of the revenues and costs should be estimated for a normal **post**-investment year.

In these tables the candidate should enter the quantity of each product sold and the price.

Operators that are subject to VAT declaration, should report only figures without VAT (in the case of sales/production, costs, and investment value also the prices should be entered without VAT). Whereas operators that outside the VAT system, should report figures without transforming them – e.g. include with VAT when the inputs are bough with VAT and vice-versa.

Table 3: Investment Impact result will be automatically calculated from the values declared in the Table 1 and 2.

If the investment aims at meeting certain standards (e.g. safety or environmental stand-

ards) or the applicant is a start-up business the investment may result in negative financial indicators (calculated in Sheet “d” Financial Indicators. Therefore, in this case (investment aims at meeting certain standards), the applicant may leave empty (or 0) the Table 1. “Normal year before investment”. For further explanation, please see the last section of this document named “Important Notes”.

c) Cash flow analysis – Excel sheet

The first table of the “Cash flow” excel sheet, named “Capacity use” expresses the assumed ratio of capacity that will be used throughout the lifespan of the investment - the highest possible value is 100% (or 1) which corresponds to the foreseen normal year of production under optimal use of the investment technology. In the first years, it may occur that the investment is not operating to full capacity and therefore all yearly values, which are calculated in the following table, will be adjusted (multiplied by) the ratio of the used capacity (i.e. 0.5 or 50% in the first year). The applicant should make sure to insert the rate of capacity use for the years it is applicable and to leave the remaining cells blank.

This coefficient will automatically determine all financial indicators, and will index the production and income figures as well as costs.

In the following table the applicant should fill the amount of SARED grant she/he is applying for, while the Investment Cost should be entered manually in B12. The second part of this table will be automatically calculated using information from the Income Statement sheet.

d) Financial Indicators – Excel sheet

In this table are analysed two indicators – Net Present Value (NPV) and Internal Rate of Return (IRR).

Net present value (NPV) is defined as the present value of net cash flows. It measures the excess or shortfall of cash flows in present value terms, once financing charges are met. NPV is an indicator of how much value an investment or project adds to the value of the firm. Appropriately projects with a positive NPV could be accepted.

The **internal rate of return (IRR)** is an annualized effective compounded return rate which can be earned on the invested capital. A project is a good investment proposition if its IRR is greater than the project cost of capital or if not known with the rate of return that could be earned by alternate investments.

The discount rate used to calculate NPV and as a comparison rate for IRR is considered the actual discount rate of the Bank of Albania interest rate (X % on XX/XX/2015).

Both IRR and NPV are calculated automatically in this sheet.

The investment is considered economically feasible and acceptable when $NPV \geq 0$ and $IRR \geq \text{Discount rate } X\%$.

Important notes for the applicant!

1. In case of SHBB, it is not compulsory to fill the excel based financial tables. However, in the section “Comments on the cash flow and profit forecasts” in the narrative Section of the Business Plan, there should be clearly explained the expected financial impact of the investment on the SHBB and its members.

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2. In principle one should only fill in the white cells in the table, whereas -highlighted/coloured cells should not be “intervened” as they represent formulas.
3. Make sure cells content are not shifted, but either inserted or copy-paste (the later should be done carefully). Shifting may cause serious problems in the formula relations between cells.
4. All data should be stated in Albanian currency – in case the original transaction value of the investment is in foreign currency (e.g. imported equipment), than can be applied the Central Bank exchange rate of the first working day of the month, in which the call was issued, will be the reference for the exchange rate used for the investment value.
5. All the figures represented in this business plan should derive from the specific activity related to the new investment.
6. In case the applicants will change anything in the coloured cells of any sheet, they should explain and motivate in details the modification done, in the narrative part of the Business Plan.
7. In case the applicant needs to make changes or include additional data, is free to do so, but should explain clearly in the Narrative Section of the Business Plan this change/editions.
8. If the investment aims at meeting certain standards (e.g. safety or environmental standards) the investment could not result in improved financial performance in case there does not occur additional income, and thereby NPV would be negative and the project would not acceptable. However, the assumption is that the investment in meeting standards is done, to comply with the laws and regulations, as otherwise the company cannot continue to carry out its activity. Therefore, in this case (investment aims at meeting certain standards), the applicant may leave empty (or 0) the Table 1. “Normal year before investment” in Sheet “b” Income Statement. Table 1 should be left blank even when the applicant is a start-up business.

Annex 3: List of Eligible Expenditures

VC 1: Value chain - Small Ruminants (Milk & Meat)

Type of Investment: On Farm Investment

Field of Investment 1.1: On farm investment for production, processing and marketing of Milk and Meat from sheep and / or goats

Title of Investment	Construction and/or reconstruction of agricultural buildings and facilities <u>for producing, and on farm processing and marketing</u> of milk and meat products (including installations of pre-fabricated structures):
1.1.01	Items of Investment: <ul style="list-style-type: none"> - Construction or reconstruction of animal housing: closed, open and semi-open stables; - Construction or reconstruction of milking room (parlours), milk storage rooms and cold storages - Construction or reconstruction of building / facilities for on farm cleaning of milking equipment, tank and other equipment used for the milk and meat production / processing activity, - Construction or reconstruction of storage sheds (water reservoirs, roughage storage, compound feed storage/silo and silage storage/hole); - Construction or reconstruction of machine sheds; - Construction or reconstruction of buildings/facilities for manure collection, handling and waste disposal. - Construction or reconstruction of fences and gates - Cubicle dividers - Feed fences - Short stands - Partitions - Animal handling and weighing systems, weigh-scales - Disinfection units - Loading ramps - Laneways, - Branding and injection chutes - IT equipment and software, where it is considered as integral part of the investment - Construction or reconstruction of building / facilities for on farm milk processing, cooling storage of products; - Construction or reconstruction of building / facilities for marketing of milk and meat products respecting the national minimum standards (cooling chain)

1.1.02	<p><u>Purchase and installation of equipment and technology for modernisation of agricultural buildings and of On-farm animal feed preparation, handling, distribution systems and storage facilities as f.ex;</u></p> <ul style="list-style-type: none"> - Purchase and installation of equipment and machinery for heating, ventilation and automatic control of microclimate in the stables, milking parlours including equipment for energy saving - Purchase and installation of animal feeding (distribution) and watering systems on farm - Purchase and installation of equipment and machinery for on-farm animal feed preparation (f.ex Mixers etc), handling, distribution systems and storage
1.1.03	<p><u>Construction and/or reconstruction of agricultural buildings and facilities, purchase and installation of equipment for On-farm silage preparation, handling and storage facilities</u></p> <ul style="list-style-type: none"> - Construction or reconstruction of silage storage facilities - Equipment and machinery for on-farm silage preparation, handling and transport - Mower conditioners, tedders, precision chop forage harvesters - Other equipment and machinery for on-farm silage preparation
1.1.04	<p><u>Investments in environment protection facilities and technologies (equipment) for manure and other waste storage, manure handling, treatment, and of protective fencing</u></p> <ul style="list-style-type: none"> - Construction or reconstruction of facilities for collection, transporting, storage, treatment of manure / slurry including slurry/effluent tank and of protective fencing - Purchase and installation of equipment for transporting, collection, treatment, handling, dispose of manure / slurry and other waste as f.ex of <ul style="list-style-type: none"> - Decanter centrifuge systems - Automatic slurry scrapers - Slurry/soiled water pumps/agitators/ aeration systems - Equipment for the application of slurry, farmyard manure and soiled water - Turning equipment - Purchase and installation of equipment for processing, packaging, transporting (for marketing purposes) of processed manure - Purchase and installation of equipment for renewable energy on farm - IT equipment and software, where it is considered as integral part of the investment
1.1.05	<p><u>Purchase and installation of equipment, for milking, and on-farm processing, cold storage and marketing of milk and meat products:</u></p> <ul style="list-style-type: none"> - Equipment for milking, milking parlours, milking pipelines, or similar on-farm milk transport equipment; - Vacuum pumps and controllers - Equipment for milk-metering systems - Milking system cleaning units - Milk receiver - Cooling and storage tanks, only if part of an investment project for installation/ renovation of the milking systems - IT equipment and software where it is considered as integral part of the investment - Equipment for processing, cold storage of milk products processed on farm - Equipment for marketing area (room/shop) of milk and milk products respecting the NMS (cooling chain)
1.1.06	<p>Outdoor watering systems for animals</p>

1.1.07	Renewable energy technologies for heating, ventilation, powering electric fences or water pumps for on-farm consumption only: <ul style="list-style-type: none"> - Solar panels - Micro Eolic turbines up to 20 kW. - Other technologies
1.1.09	IT (hardware and software) for herd management, milk registry or general farm management.

VC 1: Value chain - Small Ruminants

Type of Investment: Off Farm Investment

1.1: Off farm investment for collection, processing and marketing of Milk from sheep and goats

1.1.10	In the field of <u>Milk collection and storage in other facilities:</u> <ul style="list-style-type: none"> - Construction or reconstruction of milk collection centres, milk storage and cooling facilities and equipment - Purchase and installation of equipment for milk collection centres, milk cold storage and - Purchase and installation of equipment and technology for control and testing of raw milk quality and hygiene in the collection centres - Investments for the introduction and/ or improvement of food safety systems, Good Hygiene Package/ GHP (HACCP), including certification costs - Purchase and installation of specialised IT hardware and software for milk registry and monitoring, control and management
1.1.11	In the field of <u>Milk processing</u> <ul style="list-style-type: none"> - Construction or Reconstruction of milk processing establishments - Purchase and installation of technologies, equipment and machinery and lines for processing of milk and producing dairy products such as yoghurt, cream, cheese, whey or casein; - Purchase and installation of technologies, equipment and machinery and lines for filling and packaging of milk products - Purchase and installation of technologies, equipment for testing, monitoring and control of raw milk quality and hygiene, including in-factory laboratories - Investments for the introduction and/ or improvement of quality management systems (ISO), including certification costs - Investments for the introduction and/ or improvement of food safety systems Good Hygiene Package/GHP (HACCP), including certification costs - Purchase and installation of technologies, equipment and facilities for energy saving, and - Purchase and installation of technologies, equipment and facilities for environmental protection and of equipment and facilities for processing of intermediate products and wastes, treatment and elimination of wastes - Purchase of specialised transport means for distribution of products such as refrigerated trucks - Purchase and installation of specialised IT hardware and software for product and process management

VC 2: Fruit and Nuts Trees**2.1 On farm Investments in production / processing / marketing**

2.1.01	<p>Investments in new plantings of blocks with fruits / nuts trees and / or in restructuring (rehabilitation) of existing orchards and nuts trees blocks (excluding vineyards and olive groves)</p> <ul style="list-style-type: none"> - Purchase of certified seedlings (Autochthone, high value) - Purchase of services (work) carried out by a third party for pruning and for soil preparation, analysis and of soil fertilizing; - Investments related to the supporting elements and or protection systems / equipment (hail nets etc)
2.1.02	<p>Purchase of new or upgrading of existing on-farm technology and equipment / machinery as f.ex:</p> <ul style="list-style-type: none"> - Purchase and installation of equipment, machineries for technology optimization - Purchase of services (work) carried out by a third party for digging wells, when primary irrigation is not available; - Purchase and installation of drip irrigation and or other irrigation systems (spraying), Fertigation: dosatrones or other programmed dosing equipment - Purchase of piping materials; - Purchase of sprinkling and misting installations; - Purchase of specialized technological equipment for field laboratories (inspection, diagnosis parasites) to facilitate plant protection interventions - Purchase of spraying and other pumps; - Purchase of IT equipment including software - Purchase and installation of protection “hail nets” against the hail and similar to protect the trees from the damages
2.1.03	<p>Purchase of specialized horticultural machinery and equipment:</p> <ul style="list-style-type: none"> - Specialised tractors and cultivators (small-size/narrow vehicle, row-crop tractors or similar) and their specialist applications - Tractor trailers and other vehicles used for harvesting; - Other specialized horticultural equipment and machinery: sprayers, pruners, mulch layers, compost handling equipment, or similar, - Grafting machines for the production of fruit saplings
2.1.04	<p>Investments in construction of facilities and purchase and installation of specialized equipment for harvesting, handling post-harvesting, storage and marketing on the farm:</p> <ul style="list-style-type: none"> - Construction or reconstruction of existing facilities or purchase and installation of prefabricated structures for permanent or temporary storage (Simple shade house in field), cold storage, cleaning, sorting, grading and packaging of fresh products; - Construction or reconstruction of existing facilities for on farm processing and marketing of fruits / nuts and their products processed on farm - Purchase and installation of machinery and equipment for on farm processing and marketing facilities of fruits and nuts f.ex. simple processing lines for preparation of juice, puree and dried fruits at farm level - Purchase and installation of machinery and equipment for postharvest tools and equipment, pre-cooling, cooling units and cold storage, heating and ventilation systems <ul style="list-style-type: none"> - Equipment for apple preservation with controlled atmosphere technology. (Apple is stored for a period of 1 year). - Equipment for the new (Smart Fresh) technology for storing fruits in existing refrigerating rooms.

2.1.04	<ul style="list-style-type: none"> - Purchase and installation of machinery and equipment for washing, cleaning, selecting, sorting, grading, cutting, drying and packaging, marking and labelling of fresh fruits and nuts - Purchase and installation of specialized equipment including potting and filling machines and harvesters. - Purchase of transport and handling equipment for internal use: forklifts, trailers, containers, vans, crane, pallet truck, trolley, or similar transport or handling equipment). - Purchase and installation of computers, specialized software and special technological equipment (inspection, monitoring and recording equipment, cooling control systems including those in cooling transport vehicles, etc.)
2.1.05	<p>Renewable energy technologies for heating, cooling, ventilation, irrigation or for water pumps for on-farm consumption only:</p> <ul style="list-style-type: none"> - Solar panels - Micro Eolic turbines up to 20 kW - Other technologies

VC 2: Fruit and Nuts Trees

2.2 Off Farm Investments on collection, processing and marketing

2.2.01	<p>Construction and / or reconstruction of fruit and / or nuts collection / storage facilities / processing plants;</p>
2.2.02	<p>Technology, equipment and machineries for fruits and nuts processing facilities:</p> <ul style="list-style-type: none"> - Purchase and installation of technologies, machinery and equipment for fruits and nuts processing as f.ex. Juice production, marmalade etc. - Purchase and installation of technologies, machinery and equipment for canning, preserving, pasteurising, or drying fruit and/ or nuts
2.2.03	<p>Facilities and equipment for post-harvest handling and/ or storage for raw material, storage for packaging</p> <ul style="list-style-type: none"> - Purchase and installation of Machineries to improve marketing of fresh fruits at collection points: sorting, grading, cleaning packing lines - Purchase and installation of Machineries (lines) for fruits and nuts calibration - Purchase and installation of Machineries for packaging of products / saplings and purchase of Cartoon packaging (crates) with producer's logo (producer, organization, etc.), for marketing.
2.2.04	<p>Packaging and labelling equipment, including filling lines, wrappers, or other specialised equipment;</p> <ul style="list-style-type: none"> - Purchase and installation of Equipment (lines) for filling and labelling apple juice, compote, marmalade etc. - Purchase and installation of Equipment for vacuum packaging of fruits and nuts products
2.2.05	<p>Energy saving technologies</p> <ul style="list-style-type: none"> - Purchase and installation of Solar panels etc.
2.2.06	<p>Cold chain equipment:</p> <ul style="list-style-type: none"> - Purchase and installation of Cold and deep freezing storage - Purchase and installation of Freezing tunnels - Purchase and installation of Specialized transport - Purchase and installation of Other specialized equipment to ensure continuity in the cold chain

2.2.07	Equipment for quality control, including in-factory laboratories including - Equipment for field laboratories, for soil, for determination of fruit maturity for fruit harvesting
2.2.08	Investments for the introduction and/ or improvement of quality management systems (ISO), including certification costs
2.2.09	Investments for the introduction and/ or improvement of food safety systems Good Hygiene Package/GHP (HACCP), including certification costs
2.2.10	Environmental protection technologies and facilities, equipment for treatment and elimination of waste;
2.2.11.	Specialized IT systems including software for product and process management

VC 3 MAPs – on farm

3.1: Investments on farm production / processing / marketing of Medicinal plants

3.1.01	Investments in new plantings and or reconstruction (rehabilitation) of existing plantations with BAMs: - Purchase of certified seedlings (Autochthone, high value) - Purchase of services (work) carried out by a third party for pruning and for soil preparation - Investments in support elements and or protection systems / equipment
3.1.02	Purchase of new or upgrading of existing on-farm technology and equipment / machinery for: - Purchase of services (work) carried out by a third party for digging wells, when primary irrigation is not available; - Purchase and installation of piping materials; - Purchase and installation of drip irrigation, sprinkling and misting installations; - Purchase and installation of pumps; - Purchase and installation of IT equipment including software
3.1.03	Purchase of specialized machineries and equipment for MAPs: - Specialised tractors and cultivators (small-size/narrow vehicle, row-crop tractors or similar) and their specialist applications - Tractor trailers and other vehicles / equipment used for harvesting or other processes on farm; - Other specialized equipment and machinery for BAMs: sprayers, seeding machine, trans planters, pruners, mulch layers, compost handling equipment, distribution of manure, fertilizers or similar
3.1.04	Investments in harvesting and post-harvest specialized equipment and facilities on the farm: - Construction or reconstruction of existing facilities or purchase and installation of prefabricated structures for permanent or temporary storage, non-conditioned storages, cleaning, sorting, grading and packaging; - Purchase and installation of machinery and equipment for harvesting, cleaning, selecting, sorting, grading, cutting, drying and packaging, marking and labelling of MAPs, heating and ventilation systems - Purchase of transport and handling equipment for internal use as fex: forklifts, , crane, pallet truck, trolley, or similar transport or handling equipment) and / or vehicles for the transport of the products as trailers, containers, vans etc - Purchase and installation of computers, specialized software and special technological equipment (inspection, monitoring and recording equipment, cooling control systems including those in cooling transport vehicles, etc.)

3.1.05	Renewable energy technologies for heating, cooling, ventilation, irrigation or for water pumps for on-farm consumption only: <ul style="list-style-type: none"> - Solar panels - Micro Eolic turbines up to 20 kW - Other technologies
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VC 3: MAPs – Of-farm collection and processing

3.2: Investments on collection / processing / marketing of MAPs

3.2.01	Construction / Reconstruction of the collection points and / or processing plants
3.2.02	Purchase and installation of machinery and equipment for processing in the collection points and / or processing plants
3.2.03	Facilities and equipment for handling and / or storage of post-harvested row materials, storage and packaging
3.2.04	Facilities, purchase and installation of machinery and equipment for processing and packaging and other specialized equipment for the final product, disposal of residues / waste resulting from product manufacturing
3.2.05	Purchase and installation of technology for energy saving
3.2.06	Purchase of specialised transport vehicles for the finished main products which ensure the maintenance of the quality
3.2.07	Purchase and installation of equipment for quality control, including laboratories in the establishments for measuring and monitoring of quality / safety standards
3.2.08	Investments for introducing quality management systems (ISO) and / or food safety systems / hygienic package /HACCP, including the certification costs
3.2.09	Purchase and installation of facility and technology, equipment for environmental protection and waste treatment
3.2.10	Purchase and installation of IT equipment and software for management of products and or processes

4. Investments related to all VC

4.1	Preparation of marketing strategy
4.2	Promotion activities, design and production of promotional products as brochures, leaflets, development of website etc., product development,
4.3	for young entrepreneurs costs related to complete the formal transfer of ownership of the farm (including finance, farm structures improvement, legal aspects, etc.)
4.4	soil analysis and other related analysis

GRANT SCHEME OF “SARED”

Annex 4:

The list of Fruits/ Nuts and Medical plants

Products

Fruits

Apples /	Mollët
Wilde apples /	Molla e eger (malus sylvestris)
Peras /	Dardhat
Quinces /	Ftonjte
Apricots /	Kajsitë
Cheries /	Qershitë
Peaches including nectarines /	Pjeshka, përfshirë nektarinat
Plums /	Kumbulla
Pomegranate /	Shega
Figs /	Fiqtë

Nuts / Arroje

Walnuts /	Arrat
Chessnuts /	Gështenja (Castanea spp.)
Hazelnuts /	Lajthite
Almonds /	Bajame

MAPs / BAMs

Sage /	Sherebelë
Lavandel /	Lavandola
Thyme (Savory) /	Trumzë
Basil (Marjoram) /	Borzilok,
Melissa /	Melisë,
Peppermint /	Mendër,
Oregano /	Rigon,
Rosemary /	Rozmarinë,
Saffron /	Shafran
Mushrooms /	Kërpudha

GRANT SCHEME OF "SARED"

Annex 5
PAYMENT CLAIM

**SARED Program “Support to Agriculture
and Rural Development”**

Grant Contract number	
Application ID number	

PART 1

GENERAL INFORMATION ABOUT BENEFICIARY		
1	Grant beneficiary's name (<i>Please indicate the name of the beneficiary according to the grant contract.</i>
2	Name of legal representative <i>(for legal persons and Associations for cooperation in Agriculture)</i>	
3	Legal status of the beneficiary	a) <i>Individual farmer registered with NUIS or Farmer's Card</i> <input type="checkbox"/> b) <i>Physical person</i> <input type="checkbox"/> c) <i>Legal Person</i> <input type="checkbox"/> d) <i>Association for Cooperation in Agriculture</i> <input type="checkbox"/>
4	NUIS number for applicants registered as physical/legal person/ SHBB <i>(Association for cooperation in Agriculture)</i>	
5	NUIS No. or individual farmer's card	
6	Applicant's official Address	<i>(please indicate the address of the official address for physical and legal persons) <Village/city,region ></i>
7	Address of Residence	<i>(please indicate the address of residence of the applicants or their legal representatives) <Village/city,region ></i>
8	Village/city of the investment	
9	Region of the investment	
10	Telephone number	
11	Contact e-mail address of the applicant	
INFORMATION ON BANK ACCOUNT		
12	Bank name	
13	Bank address	
14	SWIFT/Bank Code	
15	IBAN/account number	

PART 2

INFORMATION ON INVESTMENT		
1	Title of the Investment	
2	Relevant Value chain	
3	Date of Investment Termination	Please note the date of investment termination according to the contract
4	date for submission of payment certificate (request)	Please note the date of payment certificate (request) according to the contract

PART 3

Table of Invoices

We kindly ask you to complete the relevant tablee with the list of all eligible expenditures based on the invoices submitted and make the respective calculations.

Applicants registered with VAT (physical, juridical persons or ShBB (ACA)) shall complete table a. These applicants should submit the amounts of each eligible expenditure without VAT.

Applicants registered with farmer's card or NUIS (without VAT) shall complete table b. These applicants should submit the amounts of each eligible expenditure with VAT.

In the end calculate the required amount as a total of eligible amounts.

Table a- To be completed by the beneficiaries who are registered with VAT (physical/legal persons)

Name of the selling company / consultant	In-voice No.	Invoice Date	Type of expenditure/ Asset	Unit	Quantity	Price per unit without VAT	Total Amount without VAT	Total Amount with VAT
			Total eligible expenditures anticipated					
			Contribution of Contracting Authority in %					
			Amount of the Grant requested					

*Note: Other rows may be added if required, subject to expenditures made.

**Table b- To be completed by the beneficiary who is not a VAT payer
(with farmer's card or NUIS)**

Name of the supplier/ Consultant	In-voice No.	Invoice Date	Type of expenditure/ Asset	Unit	Quantity	Price per unit without VAT	Amount of VAT per unit	Price per Unit with VAT	Total amount with VAT
			Total eligible expenditures						
			Contribution of Contracting Authority in %						
			Amount of the Grant requested						

**Note: Other rows may be added.*

Grant beneficiary's name	
Signature (and stamp if available)	
Date and Place	

PART 4

LIST OF DOCUMENTS			
<i>Please use this list as your own control check for the documents you have to submit.</i>			
Name of the document <i>All documents must be submitted depending on the type of investment, type of Grant Beneficiary, type of activity or requirement it fulfills.</i>	YES	Non relevant	
1	Copy of ID card/passport of the beneficiary <i>(individual or legal representative of the private entity/agricultural cooperative association)</i>	<input type="checkbox"/>	<input type="checkbox"/>
2	Original certificate proving that the applicant has fulfilled its taxation obligations, including the payment of social and health contributions, issued by the corresponding Tax Office (or by the Social Insurance Institute (for Physical/ Physical Persons. Such certification <i>should not be issued earlier than 30 days before the date of application</i> Meanwhile; <i>the start-up applicants registered with farmer's NUIS / card shall submit the certification for the payment of social and health insurance for the current year when the claim for payment is submitted.</i>		
2	<i>Such certification should not be issued earlier than 30 days before the submission of the claim for payment and they are both submitted at the same time.</i>		
3	Original document about land tax issued by Municipality/Commune for the current year - not issued earlier than 30 days before submission of the payment claim (certificate) <i>(if Grant Beneficiary is the owner of the land)</i>	<input type="checkbox"/>	<input type="checkbox"/>
4	Copy of Technical approval (usage permit) for the use of the Construction (only when construction/reconstruction is foreseen)	<input type="checkbox"/>	<input type="checkbox"/>
5	Copy of construction book (only when construction/reconstruction is foreseen)	<input type="checkbox"/>	<input type="checkbox"/>
6	Copy of inventory sheet/print out of the accounting system (for all assets) (balance sheet) by the date of submission of the claim for payment, proving the accounting of the assets (signed and stamped)	<input type="checkbox"/>	<input type="checkbox"/>
7	Copy of Book of active assets by the date of submission of the claim for payment (only if the year of submission of the claim is different from the year of the signing of the contract)	<input type="checkbox"/>	<input type="checkbox"/>
8	All original Invoices for the incurred expenditures as indicated in PART 3 Table of Invoices	<input type="checkbox"/>	<input type="checkbox"/>
9	Original contracts with the suppliers/service providers/construction companies and other third parties defining the assets, models, price in EURO/ ALL with and without VAT (with detailed technical specification) (for purchases above 140,000 ALL)	<input type="checkbox"/>	<input type="checkbox"/>
10	Original statement from the suppliers/service providers proving that the equipment is not second hand	<input type="checkbox"/>	<input type="checkbox"/>
11	Payment (Transfer) orders for each of the payments performed in the country	<input type="checkbox"/>	<input type="checkbox"/>
12	Detailed (daily) bank statements for the payments done in the country	<input type="checkbox"/>	<input type="checkbox"/>

GRANT SCHEME OF "SARED"

13	Payment (Transfer) orders (Letter of Accreditation) for each of the payment made internationally	<input type="checkbox"/>	<input type="checkbox"/>
14	Copy of SWIFT for all international payments	<input type="checkbox"/>	<input type="checkbox"/>
15	Receipt note(for equipment purchased)	<input type="checkbox"/>	<input type="checkbox"/>