

# Innovation Challenge Scheme Operational Manual, applicable for the collaborative innovation projects with impact on Sustainable Development Goals (SDGs)

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## Glossary

Collaborative group of companies (CGC)	A group of at least 2 companies coming from diverse fields (at least one company, main applicant, from the ICT industry) applying jointly to the initiative of UNDP and ATIC. Business associations can also apply, in collaboration with private sector companies.
BIL	Business Innovation Lab
Application	The innovation project proposal submitted to the ATIC/UNDP
Beneficiary(ies)	The company(ies) which has been awarded and which signed Award Agreement
Concept Note	The form completed by CGC to describe the general project idea. Based on the Concept Note, the potentially acceptable projects will be identified through an analysis and selection in pre-application stage.
Award Agreement	The Agreement between the CGC and ATIC/UNDP governing the financial award and responsibilities of the Beneficiary

	during the implementation of the Project.
Full Application	2 <sup>nd</sup> stage of the application process to the challenge
Award	The amount of award received by the Beneficiary without returning obligations in order to perform the pilot
Intellectual Property (IP)	Intangible property related to the innovative idea, technology, design or concept which can be legally treated and protected.
Investment Committee	The Committee in charge for selecting and monitoring the projects, composed of ATIC, UNDP and other donors/partners
Management Team	The project management team in charge for implementation of the challenge
Monitoring and Evaluation support	Support provided by UNDP for the monitoring and evaluation of the impact of new products/services of solutions on specific Sustainable Development Goals; support from BCTA and its Impact Tool will be provided.
Pre-application	1 <sup>st</sup> stage of the application process
Project	The innovation project implemented by the Beneficiary companies according to the proposed Application and financed by ATIC/UNDP. This could be a new product, service or market solution.
Project Budget	The total project budget of the innovation project, comprising the maximum 50% award and minimum 50% matching funds from other sources, submitted on the pre-defined form, as part of the full application.
Project Plan	Detailed description of the innovation Project on the pre-defined form, as part of the full application.

## 1 Basic concept and characteristics of the Innovation Challenge for SDGs

### 1.1 Innovation Challenge objectives

Main goal of the Challenges is to provide support to and engage with private sector companies in accelerated achievement of the nationalized SDGs, mainly through direct and matching cash and knowledge support to companies for the testing and up-scaling of innovative products, services or solutions for sustainable development.

**Main objectives** of the Innovation Challenge for the SDGs are:

- A. Engage with private sector for the testing and up-scaling of new products, services or solutions aligned to SDGs, with measurable and positive impact on the wellbeing of people; main focus is on new solutions underpinned by ICT sector in areas of major interested for private sector, i.e. education and skills, HVA agriculture and innovation and energy and block chain-based RES.
- B. Measure and make visible the impact of such new products, services or solutions on specific nationalized SDGs and on the objective and subjective well-being of the population.

## ***1.2 Types of innovation projects supported***

The preferred projects applying to challenge are **innovative pre-commercial pilots** aligned to the objectives stated above. Pilots should satisfy all of the below criteria:

- Ready prototype, pre-commercial
- Innovative, including but not limited to blockchain-based solutions, i.e. new on the market or possibly a solution that is significantly improved
- Scalable and replicable, i.e. could be easily replicated by same private sector company within a short period of time on same market/country, or exportable (depending on the solution)
- Feasible, i.e. the solution does not require changes in the current legislation and could be anchored within the existing legal framework; there is evidence that prototype is technologically and economically feasible
- Collaborative, i.e. requires involvement of partners in private sector that represent at least 2 different economic sectors (ICT and HVA agriculture, other).
- With measurable impact on SDGs, by applying BCTA's impact lab toolkits.

**Examples of possible business challenges** and constraints that SMEs could eventually focus on are: talent management and retention of skilled labor force; access to finance for prototyping of new products and services that require collaborative innovation; export promotion through innovative approaches, and other. The supported projects are in phase of innovation development and are based on a comprehensive business plan, addressing the specific identified challenges and demonstrating high potential in terms of access to market and company competitiveness and growth. The projects should already have previously developed innovative concept or prototype which demonstrates a clear technological and economic viability. **The innovative concept should represent considerable novelty to the national or global market: e.g. new products, processes, services or market application.**

In innovation development projects, the examples of financing activities may include: prototyping, upscaling, design, performance verification, testing, demonstration, development of pilot lines, validation for market replication, IP protection and other activities aimed at bringing innovation idea (product, process, service, etc.) to investment readiness and market introduction. The financed activities would include also partly the costs of necessary tailored training, restructuring of the organization or production, absorbing new technologies, access to business networks/clusters, adoption of new marketing tools, and helping access new markets and all similar activities necessary to finish pre-commercial phase of the innovation development.

## ***1.3 Amount of awards***

The awards will cover maximum **40,000 USD (co-funded by ATIC and UNDP) or maximum fifty percent (50%) of the total project amount (what is lower) for pre-commercial innovation pilots, be it new products, services or business solutions. Such contribution normally will be equally divided between the companies in CGC or depending on the specific requirements of the specific collaborative project. Same is valid for the case of the matching contribution, which shall be decided internally in the CGC and distribution presented to the ATIC/UNDP.**

Co-financing of at least fifty percent (50%) of the total project budget is to be secured by the CGC from their own investments or from other sources, an **only in cash**. Acceptable co-financing includes companies own investment, private investors, loan financing or other private sector cash contributions and public financing or co-financing. The total amount of Awards cannot be increased during the course of the Project.

### ***1.4 Duration of the project***

**The project and the project budget must be designed so to be completed within 6-10 months.** However, the project may be extended for maximum of additional six (6) months under exceptional circumstances, at the discretion of the ATIC/UNDP.

### ***1.5 Eligible applicants***

Eligible applicants to the Innovation Challenge Scheme are:

- The eligible CGC Applicants are Moldovan privately owned (at least 75 percent private per the JSC Law) companies, established at least one (1) years before the date of applying, and/or business and sector development support organizations operating in any industry sector except: catering services providing only alcoholic beverages; casinos, gambling and similar activities; construction/purchase of residential and commercial space for housing/sales; gas stations; production and distribution of tobacco products; sales and service of cars, primary agricultural activities.
- The CGC Applicants are legal private sector registered under the applicable Moldovan Company Law.
- **The CGC have no shared economic and financial interest; one SME is not owning shares or other interest in the other SME in same CGC and this applies for the entire CGC independently from the number of participating SMEs;**
- The CGC Applicants must not possess outstanding debts in terms of public contributions.
- The Applicants in CGC must not have accumulated losses above the equity value.
- The Applicants and individual owners have not been convicted for crimes connected to business operations.

## **2 Application process**

### ***2.1 Description of application process***

The MICS Awarding will be conducted through an open selection procedure in two stages (Pre-application and Full Application).

**The selection process is designed according to the principles of merit, transparency, equality and rational use of funds, by launching at least two calls, one each year.** Innovation projects are submitted exclusively to ATIC/UNDP. The innovation projects are selected against the clear eligibility and selection criteria, of which latter are assessed by the experienced and independent evaluators. The applications which fulfill all eligibility criteria and which satisfy the selection criteria at most will be proposed for financing. They are in final phase assessed and ranked by the Investment

Committee and, subject to the availability of funds. The best ranked applications that can fulfill legal requirements are offered to sign Award Agreement.

## ***2.2 Instructions to the application process***

CGC apply through the open call published by the ATIC/UNDP on their platform(s). There are two stages of application process implemented consecutively: **1<sup>st</sup>: Assessment of the Concept Notes**, and **2<sup>nd</sup>: Assessment of the full Projects Plans**. Only those applications that were positively evaluated at the 1<sup>st</sup> stage and invited to write full Project Plans are eligible to apply to 2nd stage.

While preparing the Application following rules apply:

- A. There is only one Application per CGC allowed;
- B. Re-submission of modified and improved Applications is not allowed.
- C. Only Applications submitted using the online UNDP/ATIC platform will be considered;
- D. Deadlines of both application stages are to be strictly respected.
- E. In evaluation process, only complete Applications will be accepted. Documents required by hard copies must not be sent by mail to the ATIC/UNDP before so requested, if the Award is offered to the Applicant.

## ***2.3 Project Application Documentation***

### **2.3.1 Pre-application: Concept Note**

In the pre-application stage, the CGC should submit only a filled out pre-defined form of **Concept Note** (attached, Annex A), where the concept of innovation project is shortly and concisely described (including the idea and the potential market) and the company and the development team shortly presented. In the pre-application stage there are no other documents needed.

### **2.3.2 Full application: Project plan with Project budget**

Only those Applicants who are selected and invited in the pre-application phase submit the Full Application, which consists of **Project plan, Financial plan and the Curriculum Vitae**. The Full Application have to be submitted on pre-defined forms (attached, Annex B) filled out completely and sent via email to [executive@ict.md](mailto:executive@ict.md) and [dumitru.vasilescu@undp.org](mailto:dumitru.vasilescu@undp.org) until the stated deadline. There is no standard form for the budget or CVs; companies to present a standard cash-flow and investment plan and ROI calculations for the proposed project only.

The Project plan should contain the detailed elaboration of the innovative concept, analysis of the existing and future market, prediction of the commercialization potential, envisaged development activities including: staff engagement, necessary material means and needed advisory services and trainings. The Projects should be tackling cross-cutting constraints for innovation and proposing specific collaborative technical and conceptual innovative solutions to such constraint that would ultimately become a public good and would further inform policy makers about the most feasible solutions to overcome such barriers. A collaborative innovative solution is the one that is jointly developed, proposed and ready to be co-financed in the implementation phase by the CGC.

Also the detailed Project budget has to be submitted predicting all project expenses during implementation phase of 12 months, including both the award contribution as well as the Applicant's matching funds.

The Project Plan in Full Application should encompass following:

- Clear evidence of so far achieved initial results or insights to be considered as collaborative innovative foundation for the Project.
- Justification of the commercial potential of the proposed innovation, as detailed as possible.
- Justification that there is an existing market for the proposed collaborative innovation and that the strategy for the commercial exploitation of the innovation is compliant with the actual market sector,
- Realistic plan of the Project activities so they can be implemented considering technological, financial, time and market constraints, possibilities and opportunities.
- Assurance that the project includes all activities necessary for the innovation to be ready for commercial activities on potential markets.
- Evidence that the team has relevant experience in the industry sector and necessary knowledge and skills to implement the planned activities in the development of the new product/process/service and successful preparation for commercialization

Together with the Project Plan, Financial plan with detailed and reasonable project expenses that are intended exclusively for project purposes, and CV's of the members of the team should be submitted via online platform.

### **2.3.3 Corporate and other documentation**

The Application supporting corporate documentation, are submitted physically only by those Applicants who have passed complete evaluation of the Full Application in 2<sup>nd</sup> stage and are offered the Award Agreement. In case the necessary documentation is not submitted within the deadline required by the UNDP, the Applicant will not be financed.

The documentation includes obligatory and non-obligatory items:

- Business Registration Certificate issued by Authority;
- Certificate of proof of lack of tax debt issued by Authority;
- Proof of matching funds: company cash contribution (e.g. cash acquired through current business operations), investment contract (e.g. capital contributions), credit agreements with the banks or financial institutions, cash expected from the ongoing and future business operations and similar sources;
- Bank statement from the dedicated bank account number to receive the funding and demonstrate existing funding;
- All agreements with third parties directly related to the project, e.g. subcontracts (prior to signing of the Award Agreement, if applicable).

## **2.4 Eligible and non-eligible expenses**

On a competitive basis, the award should be used by the Applicant for innovation development activities in following group of expenses, independently of the weight:

- Gross salaries of development staff
- Small equipment and supplies

- Technology, design, business, development and other consultancy services like quality certifications, copyright and patent application and fees;
- Costs of tailored training of the staff;
- Other costs incl. travelling connected to implementation of innovation project.

The expenses shown above should be predicted to reflect the Project goals and should be clearly justified in accordance with Project objectives. **Only expenditures accrued during the project in accordance with the Project Budget and completed by the end of the project are eligible for financing.** All agreements with subcontractors or third parties must be submitted with the Application and must contain provision that the Applicant retains ownership of all new intellectual property and know-how that may be created during the implementation of the project.

Expenses that will not be considered for financing by the MICS include but are not limited to:

- Interest or debt owed to any third party;
- Expenditures and provisions for possible future losses or debts;
- Items already financed through another similar scheme, program or institution, Financial awards;
- Bank and currency exchange expenses, losses, fees and penalties;
- Marketing, sales and distribution costs for promoting the technology, product or service;
- Purchase or rent of land or buildings, including any renovation;
- Cash payments from the project account;

## ***2.5 IP and know-how requirements***

If applicable to the Project, the applicant is required to show the proof of intellectual property rights and know-how rights, including but not limited to licensing agreements, in-kind contribution agreements, options or commitments, if any, and other agreements confirming that the Applicant owns or has rights to the technology being developed.

Any new intellectual property and know-how, which may be created in course of the implementation of the project, belongs to the Applicant. The Applicant has to secure these IP- and know-how- rights in agreements concluded with any third party.

# **3 Project evaluation and selection decision**

## ***3.1 Evaluation and selection procedure principles***

During the selection of the innovation projects, the following principles should be respected to the maximum possible extent when assessing innovation projects:

- Open and transparent competitive process, based on ATIC/UNDP practices and rules.
- Promotion of key human rights. In particular, the right for work and the right to have access to the developments in science and technology will be promoted.
- Promotion of equal opportunities and access to women and men to get relevant knowledge and experience in promotion of innovations applied to real business environments. All

Applicants and Project proposals are equally and justly evaluated, and objectively and independently assessed.

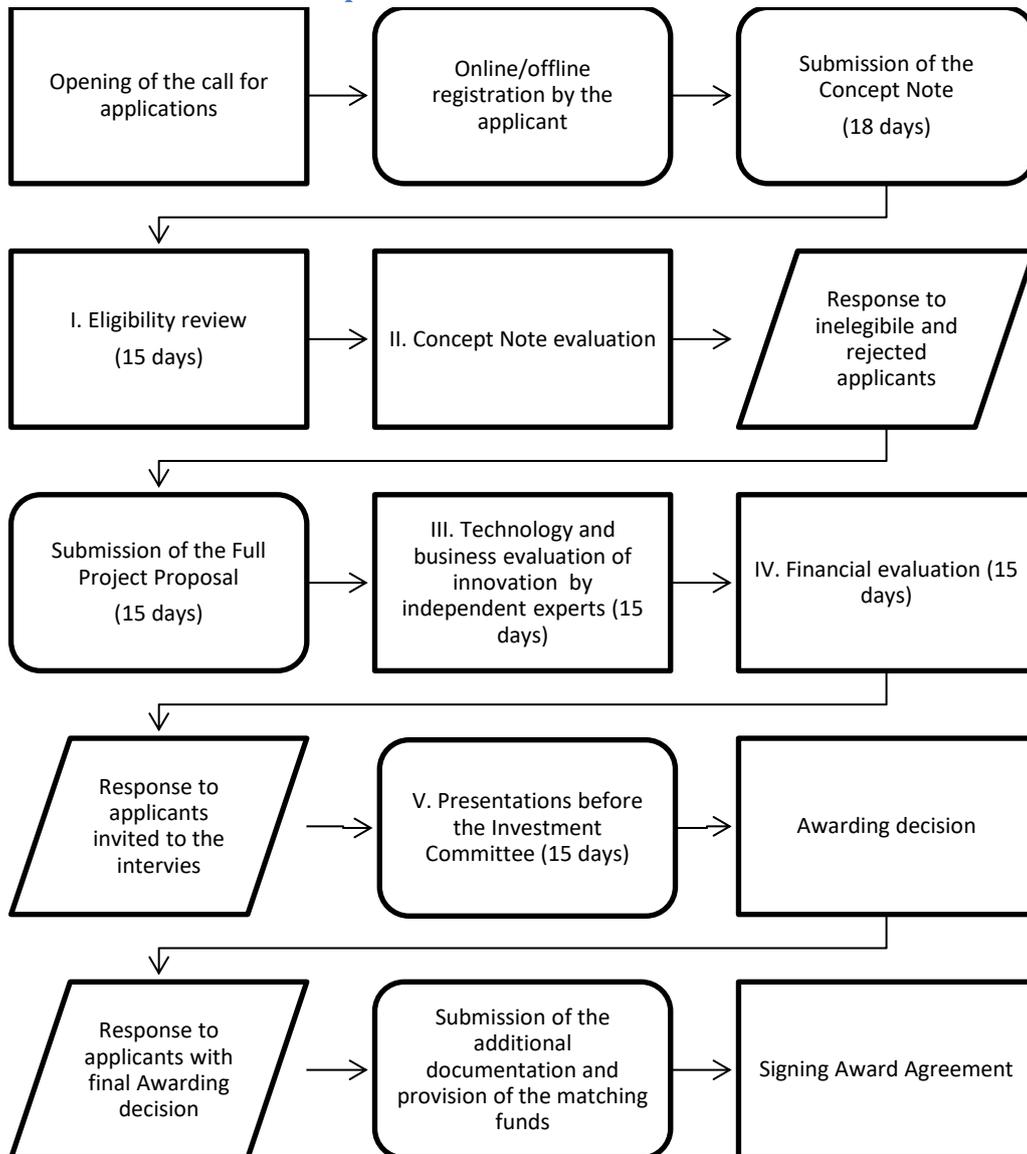
- Promotion of environmental sustainability aspects in all daily undertakings and specific activities, so that to showcase that innovations benefit to a more sustainable environment.
- Excellence – recognizes and supports business, technological and managerial excellence at the highest level.
- Transparency – all activities, decision-making and financing are fully transparent and public.
- Measurability - impact and results of the financed projects must be measurable at least at the capacity adequate for evaluation.
- Avoiding conflicts of interest – All operations and decisions made avoid direct or indirect conflict of interest of all persons involved in procedures.
- Ethical and other good practice in business - The ethical and other good business practice in the sense of the UNDP corporate values will be supported.
- Scalability.

### ***3.2 Management and the Investment Committee***

The Investment Committee in charge for selecting and monitoring the projects. It will consist of independent experts from ATIC/UNDP. International expertise could be involved, depending on the specific needs, in the evaluation of the applications.

### 3.3 Evaluation and selection procedure

#### 3.3.1 Evaluation and selection procedure flowchart



#### 3.3.2 Phase I: The Eligibility Review

After the deadline for the submission of the Pre-applications, all electronically submitted Concept Notes are reviewed against the eligibility criteria and completeness. The eligibility criteria apply as stated in the Section 1.5. Only Applicants which are eligible against all criteria will be considered for further evaluation. Ineligible Applicants will be notified of their ineligibility by email, accompanied by short explanation.

#### 3.3.3 Phase II: The Concept Note Evaluation

The goal of the evaluation of the Concept Notes is to identify potentially acceptable projects and its alignment with overall goals through analysis of project ideas. The Concept Note evaluation is performed by the Investment Committee members.

Those Concept Note evaluation criteria are:

- A. Is the level of innovativeness for the local or global market of proposed new product/service/process/solution described in a satisfactory manner?
- B. Is real market potential for the proposed new product/service/solution concisely and reasonably described and justified?
- C. Is the company strategy and business model sustainable, bringing positive sustainability results and impact; is the model described in a convincing way explaining plans for the commercialization of the innovation?
- D. Is the capacity of the company and the development team to implement the proposed project (people and their references) clearly described?

If the all four criteria are fulfilled and the Concept Note assessed positively by Investment Committee, the Applicant is considered to be qualified for the next application stage and the Applicant will get notice of fulfilling the evaluation criteria.

If any of the four criteria is assessed negatively by the members of the Committee, the Applicant will get notice of not fulfilling this criteria accompanied by the short explanation. Those Applicants will not be processed to the next stage and for them the selection process is finished. They also do not have right to appeal, but they can apply again on the next call.

### **3.3.4 Phase III: Technological and business evaluation of innovation projects**

In Phase III the detailed evaluation of the Applicants' business and technology innovation projects will be performed via detailed insight into Full Application documentation.

The Applicants have to send Full Application which consists of Project Plan, Financial Plan and CV's of the team, through online form. The Phase III of the evaluation is carried out by the Investment Committee.

General evaluation criteria for the Applications have to consider the fact that the Challenge is for innovative projects in pre-commercial stage in development of innovation from idea to market. Selection criteria are:

- A. Assessment of degree of innovation (level of novelty: new to the global industry or only to local market, or simple adoption of new technology....) with consideration of technological risks;
- B. Assessment of market potential of innovation and impact on SDGs (local market, global market, competitiveness ...);
- C. Assessment of project quality, including planned activities and milestones;
- D. Assessment of experience and motivation of management and development team.

### **3.3.5 Phase IV: Financial evaluation of innovation projects**

The financial criteria of the Application are assessed by the Investment Committee.

In general, following items should be assessed:

- A. Project costs and budget – their feasibility for the implementation of project and how realistic is their breakdown;
- B. Project cost explanation, their coherency with the list of eligible and ineligible costs described here

- C. Availability of the matching funds for development – the Applicants must prove a sufficient level of financial capability for the Project implementation, including total financial capacity of the companies;

### **3.3.6 Ranking and threshold**

Based on the results of the both technological and financial evaluation of all received applications, the ranking of the applications is created according to the number of points received, and threshold is defined by taking into account the available funds and amount the applications. By the end of this Phase, the shortlisted Applicants who are ranked above the threshold are invited to oral presentation before the Investment Committee, as the final phase of the evaluation.

### **3.3.7 Phase V: Presentations of Applicants to the Investment Committee**

As a formal next step in the application process, the selected Applicants with the ranking over the threshold will be invited to present their innovation projects before the Investment Committee. Materials submitted in the Application will be discussed during the presentation, including but not limited to the content of the Project. Both applicant and evaluators should be present on the Committee meetings, in order to answer questions and justify their decisions. Following the presentation, the Investment Committee will complete the evaluation grid for each applicant for innovativeness, market potential and project quality criteria, as a third, decision-taking mark, which will be used for formation of the final ranking list.

### **3.3.8 Awarding decision**

The final decision for awarding is made according the final ranking list. Only the Projects which received the total number of points above the threshold defined by the Investment Committee can be proposed for awarding.

The awarding decision of the Applicants with evaluation score over the threshold is guided by the principles of impartiality, transparency, rationale use of funds.

Following the decision to award the prizes, the Applicants will be offered to sign the Award Agreement.

## **3.4 Award Agreement**

After finished evaluation the Applicants are offered the Award Agreement. Among others, it contains the final Project Budget that is not necessarily the same as the one the Applicant submitted, resulting from negotiations with Applicant.

Before signing of the Award Agreement, the Applicant sends by mail original corporate documentation as stipulated in Section 2.3.3. This documentation, together with Project Plan and the final Project Budget, is the constituent part of the Award Agreement.

Awarding is done under the general provisions of the Award Agreement, and the payment is done based on UNDP rules. The monitoring consultant is provided and remunerated by the UNDP, not as a part of the Project. In the Award Agreement the provisions of the Applicant's matching funds are also regulated. The actual disbursement of funds starts after the signing of the Agreement. Costs incurred before the date of signing of the Agreement will not be included in the cost of the project.

### **3.5 Evaluators selection**

#### **3.5.1 Avoiding the conflict of interest:**

Evaluators that have been or are involved in the preparation of specific project applications that will apply to the Challenge or are in business, private or any other relation with the Applicant or Project partner, cannot be taken into consideration for evaluation of the same project applications. At the beginning of the evaluation procedure experts will sign a Declaration of Confidentiality and Impartiality, whereby they confirm that there is no conflict of interest regarding the received applications.

## **4 Implementation and monitoring of the Projects**

### **4.1 Implementation of the Projects**

The Beneficiaries of the awards have to carry out the Projects carefully and efficiently in accordance with the Project Plan and Project Budget, respecting provisions of the Award Agreement. The CGC shall use the financial award in accordance with the Project Budget and provisions of Award Agreement and shall prepare financial statements in accordance with consistently applied accounting standards. At the request of the ATIC/UNDP, the Beneficiary is obliged to have its financial statements audited by independent auditors acceptable to the ATIC/UNDP and partners.

The CGC is required to implement the project in accordance with the Project Proposal. Any significant deviation from the Project Proposal (e.g. changes of timetables as defined in the Project Proposal or proposed milestones are not achieved) requires prior written consent of the ATIC/UNDP.

### **4.2 Disbursement**

The Beneficiary will open a dedicated project bank account where funds are transferred from the ATIC/UNDP. The disbursement amount will cover up to fifty percent (50%) of the Project Budget. However, prior to the disbursement, the Beneficiary must submit a bank account statement showing that the Beneficiary has deposited in the dedicated account a minimum of fifty percent (50%) of the total amount of funds requested for the particular installment (quarterly).

Beneficiary is allowed up to ten percent (10%) expenses variations from the total planned Project Budget within any of major budget categories. Should the expenses variations related to any major budget category be expected to exceed ten percent, a written request for funds reallocation must be submitted for the ATIC/UNDP approval.

In the case that the Beneficiary fails to perform any of its obligations under the Award Agreement, the ATIC/UNDP shall be under no obligation to issue any further payment upon termination of this Award Agreement, and may, at its sole discretion, require that all or any part of the payments made by ATIC/UNDP to the Beneficiary be repaid to ATIC/UNDP.

### **4.3 Monitoring of the Projects**

The purpose of the monitoring is: (i) to assess the progress of the successful project implementation in terms of activities envisaged and the project goal achievements, and (ii) to assure that financial expenditures are in accordance with the Project Budget for the given period. Methods of monitoring include review of submitted progress reports and on-site monitoring visits. The monitoring will also

ensure that key information is regularly collected and tracked so the progress can be measured towards the objectives. Baseline information from the applicant(s) will be collected through the impact evaluation questionnaire accompanying Full Application in order to generate information for measuring the results.

#### **4.3.1 Monitoring procedures**

Progress- and financial- reports should be accompanied with copies of invoices and bank account statement relevant for previous period. Bank account statements should show all relevant transactions related to submitted invoices. Any changes to the project (e.g. regarding project implementation, timelines, project budget, deliverables, project staff, etc.) should be communicated to the MICS Management Team in writing as they require the written consent.

## **5 Impact Evaluation**

### **5.1 Evaluation of pilots**

The impact of the innovative solutions will be jointly measured by UNDP and the ‘anchor’ company. In partnering with UNDP, the company will get free-of-charge access to the resources of the UNDP’s Impact Lab of the Business Call to Action initiative. The impact is measured and reported by the company directly to ATIC/UNDP and larger audiences. UNDP offers technical assistance and knowledge support. In parallel, UNDP will support the ‘anchor’ company in gathering and analyzing ‘thick’ data on perceptions of end-clients of the new solution and their satisfaction with the results it brings. Such data collection will be supported by the UNDP’s Center of Excellence in Complexity of the UNDP’s Istanbul Regional Hub.

## **6 Annex A: Concept Note Form**

Cf. separate document.

## **7 Annex B: Project Plan Form**

Cf. separate document.

## **8 Annex E: Concept Note Evaluation Grid**

Cf. separate document.

## Annex E: Evaluation Grid: Business, technological and financial

<i>Criteria</i>	<i>Explanation</i>	<i>Points</i>
<b>INNOVATIVENESS CRITERIA</b>		
Degree of innovation	a) The innovation is built on the completely new and fully collaborative idea and/or latest technological developments, is radically new and is superior to similar solutions. It will lead to new product, process and service on the market.	7 – 10
	b) The innovation should result in a product, process or service that is better than similar solutions and it brings evident development to existing industry or introduces some new niches.	4 – 6
	c) The innovation is unlikely to lead to a new or significantly improved product, process or service.	0 – 3
Geographical impact of innovation	a) A global or at least regional impact could be expected from the results of the project.	9 – 10
	b) The proposed innovative product, process or service is new in some features but could be deployed only in the domestic market, but there could have an important impact.	6 – 8
	c) The proposed product, process or service could hardly exhibit any impact on even local market.	0 – 5
Degree of innovation risk	a) The innovation represents a potential breakthrough in an emerging technology or non-technological sector with potential high impact. The technological and market risks are high, but the CGC has a considerable expertise in this industry sector.	9 – 10
	b) The market and technological risks are moderate, or the non-technological innovation is of moderate impact. The CGC has a solid experience within the industry sectors.	6 – 8
	c) The proposed innovation represents already known idea with no or very small impact on the industry. The technological risk is minor and innovative idea is of low impact.	0 – 5
<b>MARKET AND SUSTAINABILITY CRITERIA</b>		
Market size	a) The collaborative innovative product, process or service has a potentially very large and growing market with only limited competition.	9 – 10
	b) The collaborative innovative product, process or service has moderate market prospects but the market will not grow or is open to competition.	5 – 8
	c) It is unlikely that a profitable market for the developed products, processes or services exists.	0 – 4
Market access and risk	a) The CGC and its members are already present on the relevant market or are qualified to commercialize innovation. The market obstacles for access are clearly identified and specific measures to	9 – 10

	<p>reduce risk proposed.</p> <p>b) The CGC is only capable of accessing the market at some extent. Several barriers to the market have been identified and some specific measures to reduce risk have been proposed.</p> <p>c) Competitors may launch a related product on the market at the same time, or market is already completely saturated or too small, and the prospects of CGC to access the market are very limited.</p>	<p>5 – 8</p> <p>0 – 4</p>
Alignment to specific SDGs	<p>a) The collaborative innovative product, service or solution has very high potential to impact on the people’s wellbeing, either objective or subjective wellbeing.</p> <p>b) The collaborative innovative product, process or service has moderate impact prospects</p> <p>c) It is unlikely that the products or services will bring any measurable impact.</p>	<p>9 – 10</p> <p>5 – 8</p> <p>0 – 4</p>
<b>PROJECT QUALITY CRITERIA</b>		
Project contribution to the company	<p>a) The results of the project will lead an CGC to a long lasting, competitive position in his business sector. The project results will support competitiveness of existing key products/services or new related products/services of the company</p> <p>b) The achievements of the collaborative project should lead to an increase in competitiveness in strategic business areas for the participating companies, ideally in an equal manner. The project results could support the existing portfolio of the participating companies. The project will create new opportunities in the value chain for CGC.</p> <p>c) The results of the project will have little impact on the future competitive position of the participating companies.</p>	<p>9 – 10</p> <p>5 – 8</p> <p>0 – 4</p>
Project Team	<p>a) Project team possesses key, complementary qualifications and has strong strategic or commercial interest to implement the project and to achieve the results.</p> <p>b) The project team possesses reasonable qualifications to reach project targets but completeness of the team can be improved.</p> <p>c) The project team has no sufficient expertise overall to implement the project.</p>	<p>7 – 10</p> <p>4 – 6</p> <p>0 – 3</p>
Project Plan: Methodology and planning approach	<p>a) The methodology is precisely formulated and all key aspects of the project planning have been taken into account of.</p> <p>b) A suitable methodology has been proposed, but not all aspects have been thoroughly detailed. Project breakdown of cost and resources to activity level, market analysis as well as assumptions and risks are part of the planning but not at fully satisfactory.</p> <p>c) The methodology is incoherent or unrealistic or incomplete.</p>	<p>7 – 10</p> <p>4 – 6</p> <p>0 – 3</p>
Project Plan: Deliverables	<p>a) The relevant deliverables are clearly identified and realistic and quantitative indicators will be available to fully assess progress of the project.</p>	<p>7 – 10</p>

	b) Deliverables and time schedule are included but some aspects are not realistic or clear.	4 – 6
	c) The proposal lacks clear deliverables or these are unachievable within the duration or with the team of the project.	0 – 3
<b>FINANCIAL EVALUATION CRITERIA (Every criteria should have at least 4 point in order to get positive evaluation)</b>		
Project cost feasibility	a) Types of expenses and their amounts fully meet the needs of the project implementation. The total development costs are realistic given the duration. The distribution of costs within CGC is close to equal.	7 – 10
	b) Expenses and their amounts do not correspond fully to the needs of the project implementation. It is necessary to correct and add or remove some types of expenses. But the total cost is within acceptable level of the realistic budget.	4 – 6
	c) Expenses and their amounts do not correspond to the needs of the project implementation. The total cost of development is not within acceptable percentage of the realistic budget and it is too low (or too high). The implementation is not feasible within the proposed timeframe.	0 – 3
Project costs explanation	a) Costs are fully coherent with list of eligible & non eligible costs from this Operational Procedures. Costs are arranged in categories according to the guidance. A clear breakdown of the budget is provided and evidence of own and external funding is clearly demonstrated.	7 – 10
	b) Costs are not fully coherent with list of eligible & non eligible costs from this this Operational Procedures. Costs are not arranged in categories according to the guidance There is no clear breakdown of the budget provided and evidence of own and external funding is not clearly demonstrated. It should be fixed.	4 – 6
	c) No satisfactory breakdown of the project budget and financing has been provided.	0 – 3
Financial capacity of the CGC and matching funds provision	a) The CGC has demonstrated its own financial capacity to participate. Participating companies have their own resources and necessary liquidity to ensure financial contribution, ideally close to or equal contribution, to the Project or satisfactory investor.	8 – 10
	b) The CGC is in the near term expected to have the financial capacity to implement in the project, with clear demonstration that it will ensure necessary liquidity (letters of intent by the bank or investor, or private funds	4 – 7
	c) The CGC has to provide another proof to be able to finance its participation.	0 – 3