



EU funded - FAO support to Georgian agricultural sector under ENPARD III

Matching grants

Cycle 5

Frequently Asked Questions

1. What is a matching grant?

Within the FAO support under ENPARD III, FAO will provide a part of funding for investments in agricultural value chains. The project envisages the provision of matching grants to individual farmers, cooperatives, and small and medium enterprises (“SMEs”). An investment is divided between the **matching contribution** (paid by the beneficiary), and the **matching grant** (paid by FAO).

2. When and how to apply?

The grant program commenced in October of 2019 and the grant application will open in cycles until the end of the program on December of 2022. The last cycle is to open on April 11st, 2022.

Deadlines for a call for applications are announced and advertised on the program’s website, together with guidelines for preparation and submission of applications. All applications should be submitted along with all necessary documentation through the program’s dedicated web-platform: <https://enpard-grant.smapply.io/>.

3. Is an applicant allow to submit more than one project proposal?

An applicant can not submit several proposals at the same time. If a project is approved, the applicant can not submit a second project until the first one is complete and implemented. There is a little of two grants per beneficiaries during the whole course of the program, meaning that if an applicant already received two grants in previous cycles, he can’t reapply under this cycle. Moreover, the sum of the two grants cannot exceed 150,000 USD.

4. Which municipalities will be covered by the grant program?

8 LEADER and Gori municipality (under conditions) will receive the grants:

The 8 LEADER municipalities
Kazbegi, Mtsketa-Mtianeti
Lagodekhi, Kakheti
Dedoplistskaro, Kakheti
Tetriskaro, Kvemo Kartli
Akhalkalaki, Samtske-Javakheti
Borjomi, Samtske-Javakheti
Keda, Adjara
Khulo, Adjara

5. Which value chains are selected for the program as a priority?

Under this cycle, all value chains are eligible, but some restrictions can apply to specific equipment.



6. What kind of investments are eligible?

Only four types of equipment will be supported under this specific grant cycle, and they have to be chosen from selected suppliers only:

	ENPARD municipalities	Gori
No-till planter (for cereals)	x	x
Drip irrigation system	x	
Tractors	x	
Anti hail nets (for apples)		x

More information, including the eligible suppliers, can be found: <http://enpard.ge/en/conditions/>

7. What kind of expenditures are not allowed within the investment?

Any investment not covered under question 6 is not eligible.

8. What criteria should applicants meet?

The program aims to support project with high economical, social, and environment impact.

9. What documentation will be required for the application?

The documents to be submitted depend on the legal status of the applicant. The list of required document can be found here: <http://enpard.ge/en/required-supporting-documents/>

10. What are the minimum and maximum grant amounts?

An applicant can only select one unit of each of the equipment for which he is eligible.

11. Is matching contribution by the applicant required?

Yes. The program requires beneficiaries to co-invest a **minimum of 60%** of the total investment requirement. In the case of specifically promoted investments, the matching contribution is reduced to 40%. Please find the list of specially promoted investments here: <http://enpard.ge/en/list-of-specifically-promoted-equipment-investments/>. For this specific cycle, only no-till planters and drip irrigation systems are considered as specifically promoted investments.

12. What does the matching contribution entail?

Applicant's co-funding amount has to be in cash and paid directly to the suppliers. No in-kind contribution (such as labor, donated land, equipment, etc.) or donor funding can be considered as part of applicant's contribution. The only exception to this applicant's contribution single-funding requirement relates to the preferential agro-credit program from RDA with reduces the related loan's interest rates.

13. How much is FAO's contribution?

Maximum contribution to investment by FAO will be 40%, except for specifically promoted investments. For specifically promoted investments, the maximum contribution to the investment provided by FAO can be increased to 60%.

14. Can bank loans be used as matching contribution?

Yes. The loan confirmation letter from the bank will serve as a supporting document to the matching contribution payment capacity of the beneficiary.



15. What happens after application selection?

After a grant is approved, FAO will contact the applicant to agree on an investment plan and sign the grant agreement. After the signature of the agreement, the grantee will have to pay his matching contribution to the suppliers mentioned in the agreement.

16. Can an applicant that lives outside the LEADER municipalities but owns a land there apply for the grant?

Yes, as long as the applicants' business is based in the eligible municipalities, the application is eligible.

17. Can an individual submit an application?

Yes, an individual can submit an application, however if the application is selected for the grant he/she will have to register as an individual entrepreneur.

18. What is the policy for receiving grant funds?

The matching grant payment will be paid directly to a supplier, only after the grantee's matching contribution has been paid to that supplier and after the effective delivery of the equipment has taken place. The equipment delivery will be verified through a field visit.

19. Who reviews the application and what is the procedure?

All the reviews under this grant cycle are performed by FAO directly. FAO's implementing partner, CNFA, however provides support for the field visits. All applications will pass the following stages:

1. Application submission
2. Eligibility and budget verification
3. Pre-screening of supporting documents
4. Verification field visit
5. Technical evaluation of the grant application
6. Final approval – Application Review Committee (ARC) comprising members from the EU, FAO and the Ministry of Environmental Protection and Agriculture.

In case of rejection, the committee decision on grant applications' approval is final and irreversible.

7. Grant agreement preparation and signature
8. Payment of the matching contribution and equipment delivery
9. Field visit to verify equipment's delivery
10. Matching grant payment to the supplier
11. Monitoring and evaluation visits

More information about the grant cycle can be found here: <https://eu4georgia.eu/fao-grants-howtoapply/>