

PRIVATE SECTOR SUPPORT FACILITY

GUIDELINES FOR APPLICANTS FOR CATEGORY A – GROUP OR CLUSTER PROJECTS

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PSSF Secretariat

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Establishing Development Partners:



1. BACKGROUND AND OBJECTIVES

The Private Sector Support Facility (Facility) is a harmonised donor fund that was established in 2006 to support development of the private sector and trade opportunities through the provision of grant funding for private sector initiatives. The Facility supports grant applications from businesses operating in the agriculture, fisheries, tourism, manufacturing and exporting and technology sectors.

The Facility is administered by a Steering Group with the support of the Secretariat, housed by the Industry Development & Investment Promotion (IDIP) Division of the Ministry of Commerce, Industry and Labour (MCIL).

The primary objective of the Facility is to support the private sector in increasing its contribution to the Samoa economy through:

- Increasing private sector employment and skills development;
- Growing trade and exports;
- Increasing the size and number of private sector businesses; and,
- Increasing business investment and innovation.

The Facility is a contestable fund and open year round for applications.

2. ELIGIBILITY CRITERIA AND ACTIVITIES

Category A funding is available to a cluster or group of businesses only (definition of a group being two or more businesses). Clusters are defined as groups of similar or related individual businesses cooperating for a shared purpose. There is no requirement for formalised arrangements to be in place between the businesses.

It is expected that these groups or clusters would predominantly involve small to medium businesses¹ that had been in operation for more than one year. Exceptions may be considered on a case by case basis and application merit.

It is also required that:

- The applicant's project has yet to be implemented.
- A majority (80 percent plus) of the applicant's business must be based/located in Samoa.

Types of Eligible Activities

Any proposed projects must have or refer to an industry or sector development plan. Eligible activities that can be funded by the facility under this category include:

- Industry and sector studies including but not limited to:
 - Market or technical studies,
 - Product research,
 - Production methods,
 - Market opportunities.
- Project feasibility/business plan studies.
- Capital works and equipment integral to the operations of the group subject to the conditions noted below.

¹ *Small to medium businesses are defined as those business with an annual income of up to \$500,000 or employees up to 50 persons. This definition also includes micro-enterprises who employ up to 5 people.*

3. LEVEL OF FUNDING

Funding can be sought for any amount up to SAT\$50,000.

Applicants are required to bear some of the risk associated with their project. In this respect, the group or cluster is required to contribute as a minimum, either in cash or in-kind, the equivalent of 10% of the funding requested.

A maximum of 10% of the total amount requested can be for project management or operating costs for the particular project that would otherwise not have been incurred if the project had not taken place.

Capital Cost Contribution

Under this category applicants can apply for:

- Full funding of capital items where these clearly either:
 - assist a business to achieve formal quality standards required in the market or nationally defined;
 - reduce environmental impact such as improving the efficiency of energy or natural resource use; or,
 - are required to achieve adequate health and safety.
- Up to 50% funding of capital items which are integral to the achievement of the project aims, and which would assist the businesses to achieve a significant improvement in business performance. The remaining 50% would need to be provided by the businesses concerned from equity or credit.

In all the above, funding for capital items will not exceed 50% of the total project budget, and must include consideration of how such items will be maintained and funded in future.

Note; may only apply for a grant once in any two year period. May not apply for grant funding for the same items or same project again. Only new projects or significant new stages of a project will be considered for further funding.

4. ADDITIONAL ASSISTANCE

Financial assistance is available to pay business consultants and private sector associations to help groups and clusters to complete their application form and supporting documentation. Application forms to access this funding are available from the Secretariat.

Technical Assistance Grants of up to \$3,000 are also available where a group or cluster needs to do some preliminary research, or receive some technical advice, to help determine if a proposed project could be successful (e.g. getting technical advice on the possibility of a new vegetable crop being viable before they apply for a grant to undertake crop trials). Application forms to access this funding are available from the Secretariat.

5. HOW YOUR APPLICATION IS ASSESSED

Your application must comply with the eligibility provisions and activities outlined above. Applications that do not meet the eligibility provisions and activities will not be assessed. Applications that are eligible for consideration under the Facility will be assessed against the following criteria:

	Assessment Criteria	Commentary	Weighting
1	Economic Impact	Impact of the project on: <ul style="list-style-type: none">▪ Increasing employment and skills development;▪ Growing trade and exports (incl. increasing import substitution);▪ Increasing the size and number of private sector businesses; and,▪ Increasing business investment and innovation.	40
2	Project Management	Capability of the project team (based on skills and previous experience) to successfully implement and achieve the	20

		project outcomes.	
3	End Results	Ability of the project to meet identified issues or opportunities and add value.	10
4	Viability	Commercial and financial viability of the project, including consideration of project sustainability, risk management and the financial resources that the applicant can contribute.	20
5	Social Impact	Positive impact of the project on the quality of life of the business or its beneficiaries.	5
6	Environmental Impact	Impact of the project on the environment (neutral or positive impact results in a higher score).	5
	Total		100

6. HOW TO APPLY

Interested groups and businesses must complete the relevant application form which is available from the Secretariat. In addition to the completed application form, you are required to submit documentation, where appropriate, to support your proposal/application. This may include:

- Document outlining strategic goals and operations of the collaboration.
- Quotes for purchase of capital items or use of services etc.
- Evidence of applicant's counter-part contributions; and
- Any other documentation required dependent on the nature of proposal.

Please note that you are required to submit a hard copy or an electronic copy of the application to the Secretariat.

7. HOW TO COMPLETE THE APPLICATION FORM

The following section provides instructions on how to complete the different parts of the application form.

Business Activity Details	
Group/Cluster Description:	<i>Describe the industry your group or cluster is in and the general purpose of it.</i>
Background to Funding Request:	<i>Insert a few paragraphs explaining your project and what it is about. Include information about:</i> <ul style="list-style-type: none"> - <i>What the project is about;</i> - <i>What the main objectives are;</i> - <i>What issues you are trying to address or opportunity you are trying to take advantage of;</i> - <i>How the project will help achieve the objectives;</i> - <i>where the project is located; and</i> - <i>What the expected time for implementation is.</i>
Target Market:	<i>Describe who or what the target market for this proposed activity is.</i>
Benefits:	<i>Tick the boxes showing how your group or cluster (including the businesses) will benefit from the funding and list any additional benefits that will result.</i>
Sustainability:	<i>Describe how you will ensure that the activity will be sustainable once this funding ends and, if relevant, how this funding ensures sustainability.</i>
Activity/Project Delivery	
Ability to Deliver:	<i>Insert brief information on who the key members are in your team that will be</i>

	<i>involved in the project and what expertise/ qualification they have that will make the project a success. Include any work you have previously completed that is relevant to this proposal.</i>
Risks:	<i>Describe any risks associated with the proposed activity and how you will manage the risks.</i>
Environmental and Land Considerations:	<i>Describe any positive or negative impacts that this activity would have on the environment, and how you will minimise any negative effects. State if the proposed activity requires an Environment Impact Assessment or use of, or access to, customary land. If so what action is proposed to address this.</i>
Milestones	
Milestones:	<i>List the major activities and outcomes of the project. These are the milestones or stages for the project. Please also identify the start date and end date over which each stage takes place and the estimated cost.</i>
Funding Details	
Expenditure:	<i>List the total cost of the project by item and attach a sheet if there is not enough room to list all expenditure.</i>
Capital Costs:	<i>Explain how the capital costs sought from the funding are integral to the project's aims and would make a significant improvement in business performance.</i>
Source of Funds:	<i>List where the funds are coming from to meet this total cost including any in-kind contributors. Remember to include any cash or in-kind contribution that you are making towards the total costs. As a minimum these must be at least 25% of the funding requested from PSSF.</i>