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Social Services Improvement Project
REPUBLIC OF NORTH MACEDONIA

**GRANT OPERATIONAL MANUAL FOR
DEVELOPMENT OF SOCIAL SERVICES**

VERSION No. 3

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1. INTRODUCTION	4
1.1. PURPOSE OF THIS MANUAL	4
1.2. LEGAL FRAMEWORK	4
2. SOCIAL SERVICES IMPROVEMENT PROJECT DESCRIPTION	4
3. INSTITUTIONAL SETTING OF THE PROJECT IN THE SECTION OF DEVELOPMENT OF SOCIAL SERVICES	5
3.1. MINISTRY OF SOCIAL POLICY, DEMOGRAPHICS, AND YOUTH	6
3.2. PROJECT MANAGEMENT UNIT	6
3.3. GRANT EVALUATION AND SELECTION COMMITTEE	8
3.4. MUNICIPALITIES	9
3.5. SOCIAL SERVICE PROVIDER	10
3.6. CENTERS FOR SOCIAL WORK	10
4. GRANT ELIGIBILITY	10
5. STEPS AND TIMEFRAME THAT SHOULD BE FOLLOWED FOR IMPLEMENTATION OF THE GRANT MECHANISM FOR THE DEVELOPMENT OF SOCIAL SERVICES	12
5.3. PROFESIONAL SUPPORT FOR ALL ISSUES RELATED TO THE DEVELOPMENT OF THE SOCIAL SERVICE BY THE PMU	14
5.6. ADMINISTRATIVE REVIEW OF PR-SELECTION APPLICATIONS	15
5.7. PROCEDURE FOR DETERMINING THE ELIGIBILITY OF APPLICATIONS CONCERNING THE ENVIRONMENTAL SCREENING PROCEDURE	17
5.9. INFORM APPLICANTS ABOUT THE SELECTION OF GRANTEES	20
5.10. PREPARATION OF ENVIRONMENTAL DOCUMENTATION FOR PROJECTS OF B OR B + CATEGORY (ANNOUNCEMENT)	18
5.11. SIGNING A CONTRACT FOR AWARDED A GRANT FOR SOCIAL SERVICES DEVELOPMENT	21
5.12. IMPLEMENTATION OF THE APPROVED PROJECTS	20
5.12.1. PROCEDURE (RULES) FOR CONDUCTING PROCUREMENT	20
5.12.2. FINANCIAL MANAGEMENT, DISBURSEMENT AND ACCOUNTING	27
5.12.3. SEGREGATION OF DUTIES AND PROCEDURE FOR EXECUTION OF PAYMENTS FROM THE GRANT FUNDS	28
6. MONITORING AND EVALUATION	30
7. ENVIRONMENTAL REQUIREMENTS	33
8. ANNEXES	35
ANNEX 1 - EXPRESSION OF INTEREST FORM	33
ANNEX 2- APPLICATION FORM	38
ANNEX 3 - CHECKLIST OF APPLICATION DOCUMENTS	47
ANNEX 4 - SCREENING LIST FOR ENVIRONMENTAL AND SOCIAL ASPECTS	51
ANNEX 5 -APPROVAL OF PROJECT CATEGORY	59
ANNEX 6 – GRANT AGREEMENT	60
ANNEX 7: AGREEMENT FOR PROCUREMENT AND USAGE OF THE EQUIPMENT	70
ANNEX 8: PROCUREMENT FORMS	75
ANNEX 9 - VISIBILITY GUIDELINES	90
ANNEX 10 - GUIDELINES FOR RECORDING SUPPORTING DOCUMENTATION	96

ABBREVIATIONS	
PMU	Project Management Unit
EC	Evaluation Committees
ISA	Institute for Social Affairs
MSPDY	Ministry of Social Policy, Demographics, and Youth
SSIP 2	Social Services Improvement Project
ESMP	Environmental and Social Management Plans
ESMF	Environmental and Social Management Framework
FIP	Financing of Investment Projects
WB	World Bank
CSW	Center for Social Work
ESA	Environmental and Social Aspects

1. INTRODUCTION

1.1. Purpose of this manual

This Grant Operational Manual for Development of Social Services (“the Manual”) outlines operational guidelines and procedures to be followed while implementing the Grants for Development of Social Services envisaged under the Subcomponent 1.2 “Piloting a grant mechanism for the development of noninstitutional social services”, Component I “Promoting social inclusion through improved access to social benefits and services” of the Social Services Improvement Project (SSIP), which will be followed within the third and the following calls for grants for social services under this project. Namely, the same rules and procedures are to be followed in providing social services, regardless of whether the grants are approved within SSIP or SSIP 2.

This Manual outlines the processes and procedures for identifying, preparing, selecting, procuring, managing, and monitoring the implementation of the Grants, i.e., Subprojects under Project Subcomponent 1.2.

1.2. Legal framework

The guidelines and procedures laid out in the Manual are in line with the following: Project Appraisal Document of the SSIP financed through a loan from the World Bank; a Loan Agreement signed between the Government of the Republic of North Macedonia and the World Bank, for Implementation of the SSIP; Procurement Regulations of the World Bank for Financing Investment Projects (FIP) - procurement for FIP for goods, construction works, non-consulting and consulting services, (Regulations) from July 2016, revised in November 2017; Law on Social Protection, by-laws in the field of social protection and other applicable national regulations.

2. SOCIAL SERVICES IMPROVEMENT PROJECT DESCRIPTION

Component 1: Promoting social inclusion through improved access to social benefits and services

The objective of this component is to strengthen the social protection delivery system to improve services for existing social assistance recipients and vulnerable groups. On the supply side, the project will support the creation and expansion of social services. The increased outreach activities carried out by the system (Centers for Social Work and other institutions at the local level) will increase the number of poor and vulnerable persons applying for social benefits and services. Better access to social benefits and services will also be ensured through the merging of the two existing information systems (databases) into an integrated social welfare information system. This will enable improved identification of individual/family needs, improved targeting and prioritization of beneficiaries, and more effective case management (that is, referrals, tracking, and monitoring).

A new human-centered approach will ensure services address the specific needs of the beneficiaries (including Early Childhood Education and Care). The system will also facilitate referrals between social services, preschools, and other relevant institutions. The focus will be on the beneficiaries (including the preschool children), their needs, and the facilitation of their inclusion in the system of benefits and services.

Component 2: Expanding access to and improving the quality of preschool services

This component will focus on improving access to quality Early Childhood Education and Care services, in particular for children from socially disadvantaged backgrounds (that is, poor children, children with disabilities, and Roma children). For children aged 3 to 6 years, activities will focus on enhancing access to quality, energy-efficient preschools (which are child-centered and offer age-appropriate learning opportunities) while facilitating their transition to the early grades of primary education. For younger children (from birth onward), activities will focus on empowering parents and families to support children's holistic development through increased knowledge about the importance of the early years (including adequate health and nutrition, early stimulation and learning opportunities, and nurturing and protection from stress) and about the relevant services available in the community. The activities related to the infrastructure will be sequenced while the process quality activities will be happening in parallel.

Component 3: Project management, monitoring and evaluation

This component will ensure effective project implementation, monitoring, and evaluation to achieve its objectives and outcomes. It will finance activities to support (a) the establishment and operation of the Project Management Unit (PMU), including covering operating costs, (b) the development and implementation of a monitoring and evaluation system to track project progress and outcomes, and (c) development and carrying out of a public awareness campaign to inform vulnerable groups of available social assistance services, including the application process requirements.

3. INSTITUTIONAL SETTING OF THE PROJECT IN THE AREA OF DEVELOPMENT OF SOCIAL SERVICES

The Ministry of Social Policy, Demographics, and Youth (MSPDY) is responsible for implementing the Social Services Improvement Project. The project implementation structure will consist of:

- Ministry of Social Policy, Demographics, and Youth (MSPDY)
- Project Management Unit
- Grant Evaluation and Selection Committee established by MSPDY
- Municipalities
- Centers for Social Work
- Services Providers

3.1. Ministry of Social Policy, Demographics and Youth (MSPDY)

The Minister of Social Policy, Demographics, and Youth is responsible for the implementation of the project, and together with the Project Director is entitled to make decisions and approve project annual working plans, budgets, and project reports. The Minister is entitled to sign contracts and payment documents awarded under the Project. In his/her absence the Minister shall appoint the Project Director or other Ministry's officials to sign on his/her behalf.

3.2. Project Management Unit (PMU)

The PMU is a temporary body within the MSPDY, responsible for implementing the activities envisaged by the project, including the overall coordination of the project, monitoring of activities, and reporting. The PMU operates within the framework of the MSPDY and is led by a Project Manager and a Project Director. The Project Director is an employee in the MSPDY and is responsible for implementing the Project, managing daily activities, and reporting to the Minister and the other institutions involved in the project implementation. The Director/Manager also serves as the focal point with the World Bank and with other potential donors.

The main responsibilities of PMU are grouped into the following categories, but are not limited to them:

Management and Implementation that includes: (i) coordination of overall project implementation activities; (ii) ensuring coordination of involved institutions so that the project activities are implemented in a technically sound and timely manner, (iii) coordination of international and local consultants and (iv) complying with the World Bank requirements.

Planning and budgeting, including funds assessment required for project implementation activities.

Procurement – all procurement under the grant will be conducted by the Service Provider, following the World Bank Procurement Regulations for Financing Investment Project (FIP) Borrowers – Procurement in FIP of Goods, Works, Non-Consulting and Consulting Services, (Regulations) issued in July 2016, revised November 2017. If the service provider is a public institution, subject to the Law on Public Procurement, the procurement will be carried out following the provisions of the national regulation relating to public procurement (more detailed in 5.12.1.).

Promotion of activities and results achieved within SSIP as a first step of communication with the stakeholders of the project and Component 1 (municipalities, social service providers, beneficiaries of social services, etc.).

Financial management, disbursement, and accounting - Sub-projects for the development and provision of social services will be financed through the awarding of grants. Funds in the form of a grant will be paid to the provider of social services who, for the needs of the sub-project, should open a bank account in a commercial bank, exclusively for the said purpose, and keep the accounting books following the legal regulations. (more detailed in point 5.12.2).

Ensure compliance with environmental and social requirements - The PMU shall ensure that the daily implementation of the project complies with the environmental and social requirements as set out in the "Project Environmental and Social Management Framework" and when necessary, by the specific "Environmental and Social Issues Management Plan Checklist (ESMP)".

Monitoring and evaluation include establishing a system for data collection, monitoring, and reporting. Project results will be regularly monitored and evaluated through the Results Framework.

Citizen engagement plays an important role during the project implementation. The PMU is responsible for planning and conducting the Project Citizen Engagement activities. The purpose is to ensure: (a) timely sharing of information; (b) informing the users about the ongoing activities related to the development of social services; (c) collecting feedback from stakeholders; and (d) incorporating feedback gathered during the implementation

of subprojects into decision-making. The PMU will follow the principle of participatory and informed decision-making, by allowing the necessary time for analysis, needs assessment, and/or consultative process with stakeholders before taking decision that may significantly impact the direct and end users of the project. A stakeholder involvement plan will be prepared for the implementation of civil involvement activities.

Prevention of disasters caused by global warming - The grants developed under SSIP framework contribute to the overarching goal of reducing the impact of disasters caused by climate change on vulnerable groups. Activities carried out by providers include staff training initiatives to enhance preparedness and response to potential events caused by climate change.

Safeguards measures - The PMU, MSPDY, municipalities, CSWs, and all other relevant stakeholders will ensure the project is implemented in alignment with health care, social, and environmental standards and practices. Additionally, they will adhere to safeguarding tools and measures outlined in the Framework for Managing Environmental and Social Issues, as well as the specific provisions detailed in the Environmental and Social Issues Management Plan.

Grievances Redress mechanism - The mechanism for addressing grievances provides a platform for individuals or groups to raise objections, complaints, questions, concerns, problems, or comments with the service provider, municipality/s, project, or ministry for resolution. Affected persons (individuals and/or legal entities) can file a direct complaint to MSPDY/PMU through the following channels: in writing, via email at info.ssip@mtsp.gov.mk, or by using the electronic application form available on the project website (www.ssip.mk/tvcoe-prashanje/podnesi-baranje). Complaints and questions submitted through the electronic form are published anonymously on the project website. Additionally, complaints can also be filed at the following address:

Project Management Unit
Social Services Improvement Project
Ministry of Social Policy, Demographics and Youth of the Republic of North Macedonia
St. Dame Gruev, no. 14, 1000 Skopje

If the PMU receives any complaints, questions, grievances, or problems regarding the activities implemented under the project, it will make every reasonable effort to respond or resolve the issues within 15 days of receiving the filing.

If the PMU is unable to answer a specific issue raised through the grievance mechanism, either because it is not relevant to the project activities, or no action is required, the PMU will provide a detailed explanation. This explanation will outline why the issue cannot be resolved by the PMU and include recommendation for further steps, i.e., how the person who filed the complaint should proceed with it or referral to the relevant institution for resolution.

Applicants who wish to contest the rejection of their sub-project application for grants under the open call can use the complaints mechanism outlined above. After receiving a rejection notification, which includes the reason for the rejection of the sub-project, applicants can submit a formal complaint. The Evaluation Committee members will review the complaint and provide a response within 15 days from the date the complaint is registered in the system.

3.3. Grant Evaluation and Selection Committee for the approval of grants for social services

The Grant Evaluation and Selection Committee for the approval of grants for social services will be established and led by the MSPDY and it will consist of 5 members of which:

- 4 representatives from the MSPDY (1 representative from the Fund Allocation Committee, 1 official from the Social Protection Department, 2 from the Project Management Unit), with a minimum of 5 years of experience in the field of social protection;
- 1 representative from the Institute for Social Activities, with a minimum of 5 years of experience in the field of social protection;

The Grant Evaluation and Selection Committee is responsible for evaluating and selecting grant proposals for social services following the established criteria for awarding grants.

The Minister will appoint a member of the PMU to be the secretary of the meetings of the committee. The secretary will be responsible for preparing the meeting minutes.

Avoiding conflicts of interest - All members of the committee will sign a "Statement of Confidentiality, Impartiality, and Absence of Conflict of Interest," confirming that they have no conflicts of interest related to the evaluation and selection process. They will acknowledge the confidentiality of the meetings, agree not to disclose any information about the meetings unless authorized, commit to not intentionally favouring or excluding any submitted projects, and confirm they are not directly or indirectly related to the project proposal (applications), including not being involved in its preparation or associated with the project submitter. Any committee member with an immediate interest in the grant awarding process must inform the Project Manager, after which they will be removed from the committee and replaced with another member.

3.4. Municipalities

The Municipality should sign a collaboration agreement with the potential social service provider, which will outline the responsibilities of both contracting parties in the establishment and provision of social service.

The municipality participates in the preparation and submission of applications for social service with the selected potential service provider. If the application is selected for financing, the municipality will carry out regular monitoring, providing the necessary consents and approvals, and finally will approve the reports on the progress in the implementation of activities, prepared by the service provider.

The municipality shall approve the following reports prepared by the Service Provider:

- The **Final Report** after the establishment of the service,
- The **Monthly Report** and the **Mid-Term Report** on service delivery, and
- The **Final Report** upon completion of the project.

The templates for these reports have been prepared and will be provided by the PMU.

If the municipality provides premises or facilities for the provision of social service, the municipality must sign a five-year contract assigning the premises to the Service Provider free of charge. Along with the application, the municipality must include either a contract or a signed statement from the Mayor confirming that the use of the premises/facility will be provided without compensation. A template for the declaration form is provided in Section 7 of Annex 2 - Application Form of this document.

If the grant agreement with the selected service provider is terminated upon request of the service provider, the equipment purchased during the establishment period of the social service will become the property of the municipality. The municipality, in turn, must find a new service provider within 6 months, to assign the equipment for the provision of the social service, or the municipality assumes the role of service provider, utilizing the equipment. If within 6 months, the municipality fails to ensure continuity and resilience in the provision of the service, the equipment, intact and in good condition, should be returned to the Ministry of Social Policy, Demographics, and Youth, or return the amount of funds paid by the Ministry to the service provider for the purchase of the equipment needed to establish the service.

When necessary, the municipality may independently or jointly contribute to reimbursement of costs for training the staff of the Service Provider. The purpose of the training is to equip participants with the knowledge and skills necessary for the timely and appropriate prevention of the harmful effects of extreme heat, which can severely impact the health of at-risk persons. Additionally, the municipality can provide financial support to the service provider at any stage of the establishment and delivery of the social service.

The Municipality undertakes all the necessary activities and complies with the contractual obligations to ensure the establishment, uninterrupted provision, and sustainability of the social service both during the contract period and beyond.

3.5. Social Service Provider

If the social service provider uses their premises/facilities for the provision of services, the application should also include a signed statement of ownership of the premises/facilities, either a title deed (from the owner) or a lease agreement.

During the establishment and the provision of the social service, the service provider is responsible for:

- compliance with the provisions of the Grant Agreement;
- timely implementation of project activities according to the Grant Agreement;
- opening and maintaining a designated bank account;
- intended use and tabular monthly tracking of expenditures of the allocated funds, following the grant agreement;
- compliance with procurement procedures, steps, and costs in the procurement process as described in this Manual;
- responsible and diligent use of the equipment procured through the grant for the establishment of the social service;
- meeting all set criteria for obtaining a license for the provision of the service;
- procurement of uniforms following the project standards that are specified in Annex 9 - Visibility Guidelines;
- providing the service following the legally designated norms and standards;
- providing the service following the legally designated norms and standards;
- preparation of reports after the completion of the activities for the establishment of the service, as well as a monthly, mid-term, and final report in the process of providing the service, using special filing forms, designated and provided by PMU;
- regular cooperation and communication with the municipality/s, CSW, PMU, and other stakeholders.
- educating staff on supporting at-risk individuals—recipients of social services—in effectively protecting themselves from the adverse effects of heatwaves.

3.6 Centers for Social Work (CSWs)

Centers for Social Work (CSWs) play a pivotal role in supporting the development of social services at the local level. Their responsibilities include assessing and developing individual plans, directing users to service providers, issuing approvals for service use, and controlling, monitoring, and evaluating service delivery. To ensure service quality, CSWs must collaborate closely with the PMU, municipalities, and service providers.

This cooperation involves regular written correspondence, telephone communication, and meetings, such as during the establishment of services and facilitating the networking among municipalities, providers, and family doctors. It may also include ad hoc meetings based on identified needs.

During service provision, CSWs are legally obligated to approve the service provider's monthly report, which serves as the basis for monthly payments. Additionally, CSWs must regularly submit the monthly waiting list of service applicants to the PMU.

4. GRANT ELIGIBILITY

Eligibility for applying and receiving grants for the development of social services at the local level is open to municipalities and service providers that partner in the application.

A municipality is not eligible to apply if:

- It fails to submit proof of an established Municipal Council for Social Protection and a copy of the Social Plan for the municipality, or a statement confirming that these will be established by the start of the service if selected for a grant.
- It has already been financially supported by the MSPDY/SSIP for the development of the same service in previous grant calls. For example, a municipality that has received a grant for developing a home care service cannot apply for another grant for the same service under this project.
- It is currently funded by another institution/organization for establishing or providing the same service.
- Within the municipality, there is a service provider with an administrative contract with the MSPDY for the same type of service. For instance, if a home care service provider holds such a contract, the municipality is ineligible to apply for grants for the same service.

The service provider is not eligible to apply if:

- It holds a license to perform activity in the field of social protection for a specific service, regardless of whether the service is provided commercially or supported by the MSPDY/SSIP within the municipality for which it is applying. For example, a service provider licensed to development of a home care service in a particular municipality, cannot apply for the development of the same service in the same municipality.
- Is currently funded by another institution/organization to establish and/or provide the same service.

5. STEPS AND TIMEFRAME THAT SHOULD BE FOLLOWED FOR IMPLEMENTATION OF THE GRANT MECHANISM FOR DEVELOPMENT OF SOCIAL SERVICES

Table 1. Indicative framework for implementation (total of 124 working days)

1.	Informing the public regarding a public call for grants for the development of social services at the local level and a Call for expressions of interest	10 working days
2.	Call for expressions of interest	10 working days
3.	Expert support by the PMU about the questions related to the preparation of the project application for development of social services	30 working days following the Call for expression of interest
4.	Public call for grants for social services development at the local level	30 working days starting when the Call for expressions of interest and the expert support is finished, ie., 40 days after the Call for expressions of interest is published
5.	Establishment of a Grant Evaluation and Selection Committee	in parallel with informing the public regarding the public call
6.	Administrative check of the application for preselection	5 working days after the end of the call
7.	Evaluation of project applications and preparation of a report	20 working days after the selection of the applicants
8.	Sending information to applicants about grant selection	2 days after the Committee prepares the report
9.	Preparation of environmental documentation for projects of B or B + category (announcement)	3 working days for preparation of the document and 14 days for public inspection
10.	Preparation and signing of contracts	
11.	Implementation of the approved projects	

5.1. Process of informing the public about a public call for grants for social services development at the local level

The PMU will hold meetings with representatives from municipalities, CSWs, and the civil sector to disseminate information about the public call for social services development. Additionally, public awareness activities will be planned and implemented using various communication tools.

The Grant Operational Manual for Development of Social Services will be published on the MSPDY and SSIP websites, ensuring it is publicly accessible to all municipalities, potential service providers, and other stakeholders.

During the call, municipalities will apply in partnership with the identified service provider, with each municipality allowed to submit only one grant application for a single social service. Neighboring municipalities may also submit joint applications to develop a social service addressing their shared needs.

Detailed application conditions for municipalities and service providers will be outlined in the public call.

5.2. Call for expressions of interest

The MSPDY will announce a public call to invite municipalities/potential service providers to express interest in receiving a grant to support the development of social services. The call will be published on the official websites of the MSPDY, SSIP, and Association of the Units of Local Self-government of the Republic of North Macedonia. The call will provide the following information:

- Summary of the Grant Mechanism Program;
- Social service(s) that will be supported by the grant mechanism;
- Information about the possibility of advisory consulting assistance from PMU for the preparation of application documentation;
- Contacts from PMU members responsible for coordinating assistance in preparing the application;
- Deadline and manner of expression of interest (expression of interest form - Annex 1).

5.3 Professional support for all issues related to the development of the social service by the PMU.

After the expression of interest by the municipalities, PMU representatives will visit all the municipalities that expressed interest on the call and asked for assistance. These municipalities will receive professional support and guidance on issues related to their application for the development of social services,

5.4. Public call for a grant for the development of social services at the local level

MSPDY will announce a public call for inviting municipalities/potential service providers to apply for a Social Services Development Grant. The call will contain the following information:

- Summary of the Social Services Improvement Project;
- Information on the required documentation for application;
- Social service(s) that will be supported by the grant mechanism;
- List of supported and unsupported costs;
- Eligibility criteria;
- Information about access to the conditions and criteria for assessment and selection;
- Contact e-mail address for additional information and deadline for requesting information;
- Application deadline (place and date).

All interested municipalities/potential service providers should fill in the application form *Annex 2* of this manual and together with other requested documents should be submitted as given in the call.

5.5. Establishment of a Grant Evaluation and Selection Committee

During the public call, the MSPDY will establish a Grant Evaluation and Selection Committee.

5.6. Administrative review of pre-selection applications

The Grants Evaluation and Selection Committee performs an administrative review of the submitted applications, following the cumulatively met pre-selection criteria listed in Table 2.

If the application contains a request for reconstruction, adaptation, and renovation of space, SSIP experts shall also perform an environmental and social impact assessment. The assessment method is described in item 5.7 of this manual.

The Grants Evaluation and Selection Committee prepares a report on the results, summarizing the prequalification, including a list of applications that have not met the pre-qualification criteria. The qualified applications proceed to the next stage of evaluation.

Social Services Improvement Project

Table 2. Prequalification criteria (to be met cumulatively)

A. APPLICABILITY OF APPLICANTS		
Municipality(ies)		YES NO
Service provider		YES NO
B. COMPLETENESS OF THE APPLICATION		
The applicant has submitted proper and complete documentation (Annex 3 - Checklist for application documents)		YES NO
C. COMPLIANCE WITH THE BUDGET FRAMEWORK FOR THE ESTABLISHMENT AND PROVISION OF THE SOCIAL SERVICE		
PHASE OF ESTABLISHING THE SERVICE		
The total budget of the proposed project to be financed by the MSPDY does not exceed the maximum budget for the establishment of social services specified in point 5.11		YES NO
D. ENVIRONMENTAL IMPACT ASSESSMENT AND SOCIAL ASPECTS		
The project proposals are evaluated with categories C, B, and B +		YES NO

5.7. Procedure for determining the eligibility of applications concerning the environmental screening procedures.

For each submitted application an environmental screening procedure shall be undertaken by the PMU environment and social aspects expert. The procedure will determine the environmental risks associated with the proposed project activities, assign respective environmental categories (A, B, and C categories), and determine the type of social and environmental due diligence document to be developed by the project applicant if selected for funding, or reject applications which are unacceptable due to the nature of the proposed activities.

Environmental categories:

- Category „A“ projects are large-scale projects with high environmental and social risks and they are not eligible for funding under the SSIP.
- Category „B“ projects are divided into two groups B and B + based on project activities and potential impacts and for these projects different environmental and social due diligence instruments need to be applied for project impact assessments.
- Category „C“ projects are those projects for which no additional impact assessment is required.

Two documents need to be completed:

- Screening list for environment and social aspects (Annex 4 to this manual)
- The form for approval of the categorization of the project which is performed based on the checklist for the state of the environment and the social aspects is given in (Annex 5 to this manual).

5.8. Evaluation of project applications (project evaluation and planned budget) and preparation of a report

All applications that have passed the pre-qualification phase will be evaluated according to selection criteria (Table 3).

The Grant Evaluation and Selection Committee reviews the applications, evaluates and selects those that meet the criteria.

The applicants that meet the criteria are evaluated with the highest grades (arithmetic average score of the total points given by each member of the Committee).

The number of projects selected for financing according to the public call will be determined according to the available funds. Upon completion of the evaluation process, the Grants Committee will prepare an evaluation report with recommendations for projects/applicants that should be funded.

Table 3. Selection criteria		Maximum result	Total %
A. CAPACITY OF THE CO-APPLICANT		20 points	
1. Previous experience in working with people at social risk - 10 points (Information on the experience of the service provider in the implementation of projects in the field of social protection, partnerships, cross-sectoral cooperation, secured co-financing, etc.)			
The service provider has relevant experience working with people at social risk (over 3 years)		10 points	
The service provider has partial experience in working with people at social risk (up to 3 years)		5 points	
The service provider has little experience working with people at social risk (up to 1 year)		0 points	
2. Capacity of project coordinator of the co-applicant – 10 points (Information on the experience of the coordinator in managing project activities and processes according to the time frame, teamwork, preparation of reports, etc.)			
The project coordinator has relevant experience in managing project activities and processes (over 3 years)		10points	
The project coordinator has partial experience in managing project activities and processes (up to 3 years)		5points	
The project coordinator has little experience in managing project activities and processes (up to 1 year)		0 points	
Total A		Maximum 20 points	20%
B. PROJECT RELEVANCE – 60 points			
1. The project is following the identified needs for the development of social services of the municipality – 15 points			
The social service fully responds to the identified needs explained in the application and/or the social plan		1-15 points	
The social service is not recognized in the project application and/or the social plan		0 points	

2. Quality of the project proposal – 45 points			
• description of activities	- completely 6-9 points	- partially 3-5 points	- unsatisfactory 0-2 points
• planned timeline for the project	- completely 6-9 points	- partially 3-5 points	- unsatisfactory 0-2 points
• anticipated risks and activities to overcome	- completely 6-9 points	- partially 3-5 points	- unsatisfactory 0-2 points
• It envisages activities for reducing the impact of disasters caused by climate change among vulnerable groups	- completely 6-9 points	- partially 3-5 points	- unsatisfactory 0-2 points
• developed communication plan with stakeholders	- completely 6-9 points	- partially 3-5 points	- unsatisfactory 0-2 points
TOTAL B	Maximum 60 points	60 %	80 %
TOTAL A + B	80 points		
C. ADDED VALUE (for additional scoring) – 20 points			
• The project proposal envisages inter-municipal and/or regional cooperation regarding the delivery of the service	Up to 6 points		
• The project proposal contributes to the development of social protection at the local level in rural areas	Up to 7 points		
• Co-financing by the municipality(ies) and/or social provider is envisaged	Up to 7 points		
Total C	Maximum 20 points	20 %	
TOTAL POINTS (A + B + C)	100 points	100 %	

*According to the stated criteria and points, applicants must earn a minimum of 50 points

5.9. Inform applicants about the selection of grantees

After the selection of the projects to be funded, the PMU will notify all applicants of the results. For more detailed information on the selection outcome, any interested applicant can contact the PMU.

5.10. Preparation of environmental documentation for projects of B or B + category (announcement)

After the preliminary screening following the risk classification of the WB within the component designed to improve access and quality of social services, two types of projects are supported, namely the B and C categories. For category B projects, additional documentation is required to be submitted by the Municipality to prepare the ESMP Checklist by the consultant for environmental and social aspects. After its finalization, the local community where the project activities will be realized should be given the opportunity for insight into it. It will be published on both the municipality's website and the project's website (<https://www.ssip.mk>), with clear information about the planned activities. The document should be available to the public for at least 14 days. Upon completion of this phase, the Grant Agreement could be signed with the selected Municipality/Service Provider.

Category C projects do not harm the environment, and no documentation is required that includes a plan for the management and monitoring of environmental impacts and social aspects.

Table 4. Supported project categories and required environmental documentation

Category of projects according to risk classification	Documents to be prepared before the start of the project (signing of the Grant Agreement)	Applies to:
B category (moderate risk)	ESMP Checklist	Adaptation/renovation of permanent buildings for social services (improvement of the condition of the functional characteristics of the building: demolition of walls, replacement of windows and doors, change of floors, installation of insulation, improvement of the facade, improvement of the cooling and heating systems, etc.)
C Category (small or insignificant risk)	No documentation is prepared.	Facilities where there is little or no risk to the environment (procurement of equipment, inventory, towing, etc.)

5.11. Signing a contract for awarding a grant for social services development

The PMU will contact the selected applicants, with whom the MSPDY will sign a Grant Agreement for social service development.

The Grant Agreement is signed between the MSPDY, the municipality, and the service provider (the form of the grant agreement is Annex 6 of this manual).

The Grant Agreement will regulate the scope and type of social service, the conditions and methods for social service delivery, the financing and supervision of grant expenditure, as well as the duration, amendments, and termination procedures of the contract.

The following aspects will be regulated in more detail in the Grant Agreement:

- the rights and obligations of the contracting parties;
- the amount of funds for the establishment and provision of social services;
- the type of service and the area where it is provided;
- the conditions for quality and continuous social service providing;
- deadlines for establishing the social service;
- procedure for action and approval in case of unforeseen situations that would lead to termination of the contract;
- measures to be implemented by the service provider in terms of protecting users from climate changes, primarily from rising temperatures;
- other special conditions, depending on the social service.

In the Grant Agreement, the total amount of funds is determined as the sum of the individual costs for establishing and providing the service:

- Establishment of the social service for a period of up to 6 months, from the day of payment of the first installment of the grant funds.
- Commencement of the process of providing the service within 30 days from the day of receiving the license for performing social protection activities and issued decisions by the respective Center for Social Work,
- Providing social services for 12 months.

Costs are calculated based on the regulations governing the norms and standards for the provision of social services, cost list/price list for the establishment of social services, the decision for pricing social services provision, as well as the project proposal submitted by to the applicant, with the planned costs of establishing and providing the social service.

If the costs for establishing the service, as outlined in the project proposal, are lower than those listed in the cost/price list for establishing a social service, the grant amount will be based on the budget for establishing the service as proposed in the project.

Accepted costs represent the maximum amounts approved by the PMU. However, these costs may be reduced during the establishment of the service if the actual market prices for the activities are lower than the amounts initially approved in the contract. In such cases, the remaining funds cannot be reallocated to cover other costs.

If, during the establishment of the service, the purchase amount exceeds the approved budget, the difference in the amount will be reimbursed by the service provider and/or the municipality/s.

The grant agreement is signed in currency - Macedonian denars.

The maximum amount for the establishment of social services is 30,000 EUR.

5.12. Implementation of the approved projects

According to the agreement, the PMU will regularly monitor the implementation of the signed projects.

The implementation of the projects will take place in two phases:

- phase of establishing the social service and
- phase of providing the social service

Establishing the service

The phase of establishing the social service includes preparatory activities to ensure that the service provider meets the required norms and standards for licensing and is ready to begin service delivery. Thus, during this phase, the service provider is required to apply for a license to perform social protection activities, mapping the beneficiaries and establishing networks with all relevant stakeholders.

The establishment phase must be completed within 6 months from the first grant installment. Within the first 4 months, all procurement activities and training of staff must be completed.

Delivering services

The service provision phase starts when social service is provided to users who have received a decision from the respective Center for Social Work. The phase lasts for 12 months starting from the day when the social service was initiated.

The total period for implementation of the two phases is 18 months.

The PMU team will be in regular communication with the grantees in the phases of establishing and providing the service and will provide continuous support for the implementation of project activities and monitoring the spending of the allocated funds.

Through regular communication and organized info sessions, meetings, and training, grantees will have the opportunity to receive information, knowledge, and guidance that are necessary for the preparation of the necessary documentation for obtaining a license.

The PMU will regularly coordinate the processes and communicate with all stakeholders on the activities in the service delivery phase.

5.12.1. Procedure (rules) for conducting procurement

General part

All procurement under the grant will be conducted by the Service Provider, following the World Bank Procurement Regulations for Financing of Investment Projects (FIP) – Procurement of Goods, Works, Non-Consulting and Consulting Services, (Regulations) issued in July 2016, revised November 2017. In cases where the Service Provider is an institution that is obliged to operate according to the Law on Public Procurement, the procurement will be implemented following the provisions of the national regulation that refers to public procurement.

Within 30 calendar days after the signing of the Grant Agreement, the SSIP Procurement specialist and/or Procurement Assistant, together with the Grant Administrative Coordinator the SSIP Jurist and the Social Services Development Coordinator will train the persons nominated by the selected service provider and the municipality/s for procurement following the World Bank Procurement Regulations, within the grant.

Steps and costs in the procurement process

The steps to follow for each of the procurement categories are listed below.

The forms to be used in the procurement process are given in Annex 8 of this manual.

GOODS/ EQUIPMENT/ MATERIALS (procurement procedure: purchase)

No.	Activity	Obligation to:	Approval by:
1.	Establishment of an Evaluation Committee (EC) for evaluation/procurement (at least 3 members, of which 2 representatives of the provider and 1 representative of the municipality); The decision to appoint a committee should be signed by the director/manager/president of the service provider.	Service provider	/
2.	Preparation of technical specifications. Technical specifications should not be restrictive in terms of competition. While preparing a specification for construction works, the service provider may seek assistance/advice from the architects/construction engineers in the PMU/MSPDY.	Service provider	The Grant Administrative Coordinator, and/or the lawyer and/or Coordinator for social services development
3.	Preparation of an invitation to Bid (following the form given in Annex 8)	Service provider	/
4.	For individual procurements with an estimated value of over 60,000 denars, it is necessary to prepare a procurement notice, following the form given in Annex 8 of this manual, and to submit the notice to the PMU. The Procurement Manager/Assistant of SSIP PMU will announce the announcement through the electronic system of the Public Procurement Bureau. Additionally, the Service Provider may directly invite potential bidders. It is recommended that the municipality/s publish the procurements on its website.	Service Provider / SSIP Procurement Manager / Assistant	/
5.	Submission of an Invitation to bids (to at least 3 potential bidders if the procurement has not been announced), with a deadline for submission of bids (by email is acceptable) of at least 5 working days.	Service provider	/
6.	Receipt of bids by the deadline, (by email is acceptable) and evaluation of bids.	Service provider	/
7.	All members of the EC will sign a "Statement of confidentiality, impartiality, and absence of conflict of interest" (form E from Annex 6) with which they will confirm that they have no conflict of interest related to the evaluation process, that they will respect the confidentiality of the meetings, i.e. there will be no to disclose	Service provider	The Grant Administrative Coordinator and/or the Jurist

	information about the meetings unless they are authorized to do so and that they will not intentionally support (favor) or exclude any of the bidders. Any member of the EC who has a direct interest related to procurement is obliged to disclose the existence of a conflict of interest, to be removed from the EC, and be replaced accordingly by another member.		
8.	Preparation of an evaluation report according to form D of Annex 6 to this manual and a proposal for awarding a contract.	Service provider	The Grant Administrative Coordinator, and/or the lawyer and/or Coordinator for social services development
9.	Receipt and checkup of goods/equipment/materials/deliveries	Service provider	/
10.	In the case of construction contracts, the installed quantities and prices are approved by the service provider, and the construction engineers/supervisor appointed by the municipality.	Service provider	/
11.	Submitting an approved invoice for payment of delivered goods/equipment/materials/supplies to PMU/MSPDY	Service provider	/

The procedure for selecting a consulting service/training includes the following steps:

No.	Activity	Obligation to:	Approval by:
1.	Establishment of the Evaluation Commission (EC) for the evaluation of bids (at least 3 members, of which 2 representatives of the provider and 1 representative of the municipality/s); The decision to appoint a committee should be signed by the director/manager/president of the service provider.	Service provider	/
2.	All members of the EC will sign a "Declaration of confidentiality, impartiality and no conflict of interest" (Form D from Annex no. 6) with which they will confirm that they have no conflict of interest related to the evaluation process, that they will respect the confidentiality of the meetings, i.e., will not disclose information about meetings unless authorized to do so and will not intentionally favor or exclude any of the bidders. Any member of the EC who has a direct interest related to procurement is obliged to disclose the existence of a conflict of interest, to be removed	Service provider	/

	from the EC, and be replaced accordingly by another member.		
3.	Prepared and submitted requests for offers to training providers (preferably at least 3).	Service provider	Grant Administrative Coordinator, and/or the lawyer and/or the coordinator for social services development
4.	For the provision of training services, the provider that meets the conditions specified in the Request for Offer and has offered the lowest price will be selected.	Service provider	Grant Administrative Coordinator, and/or the lawyer and/or the Coordinator for social services development
5.	Payment is made based on a submitted and approved invoice for the services provided to PMU/MSPDY.	Service provider	/

For operational expenses, such as office supplies, accounting expenses, promotion expenses, bank expenses/commissions, solemnization expenses, insurance expenses, salary payment for the coordinator, etc., payment is made based on an approved invoice by the Social services provider that will be delivered to the PMU/MSPDY, and for which it is not necessary to conduct a procurement procedure.

Other issues related to the procurement procedure

All signed contracts and procurement procedures under this grant program may be subject to audit by members of MSPDY/PMU, external auditors hired by MSPDY for the project, as well as persons/companies hired by the World Bank.

In the event of an audit, the service provider is obliged within 1 week from the submission of the request, to submit for inspection the entire documentation related to the procurement and payments, to the persons who perform the audit and/or electronically submit it to the SSIP 2 Grant Administrative Coordinator and/or Lawyer, Coordinator for Social Services Development.

The procurement process is confidential and should be kept confidential by all involved parties until the signing of the contract/invoice approval (in cases where there is no signed contract).

All documentation should be kept by the service provider for at least 5 years after the end of the funding under the Grant Agreement.

5.12.2. Financial management, disbursement and accounting

Project bank accounts

To enable smooth implementation of the Project activities and timely payment of project commitments, the PMU will open and maintain a foreign currency and treasury account, for the entire duration of the project.

These accounts will be strictly dedicated accounts (Designated accounts) and through them, the payments of all activities, including grants, financed with SSIP will take place.

After the signing of the Grant Agreement between the MSPDY, the municipality, and the service provider, the service provider must open and maintain a separate bank account that will cover all transfers of funds related to a particular grant agreement.

This account will be a strictly dedicated account through which the payments of all project activities planned within the grant will take place.

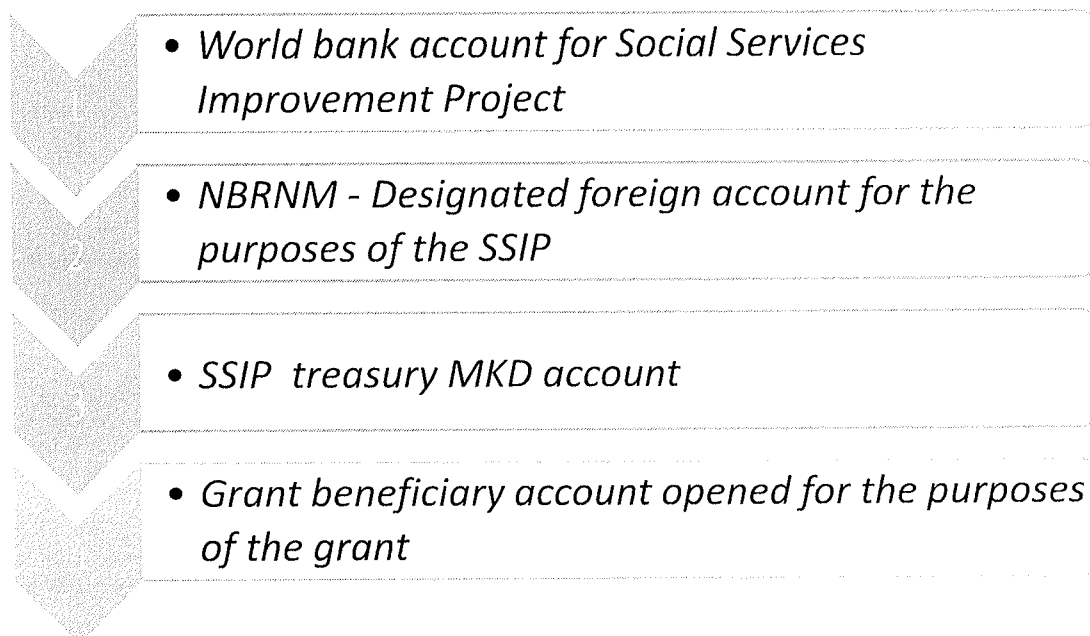
The service provider/beneficiary of the grant funds, at any time, must have appropriate documentation for the use of the grant funds.

This documentation must be available for monitoring and auditing by the PMU, the World Bank, or an external auditor (designated by the PMU).

Flow of funds

The flow of funds for social services grants will be from the Designated Account through the Treasury Single Account to the service provider account opened for the respective grant.

The cash flow for this case is shown in picture 1.



All disbursement (payments) for local expenditures to suppliers, contractors, consultants, etc., from the Grant funds will be made in the local currency of the Republic of North Macedonia (MKD) and for reporting purposes converted into EUR using the buying exchange rate at the NBRNM at the date of transfer the grant funds from the MSPDY-PMU account to service provider i.e., grant beneficiary.

If the municipality or the service provider with its funds cofinance the proposed and accepted projects, it is necessary to transfer the funds to the designated project account or submit proof that certain activities are paid by the municipality/s or social service provider according to the approved budget. If the municipality/s or the service provider participates with material goods, it is necessary to submit written proof of handover and/or coverage of costs.

Expenses

Eligible costs for financing from the grant funds are the costs following:

- Grant Agreement
- Price/Cost list and Methodology/Elements to determine prices for the establishment of social services;
- Decision on determining the prices of social services;
- Costs following the procurement procedures set out in this Manual, and approved by the PMU;
- Costs for providing the service following the signed grant agreements for the establishment of the service financed from SSIP funds.

Ineligible costs are the costs that can't be financed with Grant funds:

- Acquisition of land;
- Forced nationalization of land;

- Procurement of used or second-hand equipment and furniture;
- Other costs that are not envisaged in the Grant Agreement;
- Costs that have not been implemented following the procurement procedures set in this Manual and have not been approved by the PMU.

5.12.3 Segregation of duties and procedure for execution of payments from the grant funds

The procedure for payment of the grant funds includes:

- Service providers
- Municipality
- Center for Social Work
- Ministry of Social Policy, Demographics and Youth
- Project management unit

Following the Grant Agreement signed between the MSPDY, the Municipality, and the Service Provider, the funds are approved for payment on two bases:

- Establishment of a social service and
- Providing social service.

Establishment of a social service

First advance payment

Fifteen days after signing the Grant Agreement, Service Providers must open and maintain a separate designated bank account that will cover all transfers of funds related to a particular grant, and submit to the Ministry of Social Policy, Demographics, and Youth “Request for payment of funds for the establishment of Social Services”. The first advance payment will be in the amount of 50% of the budgeted amount for establishing the service, according to the Grant Agreement.

The received “Request for payment” must undergo several levels of control within the MSPDY (SSIP-Project Management Unit), before being processed for payment. In the process of approval, the following entities are included:

- Coordinator for Social Services development/Grant administrative coordinator/ Jurist
- Social Protection Delivery System Coordinator
- Financial management specialist/ Financial Officer
- Project Manager
- Project Director
- Minister

In the period of a maximum 3 working days the “Request for the first advance payment for social services establishment” shall be controlled by the Coordinator for Social Services development/ Grant Administrative Coordinator and Jurist for cross-checking the accuracy of the Request and mathematical logic control as follows:

- whether the application is following the Grant Agreement;
- whether it is accompanied by the necessary documentation.

Second advance payment

Before submitting the second request for a 50% advance payment, the funds realized from the first advance payment are checked. For the inspection, it is necessary to submit a financial report with all the documentation from the purchases made, and financial documents, in electronic form to the PMU.

After the approval of the financial report, the accuracy and completeness of the request for the payment of the second installment is checked according to the Grant Agreement by the Coordinator for Social Services development, Grant administrative coordinator, and Jurist.

After approval or rejection of the payment request, the request is submitted for control to the Social Protection Delivery System Coordinator. The Social Protection Delivery System Coordinator within a maximum of 2 working days, following the steps provided in the previous paragraph and using the principle of "four eyes" controls the request and forwards it to the Finance Management Specialist/Finance Officer.

If the request is approved, the Finance Management Specialist/Finance Officer starts the payment procedure i.e., checks the availability of funds (approved budget) for the realization of the request and prepares a payment order, after which it is submitted for verification and approval to the Project Manager and Project Director.

Upon approval by the Project Manager and the Project Director, the payment order is submitted for signature to the Minister of Social Policy, Demographics, and Youth.

After signing the order by the Minister of Social Policy, Demographics, and Youth the order shall be submitted to the treasury office for its implementation, and the payment shall be made following the designated payment procedures within the project.

After the payment, the Financial management specialist/ Finance Officer informs the responsible persons for monitoring the implementation of the projects for the development of social services, for the date of payment of the funds.

If the payment request is rejected, the Financial Manager Specialist / Finance Officer prepares the notice for return of the request to the Service Provider, followed by an explanation for the reasons for rejection.

After completing the activities for the establishment of the social service and before submitting a payment request for the provision of social service, the municipality/s and the service provider must submit a narrative and financial report with all supporting documentation for payments and purchases, to the PMU for control and approval. If there is a balance of unspent funds, they remain on the dedicated account of the service provider and are deducted from the amount for providing the service in the payment requests submitted by the service provider.

Municipalities

In the approval process of the request for payment, regarding the financial report describing funds utilization in the phase of service establishment, the person responsible for communication and monitoring of the project implementation nominated by the municipality also controls the report/request for payment.

Providing social service (after obtaining a license to provide social services)

After establishing the service and obtaining a license, the service provider submits to the Ministry of Social Policy, Demographics, and Youth, every month a request for payment for the services provided based on the Grant Agreement.

Every first working day of the month, the service provider submits a scanned monthly report on the provided service for the past month (signed and stamped), to the respective Center for Social Work and the municipality for review and approval. The report is submitted to the official electronic addresses of the designated persons for communication and approval of the report.

Following its legal competencies, the respective Center for Social Work, within 2 working days after receiving the report, approves or rejects it. The approval/rejection of the report is done by submitting an official archived letter with signature and stamp, sent electronically.

Following the contractual obligations, the municipality, within 2 working days after receiving the report, approves or rejects it. The approval/rejection of the report is done by submitting an official archived letter with signature and stamp, sent electronically.

The approval/rejection should refer to the specific report by indicating the archive number and/or the month and year with which the report is registered.

If the report is rejected, the Center for Social Work and/or the municipality/s shall notify the service provider in writing the return of the monthly report, with an explanation of the reasons for the rejection. If there is room for corrections in the Report, the service provider is obliged to correct it following the given guidelines, for which the deadline for payment of funds is extended accordingly.

After receiving written approval, together with the request for payment, the service provider shall submit the report no later than the next working day, to the Project Management Unit of the Social Services Improvement Project, at the following e-mail address: ssip.isplata@mtsp.gov.mk.

After submitting the request for payment and the monthly report to the MSPDY, the PMU shall pay the request following the internal procedure:

Before execution, the received "Request for payment" shall be controlled by several control levels within the Ministry of Social Policy, Demographics and Youth (SSIP-Project Management Unit):

- Coordinator for Social Services development/Grant administrative coordinator/Social Protection Delivery System Coordinator
- Financial management specialist/ Finance Officer
- Project Manager
- Project Director

In the period of a maximum 3 working days the request for payment for provided services shall be controlled by the Coordinator for Social Services development/Grant administrative Coordinator, the control includes checking the accuracy of the Request and mathematical and logic control as follows:

- whether the application is following the Grant Agreement;
- whether it is accompanied by the necessary documentation; (Monthly report on the provision of the service, approval from the local Center for Social Work, and approval from the municipality);

After the approval or rejection of the payment request, the request shall be submitted for control to the Social Protection Delivery System Coordinator. The Social Protection Delivery System Coordinator within a maximum of 2 working days, following the steps provided in the previous paragraph and using the principle of "four eyes" controls the request and forwards it to the Finance Management Specialist/Finance Officer.

If the request is approved, the Financial Management Specialist/Finance Officer starts the payment procedure i.e., checks the availability of funds (approved budget) for the realization of the request and prepares a payment order, after which it is submitted for verification and approval to the Project Manager and Project Director.

Upon approval by the Project Manager and the Project Director, the payment order is submitted for signature to the Minister of Social Policy, Demographics, and Youth.

After signing the order by the Minister of Social Policy, Demographics, and Youth, it is submitted to the treasury office for implementation, and the payment shall be made in accordance with the prescribed payment procedures within the project.

After the payment, the Financial Management Specialist/Finance Officer informs the responsible persons for monitoring the sub-project implementation for social services development, for the date of payment of the funds.

According to this procedure for paying the funds on the service provider's dedicated transaction account, the payment shall be made within 15 to 20 days from the submission of the request by the Service Provider.

If the request for payment is rejected, the Financial Management Specialist/Finance Officer prepares a notice for returning the request for payment to the Service Provider, followed by an explanation of the reasons for the rejection.

After the expiration of 12 months from the provision of the service, the service provider must submit a final narrative report on the provision of the service to the PMU approved by the municipality/s.

6. MONITORING AND EVALUATION

Direct monitoring of the sub-project implementation

The overall implementation of the activities of the supported sub-projects is monitored by the PMU. The activities monitored include the two dedicated phases: social services establishment and social service delivery.

During the establishment phase of the social services, the PMU's responsible team conducts direct monitoring of the social service providers and collects relevant data. Monitoring the sub-project implementation includes regular meetings and communication with the social service provider and municipality, as well as field visits by the PMU team. The visits will be conducted in both phases of the grant contract implementation (establishment and provision of social services).

The plan for field visits will be based on a risk assessment, to support the provider/municipality in the project implementation or as a technical (ad-hoc) visit as a method of control regarding the sub-project implementation i.e., implementation of the Grant Agreement.

During the social service provision phase, monitoring will be conducted by the responsible stakeholders: MSPDY – supervising the legality of the social service providers operations at the local level, Institute for Social Activities - overseeing the professional work of the CSW and the social service providers at the local level, the municipalities and CSW - monitoring according to the legal provisions. The PMU team will also conduct monthly monitoring through regular communication channels such as telephone, video conferences, and online meetings, along with administrative follow-ups to ensure compliance and track progress.

The following documents are the relevant procedures for activities implementation and the basis for monitoring and control of the social service grant program:

- Grant Agreement (Annex 6 to this manual)
- Procedure (rules) for procurement realization (point 5.12.1)
- Guidelines for recording supporting documentation (annex 10 of this Manual)

Monitoring and evaluation at the grant program level

The MSPDY/PMU is responsible for monitoring and evaluating the project's achievements. It will serve as a focal point for data collection and communication with the World Bank team leaders, following the reporting frequency as outlined in the monitoring arrangement matrix.

To monitor the progress and success of the grant program, process indicators will be established and will be updated with every public call for social services development (Table 5).

T.5. Process indicators of the grant program for the development of social services

<i>INDICATOR</i>	<i>VALUE –XX PUBLIC CALL</i>	<i>COMMENT</i>
Date of public call announcement		
Date of public call closing		
Process of evaluation duration		
Number of submitted applications		
Number of applications that passed the administration control (pre-qualification)		
Number of finally selected applications		

Number of signed Grant Agreements		
Number of licensed social service providers		
Committed funds with the Grant Agreements		
Funds realized under signed Grant Agreements		

The PDO level and intermediate results indicators would be monitored using the following sources and methodologies: (a) regular data collection process, including existing administrative data systems; (b) baseline and follow-up survey; and (c) evaluation reports according to the Results framework.

In addition, operational and performance audits will be conducted each year to assess and review the implementation of the competitively awarded grants for the development of social services.

7. ENVIRONMENTAL REQUIREMENTS

All sub-projects will comply with local and national environmental rules and regulations, as well as with the environmental policy of the World Bank. The municipalities and the PMU will ensure that an environmental assessment (EA) is carried out during the sub-project preparation and implementation, in line with the procedures outlined in the Environmental and Social Management Framework (ESMF).

8. Annexes

Annex 1 – Expression of Interest Form

Annex 2 - Application form

Annex 3 – Checklist of application documents

Annex 4 - Screening list for environment and social aspects

Annex 5 - Approval of a project category according to the environmental and social management framework

Annex 6 - Grant Agreement

Annex 7 – Agreement for procurement and usage of the equipment

Annex 8 – Procurement forms

Annex 9 – Visibility Guidelines

Annex10 – Guidelines for recording supporting documentation

ANNEX 1 - Expression of Interest Form

EXPRESSION OF INTEREST FORM

to apply for a grant for social services development

1. Name of the municipality or municipalities *(if it is inter-municipal cooperation)*

1.1. Information about municipality(ies)¹

Address	
E-mail	
Contact person	
• Name/surname	
• Function	
• Telephone number	

2. Name of potential service provider

2.1. Information for service provider

Date of establishment	
Legal form under which the potential service provider is registered	
Address	
E-mail	
Contact person	
• Name/surname	
• Function	
• Telephone number	

¹ Add tables if necessary

3. Description of the service you plan to develop

3.1. Which social service do you plan to develop?

(fill in the social service is known)

3.2. For which target group do you want to develop appropriate social services?

(fill in if the target group of beneficiaries is known)

3.3. Short description of the current situation and the need to develop the appropriate social service (not more than half a page).

(filled if known for which service is applied for)

4. Do you need expert support for the preparation of the project proposal?

☐ YES ☐ NO

Date and place

Major,

(signature and stamp)

Note:

This form in electronic version (signed, certified, and scanned) is submitted in electronic version to e-mail addresses that will be specified in the public call.

ANNEX 2- Application Form

APPLICATION FORM ²

(All applicants and co-applicants should jointly complete the form)

Applicant (Municipality/s):
Co-applicant (potential Service Provider):
Social service:

1. GENERAL INFORMATION

APPLICANT INFORMATION	
(add tables per the number of applicants/municipalities)	
Full name of the applicant:	
Address of the headquarters:	
Contact person for this application: (name and surname/ function/ e-mail/phone)	
Authorized signature person: (name and surname/ function/ e-mail/phone)	
Unique identification number of the legal entity:	

CO-APPLICANT INFORMATION (SERVICE PROVIDER)	
Full name of the co-applicant (potential service provider)	
Address of residence:	
Legal status:	
Contact person for this application: (name and surname/ function/ e-mail/phone)	

² Two side printing of this form is recommended.

Unique identification number of a legal entity:	
Date of establishment: (according to the decision issued by the Central Registry of RNM)	

Have the proposed project activities already been implemented, or were they previously carried out by the applicant and/or co-applicant?

☐ NO

☐ **YES** (describe the activities that have been or are implemented, the results obtained or expected, and the source of funding)

3. RELEVANT EXPERIENCE

3.1. Prior working experience of the co-applicant with persons at social risk in the last three years

(List activities or projects implemented in the last 3 years in the field of social work. Add rows as needed.)

Initiatives/activities/ projects	Goals	Main results and achievements	Implementation period and source of funding

3.2. Relevant experience of the proposed project coordinator appointed by the co-applicant (maximum one page)

List the previous experience of the project coordinator in leading/managing/implementing projects in the field of social protection (human resource management, planning, organizing and implementing project activities, working with vulnerable and marginalized groups) with information about the period of implementation of these activities.

4. PROPOSED PROJECT

4.1. Problem description (maximum one page)

Describe the specific situation due to which the social service you propose should be established in the following four points:

1. *Identify and describe target groups and end users;*
2. *List the key relevant sources you refer to when identifying the needs of a particular social service;*
3. *Complete specific facts and figures derived from conducted research (interviews, focus groups, surveys, etc.), if available.*
4. *Provide a brief analysis of the specific problems you aim to address.*

4.2. Activities (maximum two pages)

4.2.1 Description of activities in the period of establishment of the service:

Describe in detail all planned activities to establish the social service. Include specific steps such as facility adaptation; equipment procurement; staff licensing training to provide services, etc. according to what you have planned as a service. Describe the user mapping process, including how you will identify and reach potential beneficiaris. Specify the environment they live in (rural/urban) and outline the strategies to ensure the services are accessible to them.

4.2.2 Description of staff

Describe the number and type of personnel you plan to hire and their respective profiles.

4.3 Time frame for implementation of activities

Activities should be implemented for a period of a maximum of 18 months (maximum 6 months for establishment of the service and 12 months for service). Add rows and columns according to the defined activities. Accepted applicants will be informed about the implementation period of contracts.

Activities (name of the activity)	Month												Responsible organization/municipality
	1	2	3	4	5	6	7	8	9	10	11	12	
Activity 1:													
Activity 2:													
Activity 3:													
Activity 4:													
Activity 5:													
Activity 6:													
Activity 7:													
Activity 8:													

4.4. Predicted risks (maximum half page)

Assess the potential risks that could affect the implementation of the activities or jeopardize the implementation of the project. Propose a plan to mitigate/overcome or resolve them.

4.5. Mitigation strategies related to climate change induced adverse events

Describe how you will carry out staff education activities to mitigate risks and prevent adverse events related to climate change.

4.6. Stakeholder engagement plan (maximum half page)

Identify stakeholders and list effective tools for interacting/communicating with each one.

Applicant (municipality):³	
Name of mayor:	
Signature and seal:	
Date and place:	
Co-applicant (Service Provider – Organization)	
Name and surname/position:	
Signature and seal:	
Date and place:	

³ If several municipalities apply, the application must be signed by all of them

5. APPLICANT STATEMENT (MUNICIPALITY/S)⁴

I _____, as authorized signatory on behalf and for the account of the applicant, under moral, material, and criminal responsibility declare that:

- We acknowledge and agree that our personal data may be processed and transferred to the Internal Audit Services, the World Bank Anti-Fraud Office, or other competent institutions following the law;
- We confirm that the information and attached documents are accurate and valid, and the copies are authentic to the original.
- We are not currently receiving funding from another institution for establishing and/or providing the same social service

There is no service provider/s that has concluded a management agreement with the Ministry of Social Policy, Demographics, and Youth for the same service in the municipality where the service will be provided.

We undertake to promptly inform the Ministry of Social Policy, Demographics, and Youth about any changes related to the statement.

Additionally, we are aware of the action, and we commit ourselves to act in the same way if the social service is approved for funding by other institutions/organizations, after submitting this form.

Applicant (Municipality)	
Name of Mayor	
Signature and stamp	
Date and place	

⁴ If there are several applicants, the statement should be filled in by each applicant individually.

⁷ If several municipalities apply, the application must be signed by all of them.

6. STATEMENT FROM THE CO-APPLICANT (SERVICE PROVIDER)

I _____, as authorized signatory on behalf and for the account of the co-applicant, under full moral, material, and criminal responsibility declare that:

- The co-applicant actively participated in the preparation of the project proposal.
- We acknowledge and agree that our personal data may be processed and transferred to internal audits, the World Bank's Office of Fraud Prevention, or other competent institutions following the law.
- We do not currently hold a license to perform activities in the field of social protection for the service for the area of the municipality/s for which this application is submitted;
- The information provided and the attached documents are accurate, valid, and their copies are authentic to the original;

We are not currently funded by any other institution to establish and/or provide the same service.

We undertake to promptly inform the Ministry of Social Policy, Demographics, and Youth about any changes related to the statement.

We undertake to notify in writing of changes in case the service we are applying for is approved for financing by other institutions/organizations, after submitting this form.

Co-Applicant (Service provider)	
Name and surname/position	
Signature and stamp	
Date and place	

7. STATEMENT FROM MAYOR

NAME OF THE APPLICANT/MUNICIPALITY _____

TYPE OF SOCIAL SERVICE _____

STATEMENT BY THE MAYOR OF THE MUNICIPALITY

FOR ALLOWING FREE-OF-CHARGE USAGE OF MUNICIPAL PREMISES BY THE SERVICE PROVIDER

With full moral, substantive and criminal liability I hereby declare that the premises _____ of _____ m2, property of _____ will be granted for free of charge usage to the Service Provider _____, with the purpose for social service provision, for a 5 years period.

The service provider/municipality _____ is a co-applicant in the Call no. _____ for service provision _____.

Also, I DECLARE, that I will implement all the necessary activities required for providing the documentation for giving the premises without a fee to the Service Provider, according to the positive legislation, and prescribe these principles regarding the usage and disposal of real estate of the municipality.

Statement given on the date	For the municipality
_____	Mayor

7. BUDGET

Name of the applicant/municipality(ies)	
Name of co-applicant / service provider	
Type of service	
The budget requested by the MSPDY	
Contribution from the municipality(ies)	
Contribution from the service provider	
Total budget for the establishment of the service	
Total budget for the service	
Total	

PROPOSED BUDGET FOR ESTABLISHING THE SERVICE

Budget line	COSTS COVERED BY MSPDY (Grant mechanism)				CONTRIBUTION FROM THE MUNICIPALITY				COSTS COVERED BY THE SERVICE PROVIDER			
	Unit	Quantity	Unit price (MKD)	Total (MKD)	Unit	Quantity	Unit price (MKD)	Total (MKD)	Unit	Quantity	Unit price (MKD)	Total (MKD)
I HUMAN RESOURCES												
Total I												
II TRAINING												
Total II												
III ADAPTATION OF SPACE												
Total III												
IV FURNITURE, OFFICE AND OTHER EQUIPMENT												
Total IV												

Annex 3 - Checklist of application documents ⁵

Core documents for all applicants	provided	
	YES	NO
1. Application Form	☐	☐
2. Decision to establish a social protection council of the municipality/s, the city of Skopje, and the municipalities of the city of Skopje, or a statement that such will be formed until the moment of launching the social service provision	☐	☐
3. Social plan for the municipal area or a statement that such will be by the day the service begins	☐	☐
4. Screening checklist for the environment and social aspects – ESS Check List	☐	☐
5. Contract for free usage of municipal premises by the social service provider for 5 years or a statement signed by the mayor for the assignment of the space		
6. Statement by the Co-applicant which confirms ownership of the premises by the organization or premises lease contract where the social service will be licensed	☐	☐
7. Property certificate for the space where the service will be licensed	☐	☐
8. Agreement for co-operation (partnership) with regulated responsibilities of the two contracting parties for developing the relevant social service.	☐	☐

⁵ Fill in the applicant and co-applicant (as checking in the application process)

Annex 4 - Screening list for environment and social aspects

1. Instructions for filling out the application form:

Objectives of the ESS checklist

The environmental and social screening (ESS) checklist will support you in determining the sub-project category (a / b (b+ or b) / c) based on assessment criteria (type of activity and preliminary impact assessment). The screening process will identify the required type of environmental due diligence document to be used for impact assessment for your project.

2. Structure of the checklist

PART 1: General information about the project and proponent grant applicant provides information about the proponent/applicant, project activities, and relevant documents already prepared (main design, feasibility study, EIA report...)

PART 2: Screening for the category — “A” projects list large-scale projects with significant adverse environmental and social impacts with long-term regional/national impacts (they are excluded by financing under the SSIP).

PART 3: Screening for the category — “B” and — “C” — projects include the type of activities for small-scale projects and preliminary assessment criteria to evaluate potential environmental and social impacts of your project.

3. How to fill in the checklist

The ESS checklist needs to be fulfilled by the responsible person from the proponent/grant applicant considering the project location, project type activities, sensitive areas around the project location, and possible adverse environmental and social impacts that might occur. You need to preliminarily evaluate the possible impacts in terms of intensity, time of occurrence, and geographical scale. The overall assessment of the impact will lead you to the project category.

Category — “A” projects are large-scale projects with high environmental and social risks, and they are not eligible for financing under the SSIP project.

Category — “B” Projects are divided into two groups B and B+ based on project activities and potential impacts, and for these projects, different environmental and social due diligence instruments need to be applied for project impact assessment.

Category — “C” projects are those projects for which no additional impact assessment is required.

4. How to fill in the checklist?

Please, complete the ESS checklist and at the end provide your overall assessment of potential impacts and categorize your project.

Please sign the completed ESS checklist and submit it to the MSPDY/PMU for approval. After the approval of the ESS checklist, the MSPDY/PMU will inform you about the following steps and the environmental due diligence instruments to be applied to your project.

For all questions related to filling out the ESS checklist, please contact MSPDY/PMU es expert mail info.ssip@mtsp.gov.mk

PART 1	GENERAL INFORMATION ABOUT THE PROJECT AND PROPONENT/ GRANT APPLICANT
Proponent/Grant Applicant's name:	
Address (street and number, postal code, and city):	
Project name	
Main Project Activities	
The responsible person completing the ESMP Check-list:	
ESMP Check-list completion date:	
Obtained relevant documents (approved EIA Report, obtained permits, etc.)	

PART 2	ENVIRONMENTAL AND SOCIAL SCREENING FOR LARGE-SCALE PROJECTS			
Type of Project Activity				
• Trade in wildlife and wildlife products prohibited under the CITES convention	☐	YES	☐	NO
• Release of genetically altered organisms into the natural environment	☐	YES	☐	NO
• Manufacturing, distribution, and sale of banned pesticides and herbicides	☐	YES	☐	NO
• Drift seine netting in the marine environment	☐	YES	☐	NO
• Manufacturing, handling, and disposal of radioactive products	☐	YES	☐	NO
• Hazardous waste storage, treatment and disposal	☐	YES	☐	NO
• Manufacturing of equipment and appliances containing CFCs and other substances regulated under the Montreal Protocol	☐	YES	☐	NO
• Manufacturing of electrical equipment containing polychlorinated biphenyls (PCBs) over 0,005 % by weight	☐	YES	☐	NO
• Manufacturing of asbestos-containing products	☐	YES	☐	NO
• Nuclear reactors and parts thereof	☐	YES	☐	NO
• Tobacco, unmanufactured or manufactured	☐	YES	☐	NO
• Tobacco processing machinery, and Manufacturing of firearms	☐	YES	☐	NO
• Distilled alcohol for consumption	☐	YES	☐	NO
Preliminary Assessment of Potential Impact				
• Does the Project have an adverse long-term regional/national impact on natural habitats?	☐	YES	☐	NO
• Does the Project have an adverse long-term regional/national impact on forests and forested areas?	☐	YES	☐	NO
• Does the Project have an adverse long-term regional/national impact on physical cultural heritage?	☐	YES	☐	NO

PLEASE NOTE: IF ANY OF THE ANSWERS OF THE ABOVE LISTED TYPE OF PROJECT ACTIVITIES IS YES, THE PROJECT BELONGS TO CATEGORY –A AND THE PROJECT IS NOT ELIGIBLE FOR FINANCING UNDER SSIP. PROJECTS WHICH MAY ADVERSELY IMPACT NATURAL HABITATS, FORESTS AND FORESTED AREAS, WITH LONG TERM REGIONAL/NATIONAL IMPACTS, WILL BE AUTOMATICALLY CATEGORIZED AS CATEGORY A PROJECT AND THEY WILL BE EXCLUDED FROM SUPPORT BY SSIP.

PART 3	Project name:	ENVIRONMENTAL AND SOCIAL SCREENING FOR SMALL TO MEDIUM-SCALE PROJECTS				
		IF YES				
		Activity/Impact	Y (yes)	N (no)	Preliminary assessment of potential impacts	
					Minor/local/ short term	Moderate/local/ medium term
						Major/regional/long term
		Site-specific vehicle traffic				
		Increase dust and noise from demolition and or construction				
		Generation of construction waste				
		New land required for construction				
		Excavation impacts and soil erosion				
		Increase sediment loads in receiving Waters				
		New access roads required and specific vehicle traffic				
		Increase dust and noise from demolition and or construction				
		Generation of construction waste				
		Will the sub-project cause dust and noise pollution after its competition?				
		Individual wastewater treatment System				
		Effluent and/or discharging into receiving waters				
		Will the sub-project contribute to the pollution of international waters?				
		Will the sub-project cause water pollution after its competition?				
		Energy efficiency				

PART 3		ENVIRONMENTAL AND SOCIAL SCREENING FOR SMALL TO MEDIUM-SCALE PROJECTS			
Project name:		IF YES			
Activity/Impact		Y (yes)	N (no)	Preliminary assessment of potential impacts	
Acquisition of land				Minor/local/ short term	Major/regional/long term
Encroachment on private property					
Relocation of project-affected persons					
Involuntary resettlement					
Loss of assets, property, houses, agricultural produces etc.					
Impacts on livelihood incomes					
Hazardous or toxic materials					
Removal and disposal of toxic and or hazardous demolition and or construction waste					
Storage of machine oils and lubricants					
Asbestos, PCBs, pollution from unspent PV batteries					
Will the sub-project emit greenhouse gases (CO ₂ , NO _x , O ₃) or ozone-depleting substances (CFC, methyl bromide, etc.)					
Impacts on forests and/or protected areas¹⁰					
Sensitive habitats - National Parks and					

¹⁰ Proposed projects that may adversely impact natural habitats, forests, and forested areas, physical cultural heritage, will be automatically categorized as category A projects and they will be excluded from support by SSIP.

PART 3	ENVIRONMENTAL AND SOCIAL SCREENING FOR SMALL TO MEDIUM-SCALE PROJECTS				
Project name:		IF YES			
Activity/Impact	Y (yes)	N (no)	Preliminary assessment of potential impacts		
			Minor/local/ short term	Moderate/local/ medium term	Major/regional/long term
Game Reserve, Wet-lands, Areas with rare or endangered flora or fauna					
Areas with outstanding					
Scenery/tourist site					
Disturbance of locally protected Habitat					
Damage to wildlife species and habitat					
Encroachment on designated forests, buffer and/or protected areas					
Introduction of exotic or alien species					
Will the sub-project involve the use of forest trees or other natural building materials?					
Traffic and Pedestrian Safety					
Site-specific vehicle traffic					
The site is in a populated area.					
Other physical and environmental issues and concerns					

Overall impact assessment of the small-scale Project	Minor/local/ short term	Moderate/local/ medium term	Major/regional/ long term	Comments
	☐	☐	☐	
Categorization of the Project done by the Proponent/Grant Applicant	Project Category: B⁺ The project has a major/moderate environmental and social impact.		Project Category: B The project has moderate/ minor environmental and social impact.	Project Category: C The project has minor or no environmental and social impacts.
Additional comments				

ESS Checklist prepared by: _____

Signature of the responsible person _____

Date of fulfillment: _____

Annex 5 - Approval of a project category according to the Environmental and Social Management Framework

Environmental and Social Management Framework for the Social Services Improvement Project

Approval of Project Categorization performed in ESS Check List

The fulfilled ESS Check List provided by the Proponent _____ for the Project _____ was reviewed by MSPDY ESE and WB ES Specialist and the following comments have been provided:

Additional comments provided by MSPDY ESE/WB ES for Project categorization:	☐	☐	☐
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Categorization of the Project done by MSPDY ESE and approved by WB ES Specialist	Project Category: B ⁺ The project has a major/moderate environmental and social impact.	Project Category: B The project has moderate/minor environmental and social impact.	Project Category: C The project has minor or no environmental and social impacts.
Environmental and Social Due Diligence Instruments	The Proponent needs to prepare Initial ESIA with ESMP (the outline of the document will be provided by MSPDY PMU)	The Proponent needs to prepare an ESMP Check-list (the outline of the document will be provided by MSPDY PMU)	The Proponent should not prepare any environmental and social documentation.

Project Categorization issued by PMU ESE: _____ Signature of responsible person: _____ Date: _____

ANNEX 6: Grant Agreement

SOCIAL SERVICE IMPROVEMENT PROJECT

Loan number:

GRANT AGREEMENT No. XXX

between

**MINISTRY OF SOCIAL POLICY, DEMOGRAPHICS AND YOUTH OF THE REPUBLIC OF NORTH
MACEDONIA**

MINISTRY OF SOCIAL POLICY, DEMOGRAPHICS AND YOUTH

(HEREINAFTER REFERRED TO AS THE "MINISTRY")

and

**MUNICIPALITY/S (Name of Municipality/s) (HEREINAFTER REFERRED TO AS THE
"MUNICIPALITY/S")**

and

SERVICE PROVIDER (Name of Service Provider)

(HEREINAFTER REFERRED TO AS THE "SERVICE PROVIDER")

FOR DEVELOPING SOCIAL SERVICES

Skopje, (month, year)

GRANT AGREEMENT No xx.

THIS AGREEMENT ("Agreement") is entered into this **(date)**, by and between:

1. **Ministry of Social Policy, Demographics, and Youth of the Republic of North Macedonia (hereinafter called the "Ministry")** having its principal office at Dame Gruev 14, 1000 Skopje, Republic of North Macedonia, represented by _____ and

2. **xxx (hereinafter called the "Municipality")**, having its principal office located at xxxx, Republic of North Macedonia and

3. **xxx (hereinafter called the "Service Provider")**, having its principal office located at xxxx, Republic of North Macedonia, represented by _____.

THE PARTIES hereby agree as follows:

ARTICLE 1 GENERAL CONDITIONS

1.1 The Ministry agrees to finance the **Project Proposal Ref. No (xx) dated (xx)** submitted by the Municipality _____ and Service Provider _____, for development of Social Service for _____.

1.2 The social service will provide _____

ARTICLE 2 GRANT AMOUNT AND PURPOSE

2.1. The Ministry shall provide a grant in the total amount of _____ **denars** (the "Grant") for the financing of the social service _____, as part of the Social Services Improvement Project (the "Project") and following the approved application submitted by _____.

2.2. The funds for financing the social service, the Service Provider should only use for:

- establishing of the social service;
- providing social service.

2.2.1. The costs for establishing the social service cannot exceed the amount of _____ denars (Annex 1 of the Grant Agreement - Budget for establishing the service) and they are calculated based on the:

- Applicable Rulebook on _____ ("Official Gazette of RSM" no. ____ /);
- Applicable Methodology for calculating costs for establishing the proposed service;

- Applicable Cost/Price list for establishing the proposed service;
- Project proposal submitted by the Municipality and the Service Provider which includes the planned costs for establishing the service.

2.2.2. The total costs for providing the service cannot exceed the amount of _____ denars and they are calculated based on:

- The official Decision for determining the prices of social services, subject to this Agreement;
- The methodology for price determination of the social services depends on the standards and norms for providing the social service ("Official Gazette of RSM" no. ____ / __)

2.3. If during the period of duration of this Agreement, there is a need for additional funds for providing the social service, the Ministry can initiate amendments to this Agreement.

ARTICLE 3

METHOD OF PAYMENT

3.1 The payments of the proceeds of this grant shall be made by the Ministry /SSIP Project Management Unit, on the Service provider's designated bank account as follows:

- amount of _____ denars (50% of the Total Costs for establishing the social service), in 15 days after the date of signing of this Agreement, based on a request for payment submitted by the Service Provider, with a special bank account number, which can be used exclusively for the subject of this Agreement,
- amount of _____ denars (50% of the total costs for establishing the social service) will be paid to the Service Provider after the control check has been carried out and the funds paid from the first annual payment have been approved based on the submitted narrative and financial report together with all the relevant documentation from conducted procurement procedures and financial documentation. If the incurred costs under the submitted invoices/receipts (for the first and second payment of the funds for the establishment of the service) are above the funds received for the establishment of the social service, the difference will be reimbursed by the Service Provider. In another case when the incurred costs under the submitted invoices / fiscal bills (for the first and second payment of the funds for the establishment of the service) are less than the funds received for the establishment of the service, this difference will be reduced from the monthly payment of funds for providing of the service. i.e. The service provider will receive fewer funds or will not receive funds at all until the difference between the funds received and the funds spent is covered.

3.2. Monthly costs for delivering the service per the actual number of service recipients (who have a decision issued by the CSWs for a particular social service), shall be paid for 12 months, according to the official Decision for determining the prices of social service adopted by the MSPDY, based on submitted:

- monthly report for the provided social service, submitted by the Service Provider, and approved by the relevant Center for Social Work and the municipality, which will indicate the number of active users of the social service for the current month, including the number of hours/days of provided social service;

- copy of the license for performing social protection activity (provided only with the request for the first monthly payment).

3.3. All activities, including the usage of funds and the control over their spending, have to be implemented following the Grant Operational Manual for the Development of Social Services.

ARTICLE 4

MANNER AND PERIOD FOR PROVIDING OF THE SOCIAL SERVICE

4.1. The grant funds will be used exclusively for financing the social service, subject to this Agreement, i.e. for establishing and providing the social service.

The total period for the implementation of the two phases is a maximum of 18 months.

4.2 For the period of duration of this Agreement, the Service Provider must open and maintain a separate bank account where all transfers of funds related to this grant will be recorded.

4.3 After the establishment of the social service, and in 30 days from the date of issuing of the license for providing social service and issued decisions from respective CSW for the social services users (beneficiaries), the Service Provider should begin with providing the social service.

4.4 The Service Provider is required to have appropriate documentation of the use of the grant funds which needs to be available for monitoring purposes carried out by the Ministry / Project Management Unit, the World Bank, or an external auditor.

4.5. The Service Provider is obliged to establish the social service within a maximum of 6 months from the day of the payment of the first installment of the grant funds.

The Service Provider is obliged within 4 months from the day of the payment of the first installment of the grant funds to apply for obtaining a license to perform social protection activity, and in the next 2 months should complete all other activities under this Agreement.

4.6 If the Service Provider has not received a license, even though he has fulfilled the obligations to obtain it, that is, it is not his fault he is obliged to immediately submit a written notification to the Ministry / Project Management Unit, to consider the reasons for not obtaining the license and finding a solution for the ascertained situation.

The period for finding a solution has to be documented by the Ministry / Project Management Unit and shall not be calculated in the period for establishing the social service.

ARTICLE 5

NON-PERFORMING OF THE SOCIAL SERVICE

5.1. If the Service Provider has not established the social service within the stipulated period and there were no administrative and legal obstacles, the Service Provider is obliged to return the purchased equipment and/or the received funds within 30 days. Otherwise, the Ministry will initiate a procedure for reimbursement of the funds paid to the Service Provider for establishing a social service.

5.2. The period for implementation of the service delivery phase is 12 months. If the Service Provider does not start providing the social service after its establishment and obtaining the license, and in cooperation with the CSW, within 30 days, the Service Provider is obliged to submit, in writing, to the Ministry / Project Management Unit, an explanation of the reasons for the delay, i.e. failure to perform.

5.3. In case of approval of the reasons for not starting the service, the Ministry / Project Management Unit will notify the Service Provider of the new timetable frame for the start of service.

Otherwise, the Service Provider is obliged, within 30 days of receiving written notification, to return the paid funds and/or the purchased equipment for the establishment of the social service.

If, within the stipulated deadline, the Service Provider does not make a voluntary refund, the Ministry / Project Management Unit will initiate a procedure for reimbursement of the paid funds for the establishment of the social service.

ARTICLE 6

RIGHTS AND OBLIGATIONS OF THE SERVICE PROVIDER

6.1. During establishment and provision of the social service, the Social Service Provider is responsible for:

- being compliant with the provisions of the Grant Agreement;
- timely implementation of project activities following the Grant Agreement;
- opening and maintaining a designated project account
- purposeful use of the allocated funds, following the procedures for the use of funds and guidance on spending funds;
- respecting and acting following the procedures for the implementation of procurement, steps, and costs in the procurement process following the Operational Manual for the administration of grants for the development of social services;
- responsible and dedicated use of the equipment purchased through the grant for the establishment of the social service;
- fulfillment of the conditions for obtaining a license for providing the social service;
- procurement of uniforms following the project's standards designated in Appendix 7 - Guidelines for visibility;
- providing the service following the prescribed norms and standards;

- regular cooperation with the Municipality/s and reports preparation (joint final report on the establishment of the social service, six-month (mid-term report) in the phase of providing the service), as well as monthly reports on the provision of the service following the requirements of Ministry, on the report templates for monitoring of the social service provided to the Municipality/s and the Service Provider immediately after signing of this Agreement;
- regular communication with the municipality/s, CSR, EUP, and other stakeholders.

6.2. The Service Provider is obliged to submit a monthly report to the CSW and the Municipality/s, regarding the providing of social service, (on a prescribed form which contains data for the number and structure of users, number of delivered hours per user, number and qualifications of engaged staff, etc.).

6.3. If the Service Provider has been delivering the social service following the provisions of this Agreement, the Ministry through the Project may extend the deadline for providing the social service by signing an annex to this Agreement.

6.4 The service provider undertakes to use the equipment procured with the funds from this Agreement, professionally and exclusively for the needs of establishing and providing the social service, subject to this Agreement.

6.5. The Service Provider is obliged to insure the premises and vehicle (if subject to procurement) in an authorized insurance company.

Service Providers should be responsible for the equipment and compensation for any caused damage, regardless of the reasons that led to its destruction or damage.

6.6. The Service Provider and the Municipality/s are obliged to conclude a contract for procurement and use of equipment usage contract in separate amounts above 300.000 denars solemnized by an authorized notary that includes an executive clause following national regulation, with validation for 10 years.

6.7. If the Service Provider ceases to provide the service subject to this Agreement on any grounds, it is obliged to deliver the equipment and the vehicle to the Municipality/s, in good condition, within 15 days from the date of termination of the social service. Otherwise, the Ministry of Social Policy, Demographics, and Youth will initiate compensation proceedings.

6.8. The Service Provider is obliged to place on all printed and electronic materials, as well as the equipment (uniforms, T-shirts, badges, etc.), in a visible place, the logos of the Ministry for Social Policy, demographic and Youth, PMU and World Bank (described in detail in the Grant Operational Manual for Development of Social Services).

6.9. The Service provider and the Municipality/s determine the name of the municipal service for social services and the recognition (branding) on the territory of the Municipality/s where the social service will be provided.

6.10. The Service Provider is obliged during the provision of the social service, to implement the necessary measures in terms of protecting users from climate change, primarily from increasing temperatures, in accordance with ratified

international agreements in the country and publicly available recommendations issued by relevant institutions for dealing with extreme weather conditions.

6.11. Regarding the protection of the vulnerable groups for whom the social service is provided, the Service Provider is required to educate its employees to acquire knowledge and skills for the prevention of side effects on health as a result of heat waves among persons at risk, i.e. among users of social services, as well as adequate prevention or mitigation of the harmful effects caused by extremely high temperatures that can lead to serious health consequences of the most vulnerable population.

The education, from the previous paragraph, must be carried out during the period of establishment of the social service and it will be reimbursed by the Service Provider and/or the Municipality/s.

ARTICLE 7

RIGHTS AND OBLIGATIONS OF THE MUNICIPALITY/s

7.1 The municipality/s has the following rights and obligations:

- to provide conditions for uninterrupted and continuous performance of the activities related to the provision of the social service by the Service Provider;
- to regularly cover the expenses if they are provided for co-financing under the approved project proposal which is an integral part of this contract;
- to actively participate, with the support of the Ministry /Project Management Unit, in the process of monitoring and reporting on the implemented activities for ensuring and fulfilling the environmental and social aspects, standards, and practices, following the Framework for Environmental Management and Social Issues;
- to participate in the evaluation commissions and to control and approve all procurements during the establishment of the service,
- to regularly monitor the implementation of social service providing and the need for further development, through continuous monthly meetings with representatives of the respective Center for Social Work, the Service Provider, and other relevant stakeholders and securing the necessary consents and approvals at all stages of the implementation of this agreement.
- the municipality/s is obliged to provide proof of established municipal Council for social protection and a copy of the municipal social plan to the moment of launching the service provision.
- to actively participate in the preparation of reports related to the implementation of activities in collaboration with the Service Provider, including submitting a final report upon completion of the activities for establishing the service, providing six-monthly (mid-term) progress reports during the service delivery, and promptly approving the monthly reports for the payment of funds for service provision by the Service Provider. These reports shall be based on the provided templates for monitoring the social service delivered

to the Municipality/s, and both the Municipality/s and the Service Provider shall receive these templates immediately after the execution of this Agreement.

7.2. In the event of a change in the Service Provider for any reason, the Municipality/s is obligated to either take possession of the equipment procured under this Agreement or, if necessary, transfer it to a new Service Provider by entering into a new agreement, following Section 6.6 of this Agreement.

7.3. The Municipality/s receiving the equipment from the Service Provider is obligated to find a new Service Provider within six months to whom the equipment and premises (if provided by the Municipality/s) will be transferred to continue the social service or to use the equipment for that purpose. If the Municipality/s fails to ensure continuity in providing the social service within this period, the equipment, in good condition, must be returned to the Ministry of Social Policy, Demographics, and Youth, or the Municipality/s must reimburse the Ministry for the amount paid to the Service Provider for the purchase of the equipment for establishing the service.

ARTICLE 8 MONITORING

8.1 Monitoring of the overall implementation of the project will be carried out by the Ministry for Social Policy, Demographics, and Youth/Project Management Unit.

8.2 The individual activities in the phases of establishment and/or providing of the service subject to this Agreement, will be monitored by competent institutions in accordance with the applicable laws that regulate the manner of providing the social service.

ARTICLE 9 DURATION AND AMENDMENT OF THE AGREEMENT

9.1 This grant agreement will come into force on the day of signing by the three contracting parties and will be valid until the end of the contractual obligations, under the defined deadlines, but not later than 30.05.2029.

9.2. This Agreement may be changed and amended at any time during its term by executing an annex, with such amendments becoming effective from the date of signature.

ARTICLE 10

TERMINATION OF GRANT AGREEMENT

10.1 The grant agreement may be terminated at any time during its duration, upon written request for termination by the contracting parties, in one of the following manners:

- unilaterally with a notice period of up to 30 days from the day of submitting a written request for termination of the Contract. As an exemption, another notice period could be given because of objective reasons, after prior approval by the Ministry of Social Policy, Demographics, and Youth.
- unilaterally, with or without a notice period, based on the decision of the Ministry for Social Policy, Demographics, and Youth due to non-compliance with contractual obligations and deadlines of the municipality/s and/or the service provider;
- mutually agreed upon a submitted request stating the reasons for termination of the Agreement by all contracting parties.

10.2. In case of termination of this Agreement, it is necessary to complete all initiated activities and to fulfill the undertaken obligations following this Agreement until the date of its termination.

10.3. If this Agreement is unilaterally terminated at the request of the Municipality/s, and through no fault of the Service Provider, the Municipality/s must fully repay the Ministry the amount of funds it has paid to the Service Provider in the phase of establishing the social service.

10.4. If the Ministry assesses that there are no justified reasons for the termination of this Agreement by the Municipality/s and/or the Service Provider, the contracting party that terminates this Agreement must fully return to the MSPDM the amount of funds paid by it, in the phase of establishment of the social service.

At its discretion, the Ministry of Social Policy, Demographics, and Youth reserves the right to initiate a procedure for damage compensation following the applicable regulation on contractual relations.

ARTICLE 11

FORCE MAJEURE

11.1. In the event of force majeure, the duration of this Agreement shall be extended for the period of its duration but not later than 30/05/2029.

11.2. In the event of force majeure, each Contracting Party shall be obliged to promptly inform the other Contracting Parties of the period of commencement and termination of force majeure.

11.3. Force majeure means an event independent of the will of the Contracting Parties, the occurrence of which could not have been foreseen or prevented and which made the fulfillment of the obligations under this Agreement difficult or impossible, including, but not limited to natural events, social events (strike, riots, wars, etc.), acts of public authority, disturbances in the functioning of the system, and others.

ARTICLE 12
DISPUTE RESOLUTION

12.1 This Grant Agreement shall be governed by the laws of the Republic of North Macedonia regarding any disputes, and differences in opinions under this Grant Agreement.

12.2 The agreement is made in 2 original copies in Macedonian language for each contracting party.

**FOR THE MINISTRY OF SOCIAL POLICY
DEMOGRAPHICS AND YOUTH**

Signed by _____

Title: _____

FOR THE MUNICIPALITY XXX

Signed by _____

Title: _____

FOR THE SERVICE PROVIDER

Signed by _____

Title: _____

ANNEX 7: Agreement for procurement and usage of the equipment

AGREEMENT FOR PROCUREMENT AND USAGE OF THE EQUIPMENT AND VEHICLE

THIS AGREEMENT (“Agreement”) is contracted on _____ (date), by and between:

- 1. Municipality xxx (hereinafter called the “First contracting party”)**, having its principal place of business located at xxxx, Republic of North Macedonia and
- 2. Service provider xxx (hereinafter called the “Second contracting party”)**, having its principal place of business located at xxxx, Republic of North Macedonia, represented by _____.
- 3. xxx** with residence on _____, from _____, as an agreed party, in the capacity of a guarantor

PREAMBLE

Based on item 6.6. from the Grant Agreement _____, signed between the Ministry of Social Policy, Demographics and Youth Ministry of Social Policy, Demographics and Youth registered under number _____, Municipality/s _____ registered under number _____ and _____ registered under number _____, the contracting parties, on _____, agree as follows:

ARTICLE 1

SUBJECT OF THE AGREEMENT

The subject of this Agreement is the regulation of mutual rights and obligations of the contracting parties in the procurement and usage of equipment (vehicles and/or other equipment: furniture, IT equipment, office equipment, etc. with an amount with an individual value over MKD 300,000), provided by funds from approved application for the establishment of the social service, within the Social Services Improvement Project at the Ministry of Social Policy, Demographics and Youth in the manner and conditions defined in this Agreement, to provide the social service.

ARTICLE 2

RIGHTS AND OBLIGATIONS OF THE CONTRACTUAL PARTIES

- (1) The Second contracting party undertakes to implement and document the equipment procurement, and vehicle (hereinafter: "equipment"), following a defined technical specification, which is an annex to this Agreement.
- (2) The Second contracting party agrees to procure the equipment following the prescribed procurement procedure, and after previously obtained written consent, from the Ministry of Social Policy, Demographics, and Youth/ Project Management Unit (hereinafter called the "MSPDY/PMU").
- (3) The second contracting party undertakes, when providing the social service, to use the equipment purposefully, with professional attention, and to cover the necessary costs for its regular maintenance and operation.
- (4) When registering a vehicle, the Second Contracting Party shall provide a written note in the driving license issued by the Ministry of Interior prohibiting the vehicle alienation, without prior written consent of the MSPDY /PMU.
- (5) The Second Contracting Party shall provide, maintain, and cover the costs of the transportation (vehicle) insurance policy for the entire duration of this Agreement.
- (6) The First Contracting Party and the MSPDY/PMU shall reserve the right, at their discretion, at any stage of the procurement, to carry out monitoring and control and to give instructions for action and elimination of deficiencies that are mandatory for the Second Contracting Party. The Second contracting party is responsible for the damage that occurred in case of identified irregularities in the procurement process.
- (7) If, during the term of this Agreement, there is a misuse of the equipment or the provision of the service by the Second Contracting Party ceases, the First Contracting Party shall take over and use the equipment and undertake all necessary activities to continue providing the social service, subject to this Agreement, directly or via another Service Provider.
- (8) The Second Contracting Party shall, upon the termination of the duration of this Agreement, hand over the equipment referred to in paragraph 1 of this Article to the First Contracting Party, in good condition.

ARTICLE 3

TYPE AND DYNAMICS OF PROVIDING SOCIAL SERVICE

The other contracting party, for the duration of this Agreement, undertakes to use the equipment, subject to this Agreement, to provide the social service provided by the grant agreement.

ARTICLE 4

FORCE MAJEURE

(1) Force majeure means an event independent of the will of the Contracting Parties, the occurrence of which could not have been foreseen or prevented and due to which the fulfillment of the obligations under this Agreement has become difficult or impossible, including, but not limited to natural events, social events (strike, riots, wars, etc.), acts of public authority, disturbances in the functioning of the system and others.

(2) The Second Contracting Party shall be obliged to notify the First Contracting Party within 24 hours of the occurrence of a force majeure, ie an obstacle to the performance of the obligation from this Agreement. Upon termination of the force majeure, the Second Contracting Party shall notify the First Contracting Party and agree with it on the further use of the equipment for this Agreement.

ARTICLE 5

EXECUTIVE CLAUSE

(1) This Agreement has an executive clause.

(2) The Second Contracting Party shall, within 15 days, hand over the equipment to the First Contracting Party, calculated from the day of the written notification for:

- identified irregularities in the procurement process;
- events stipulated in Article 2 paragraph 7 and Article 6 paragraph 2 of this Agreement.

(3) The Ministry/PMU shall prepare and submit a written notification, from the previous paragraph to the Second Contracting Party.

(4) In case, after proper handover of the equipment, certain damages are defined, which are due to improper, i.e. inappropriate use of the equipment, the Ministry / PMU may request compensation of a contractual penalty, calculated in the amount under paragraph 5 of this Article, by submitting a written notification - calculation to the Second Contracting Party.

(5) The contractual penalty shall be determined in the amount of:

- 90% of the purchase value following the submitted approved invoice for procurement of equipment, if the equipment is returned within 0-1 years after signing this Agreement;
- 80% of the purchase value following the submitted approved invoice for procurement of equipment, if the equipment is returned within 1-2 years after signing this Agreement;
- 70% of the purchase value following the submitted approved invoice for procurement of equipment, if the equipment is returned in 2 years or more, after signing this Agreement,

increased by the amount of interest calculated following the law, from the day of expiration of the term defined in paragraph 2 of this Article, until the day of settlement of the calculated contractual penalty.

(6) If the Second Contracting Party does not compensate the damage, within 15 days after the submitted calculation, the First Contracting Party, ie the Ministry/PMU, has the right to determine the receipt of the claim based on a written statement certified by a Notary Public, stating the term and condition which are not in compliance with the Second Contracting Party, and due to which the claim is considered due.

(7) The Contracting Parties declare that they agree on the basis of this Agreement which has the force of an enforceable document, that the First Contracting Party may take protective measures in relation to the equipment, in order to preserve, maintain or increase its value (period of use, capacity, functional connection, etc.).

(8) The Contracting Parties agree that the person _____, in the capacity of a guarantor-payer, guarantees the obligations arising from this Agreement. He/she irrevocably and unconditionally undertakes joint and several liability for the fulfillment of the Second Contracting Party's outstanding and unpaid obligations, due by the payment deadlines, along with any interest calculated following the law.

The Ministry/Municipality may require the guarantor to fulfill the obligations of the Second Contracting Party without first contacting the Second Contracting Party if it is evident that the obligations cannot be fulfilled from the funds of the Second Contracting Party as the primary debtor, or if bankruptcy or liquidation proceedings have been initiated against the Second Contracting Party.

ARTICLE 6

DURATION OF THE AGREEMENT

(1) This Agreement shall enter into force on the day of its signing by both contracting parties and shall remain in force under the deadlines determined in the Grant Agreement, with the possibility of its automatic extension, if the Second Contracting Party continues to provide the specific social service.

(2) Each contracting party has the right to unilaterally terminate the contract if the other party does not comply with the agreed obligations and is obliged to notify the other contracting party in writing, stating the reasons for termination.

(3) In case of termination of the contract, by any contracting party, all claims shall be considered due for collection.

ARTICLE 7

DISPUTE RESOLUTION

All disputes that will arise from this Agreement, the contracting parties will resolve amicably, and if there are no conditions to resolve the dispute amicably, the Basic Court Skopje 2 in Skopje shall be a competent institution for the dispute resolution.

ARTICLE 8

MISCELLANEOUS

The provisions of the Grant Agreement, the Law on Obligations, and other relevant applicable laws shall apply to other issues that are not covered by this Agreement.

ARTICLE 9

(1) If the Second Contracting Party makes a change in the address of the registered office or other information related to its legal status, it is obliged to notify the First Contracting Party by registered mail, within 5 working days from the day of the change.

(2) If the Second Contracting Party does not act under paragraph 1 of this Article, all letters, notifications, or deliveries to it shall be considered duly delivered to the address specified in this Agreement, although after the attempt is made to deliver the writ to the specified address, the page was not found at the specified address.

ARTICLE 10 BUSINESS SECRET

All details of this Agreement are considered confidential. Confidential data or information from this Agreement or documents that are an integral part of this Agreement may not be transferred to third parties without the prior consent of the Ministry for Social Policy, Demographics, and Youth.

ARTICLE 11

The contract is made of identical copies, of which 2 (two) copies for each contracting party.

Skopje, this day of, XXX

FOR THE SERVICE PROVIDER

FOR THE MUNICIPALITY XXX

Signed by _____

Signed by _____

Title: _____

Title: _____

FOR AGREED PARTY

Signed by _____

Title: _____

Annex 8: Procurement Forms

Annex 8.1 Procurement of goods/equipment/materials/construction works

- A. Procurement notice
- B. Tender documentation for procurement of goods/equipment/materials
 - B.1 Invitation to quote
 - B.2 Form of Quotation
 - Appendix B.2. Specification and terms and conditions for supply
- C. Tender documentation for procurement of construction works
 - C.1 Invitation to quote
 - C.2 Form of quotation
 - Appendix C.2 Technical description and bill of quantities
 - C.3 Form of Contract only for construction works)
- D. Evaluation report
- E. Statement of Confidentiality, Impartiality, and Absence of Conflict of Interest

A. PROCUREMENT NOTICE

Procurement Notice

Procurement of (XXXX)

Name of Service Provider: -----

Ref.no: -----

1. You are invited to submit your price quotation for the supply of the following items:

- (i) _____
- (ii)

Quotation in paper form or by mail should be submitted no later than _____ (enter date and time) to the following address:

(add the address of the Service Provider and mail address).

B. TENDER DOCUMENTATION FOR PROCUREMENT OF GOODS / EQUIPMENT / MATERIALS

B.1 Invitation to quote

INVITATION TO QUOTE (ITQ) REF.NO.

1. (The name of the Service Provider) is inviting you to submit your price quotation for the supply of the following items:

(i) _____

(ii) _____

(iii) _____

2. You must submit a quotation for all items requested following the specifications that form part of this Invitation. Price quotations will be evaluated for all the items together and the contract will be awarded to the firm/supplier offering the responsive and lowest evaluated total cost.
3. Your price quotation in the form attached, should be submitted at the following address/e-mail address:
(xxx)
4. Ministry of Social Policy, Demographics, and Youth. Your quotation should be submitted in the Macedonian language, the procurement will be conducted in accordance with the “World Bank Procurement Regulations for Investment Project Financing (FIP) - FIP Procurement for Goods, Construction, Non-Consulting, and Consulting Services, (Regulations) from July 2016, revised in November 2017”.
5. The deadline for receipt of quotations at the address indicated or by e-mail: xxx
6. Your quotation should be submitted as per the following instructions and following the attached Terms and Conditions of Supply.

Your quotation shall consist of filled-in and signed (electronic sign if it is submitted by email):

B.2 Form of Quotation (Appendix B.2 to the Form of Quotation is " Specification and terms and conditions for supply ")

Your quotation(s) should be submitted as per the following instructions.

- i. **PRICES:** The prices should be quoted in Macedonian Denar (MKD) with VAT for the Total Cost at the final destination *(to be filled by the service provider)*
- ii. **EVALUATION OF QUOTATIONS:** Offers determined to be substantially responsive to the technical specifications will be evaluated by comparison of the total price at the final destination as per para. i above.

In evaluating the quotations, the Purchaser will determine for each quotation the evaluated price by adjusting the price quotation by making any correction for any arithmetical errors as follows:

- (a) where there is a discrepancy between amounts in figures and words, the amount in words will govern;
- (b) where is a discrepancy between the unit rate and the line item total resulting from multiplying the unit rate by the quantity, the unit rate as quoted will govern;

If a Supplier refuses to accept the correction, his quotation will be rejected.

AWARD OF PURCHASE ORDER/Contract: The award will be made to the bidder offering the lowest substantially evaluated responsive quotation. The successful bidder will sign a Contract as per the attached form of contract and terms and conditions of supply.

- iii. **VALIDITY OF THE OFFER:** Your quotation(s) should be valid for forty-five (45) days from the deadline for receipt of quotation(s) indicated in Paragraph 6 of this Invitation to Quote.

Further information can be obtained from: *(to be filled by the service provider)*

7. Inspections and Audits

7.1 The Supplier shall carry out all instructions of the Purchaser which comply with the applicable laws where the destination is located.

7.2 The Supplier shall permit, and shall cause its Subcontractors and consultants to permit, the Bank and/or persons appointed by the Bank to inspect the Supplier's offices and all accounts and records relating to the performance of the Contract and the submission of the bid, and to have such accounts and records audited by auditors appointed by the Bank if requested by the Bank.

Sincerely,

(Name of Service Provider)

B.2 Form of Quotation

FORM OF QUOTATION

_____ (Date)

To: (name and address of the Purchaser /Service Provider)

We offer to execute the Contract for Supply and delivery of (xxx) following the Conditions of Contract accompanying this Quotation for the Contract Price of _____ (amount in words and numbers) (_____) (name of currency) _____ with VAT included. We propose to complete the delivery of Goods described in the Contract within a period as stated in the request for quotation.

Item No	Description of Goods	Quantity	Unit Price	Total Price at final destination
1				
1.1				
	Total			
	VAT			
	Total with VAT			

The following document form is part of this Form of Quotation.

- Appendix B.2. Specification and terms and conditions for supply

This quotation and your written acceptance will constitute a binding contract between us. We understand that you are not bound to accept the lowest or any Quotation you receive.

We hereby confirm that this Quotation complies with the Validity of the Quotation required within the Request for quotation.

Authorized Signature: _____

Name and Title of Signatory _____

Name of Supplier: _____

Phone Number /e-mail address _____

Appendix B.2. Specification and terms and conditions for supply

Technical Specifications (Required and Offered) and Quantity per Place of Delivery

Requested				Offered			
Ref.no	Description	Unit	Quantity	Description	Offered model	Unit	Quantity
1							
1.1							

(Note: In case of a discrepancy between the unit and total price, the unit price will be taken as correct)

1. Fixed Price: The prices indicated above are firm and fixed and not subject to any adjustment during contract performance.

2. Delivery Schedule: The delivery should be completed as per the above schedule but not exceeding (*to be filled by the service provider*) working days from the date of the written order given by the buyer.

3. Payment: Payment of the invoice will be as follows: 100% of the contract value will be paid within 60 days from the date of the certificate of receipt of the goods, issued by the purchaser.

4. Warranty: The warranty for all products must be at least ____ years, or as recommended by the manufacturer.

NAME OF SUPPLIER _____

Authorized Signature _____

C. Tender documentation for procurement of construction works
--

C.1 Invitation to quote

1. Invitation to quote Ref.no.

(The Name of Service Provider) is inviting you to submit your price quotation for the procurement of:

(i) _____

(ii) _____

(iii) _____

2. You must quote for all the items under this Invitation listed in the Bill of Quantities. Price quotations will be evaluated for all the items together and the contract will be awarded to the Supplier offering the responsive and lowest evaluated total cost.
3. Your price quotation in the Macedonian language in the form attached, should be submitted at the following address: (xxx) or by mail on (xxx)
4. The procurement will be conducted following the “World Bank Procurement Regulations for Investment Project Financing (FIP) - FIP Procurement for Goods, Construction, Non-Consulting and Consulting Services, (Regulations) from July 2016, revised in November 2017”. The deadline for receipt of the quotations at the indicated address is: xxx
5. Your price quotation shall consist of filled-in and signed C.2 Form of quotation (electronic sign if it is submitted by email):

The following documents are part of the C.2 Form of Quotation.

- Appendix C.2.-Technical specification and Bill of Quantities

Your quotation(s) should be submitted as per the following instructions.

- i. **PRICES:** The prices should be quoted in Macedonian Denar (MKD), with included VAT for the Total Cost at the final destination (*to be filled by the Service Provider*)
- ii. **EVALUATION OF QUOTATIONS:** Quotations determined to be substantially responsive to the technical specifications will be evaluated by comparison of the total price at the final destination as per para. i above.

In evaluating the quotations, the Employer will determine for each quotation the evaluated price by adjusting the price quotation by making any correction for any arithmetical errors as follows:

(a) where there is a discrepancy between amounts in figures and words, the amount in words will govern;

(b) where is a discrepancy between the unit rate and the line-item total resulting from multiplying the unit rate by the quantity, the unit rate as quoted will govern;

If a Supplier refuses to accept the correction, his quotation will be rejected.

AWARD OF PURCHASE ORDER/Contract: As the most suitable quotation will be selected the quotation that essentially meets the requirements of the Invitation to quote and has the lowest evaluated responsive quotation. The successful supplier will sign a Contract as per the attached form of contract and terms and conditions of supply.

- iii. **VALIDITY OF THE OFFER:** Your quotation(s) should be valid for forty-five (45) days from the deadline for receipt of quotation(s) indicated in Paragraph 4 of this Invitation to Quote.

Further information can be obtained from: *(to be filled by the Service Provider)*

6. Inspections and Audits

6.1 The Contractor shall carry out all instructions of the Employer/ Service Provider which comply with the applicable laws where the destination is located.

6.2 The Contractor shall permit, and shall cause its Subcontractors and consultants to permit, the Bank and/or persons appointed by the Bank to inspect the Contractor's offices and all accounts and records relating to the performance of the Contract and the submission of the quotation, and to have such accounts and records audited by auditors appointed by the Bank if requested by the Bank.

The Contractors's and its Subcontractors and consultants' attention is drawn to Clause 3 "Fraud and Corruption" of the Form of Contract, which provides, inter alia, that acts intended to materially impede the exercise of the Bank's inspection and audit rights constitute a prohibited practice subject to contract termination (as well as to a determination of ineligibility according to the Bank's prevailing sanctions procedures).

Sincerely,

C.2 Form of quotation

FORM OF QUOTATION

_____(Date)

To: (name and address of the -Employer /service provider)

We offer to execute the Contract for Supply and delivery of (xxxx) under the Conditions of Contract accompanying this Quotation for the Contract Price of _____ (amount in words and numbers) (_____) (name of currency) _____ with VAT.

We propose to complete the works described in the Contract within a period as stated in the request for quotation.

This quotation and your written acceptance will constitute a binding contract between us. We understand that you are not bound to accept the lowest or any Quotation you receive.

The following documents form are part of this Form of Quotation.

Appendix C.2. Technical description and bill of quantities

We hereby confirm that this Quotation complies with the Validity of the Quotation required within the Request for quotation.

Authorized Signature: _____

Name and Title of Signatory _____

Name of Supplier: _____

Phone Number /e-mail address _____

Appendix C.2 Technical description and bill of quantities

Ref.no: _____

1. Technical description and Bill of quantities

No.	Description	Unit	Quantity	Unit Price	Total Price
1					
1.1					
	Total				
	VAT				
	Total with VAT				

NAME OF Contractor _____

Authorized Signature _____

Place and date:

C.3 Form of Contract
Contract for (XXX)
Contract no. xx

THIS AGREEMENT number _____ made on _____, between (*name of the service provider*) (hereinafter called “the Employer”) on the one part and _____ (hereinafter called “the Contractor”) on the other part.

The contract is concluded based on an invitation for quotations for _____ number _____ according to which the Contractor submitted a bid for construction works listed in the technical specification, after which the Employer accepts the Bid of the Contractor who is required to perform these works, as well as remove any errors that may arise from them.

The Document C.2 Form of Quotation (including Appendix C.2. Technical description and bill of quantities) shall be deemed to be formed read and interpreted as part of this contract. This Agreement takes precedence over all other Contract Documents.

This Agreement regulates in more detail the rights and obligations of the contracting parties about:

1. The Contractor undertakes to perform the works described in detail in the C.2 Form of Quotation (including Appendix C.2. Technical description):

- (a) Removal of all defects within 15 days from the date of notification by the Employer during the contract period, as well as any defects that may occur during the warranty period.
- (b) The Contractor shall continuously follow the instructions given by the Employer.
- (c) The Contract Period shall be _____ calendar days from the date of the contract.
- (d) The Contractor shall photograph the plant and its conditions before and after the renovation is completed, and the photographs must be submitted to the Employer no later than 2 days after the renovation is completed.
- (e) The Contractor shall organize and carry out the work in such a way that the day-to-day operation of the institution is not hindered.
- (f) In the event of changes in quantities, the unit prices specified in the contract shall be used. In case of new works that will be performed by order of the Employer, they will be paid at a price that is jointly determined by the two contracting parties, and if no agreement can be reached, the Employer will determine the unit price.
- (g) This Agreement shall be executed following the applicable laws of the Republic of North Macedonia.
- (h) The Contractor is responsible for the safe performance of all site activities.
- (i) The person designated by the Employer and or/Municipality/s shall conduct regular inspections (supervision) of the implementation of fieldwork during the performance to determine whether the work

performed by the Contractor follows the specifications and has the required quality specified in the specifications. The Employer will not accept works that do not comply with the specifications and the Contractor is obliged to take immediate action to correct any deficiencies.

- (j) Either Contracting Party may terminate the Contract by giving written notice, with a notice period of 10 calendar days. The employer agrees to pay for the work performed until the day of termination of this contract.
 - (k) The payment of all fees, taxes, duties, and other charges following the laws of the Republic of North Macedonia is the responsibility of the Contractor.
 - (l) Disputes that may arise between the Employer and the Contractor in respect of the contract shall be settled amicably. If no amicable settlement can be reached, disputes will be settled following the laws of the Republic of North Macedonia.
2. The Employer undertakes to pay the Contractor the contract price in the amount of _____ (in words: _____) including VAT as follows: 100% of the value of the performed works will be paid within 30 days after the submission of the invoice, and after the approval of the same by the Employer and Supervisor, calculated based on the unit prices and the quantities consumed.

3. Controls and audits

3.1 The Contractor shall follow the instructions of the Employer which are in accordance with the laws applicable at the location.

3.2 The Contractor, as well as the subcontractors, will allow the Bank and/or the persons or auditors appointed by the Bank to review and/or audit their accounts and records and other documents related to the submission of the Quotation for works and performance of the contract. Failure to comply with this item is a prohibited practice that may result in the annulment of the contract and/or sanctioning by the Bank (determination of ineligibility) under the applicable provisions of the Banking Sanction.

4. We confirm that the parties have agreed that this Agreement shall enter into force on the date set out above.

Signature and stamp of the Employer: FOR AND ON BEHALF OF _____ Name of Authorized Representative	Signature and stamp of the Contractor: FOR AND ON BEHALF OF _____ Name of Authorized Representative
--	--

D. Evaluation report procurement of goods/materials/equipment and construction works

1. Name of the procurement
2. Details of the goods to be procured

<i>List of items to be procured</i>	<i>Description of the items</i>	<i>Quantities</i>

3. Estimated value of the procurement
4. Date and place of announcement of the procurement:
5. Invited suppliers:
6. Received quotations:

Name and address of the supplier	Date when the quotation was received	Period of quotation validity	Price Quotation without VAT	Price Quotation with VAT	Evaluated price without VAT	Evaluated price with VAT	Ranking

7. Non-responsive quotations and reasons for non-responsiveness:
8. Name of the supplier with the lowest evaluated price that meets the requirements:
9. Total value of the contract (with VAT):
10. Issues to be discussed before finalizing the contract:
11. Complaints submitted:

Annex1. Technical evaluation / requested-offered

Requested					Offered		
Ref		Description	Unit	Quantity	Description	Unit	Quantity
1							
1.1							

Date:

Place:

Signatures of the evaluation committee members

E. Statement of Confidentiality, Impartiality, and Absence of Conflict of Interest

STATEMENT OF CONFIDENTIALITY, IMPARTIALITY, AND ABSENCE OF CONFLICT OF
INTEREST

Evaluation Committee

Name (of the person making this statement-member of the evaluation committee): [insert name]

Position / Title: [insert title]

Organization: [enter organization name]

Name of the procurement:

STATEMENT

I understand my role as a member of this Bid Evaluation Committee and make this statement in good faith.
Choose one of the following two options:

NO CONFLICT OF INTEREST

I have no real, potential, or apparent conflict of interest about this procurement process and my role as a member of the Evaluation Committee and I undertake to perform my duties with the highest degree of objectivity and integrity.

CONFLICT OF INTEREST

I have a conflict of interest.

1. Select the type of conflict of interest:

Real: This is an existing conflict of interest, for example: you have a close relative who is a director of one of the companies that submitted a quotation/proposal.

Potential: Refers to a conflict of interest that should happen or could happen, for example: you or a close relative are in the process of hiring or acquiring part or full ownership of a company that submitted a quotation/proposal.

Perceived (apparent): This is a conflict of interest that can reasonably be expected to be perceived by others as compromising a person's objectivity, for example: you have a close personal friendship with a director of one of the firms that submitted the quotation/proposal.

2. Describe the circumstances that cause a conflict of interest:

--

Signature:	
Date:	

Annex 9 - Visibility Guidelines

The service provider funded by the social services development grant scheme needs to adhere to certain visibility guidelines. All equipment should have logos of:

- Ministry of Social Policy, Demographics and Youth
- World Bank,
- Social Services Improvement Project,

And the logos of:

- The municipality/s, and
- The service provider.

1. The following guidelines should be followed:

- the backpack can be in any size and color (shown in picture 1);
- the vest must be purple (shown in picture 2);
- the sweatshirt must be white (shown in picture 3);
- pants must be black;
- T-shirts must be white (shown in Picture 4).

The uniform must meet the above criteria whether purchased from grant funds or own funds. Upon completion of the funding by the SSIP/MSPDY, the service provider may change the uniform.

The uniform must meet the above criteria in case it is purchased from the grant funds and own funds. Upon completion of SSIP/MSPDY funding, the service provider may change the uniform.

2. If service providers purchase a car, it must be in white, as shown in Figure 5.

Picture no.1



Picture no.2



Pictureno.3



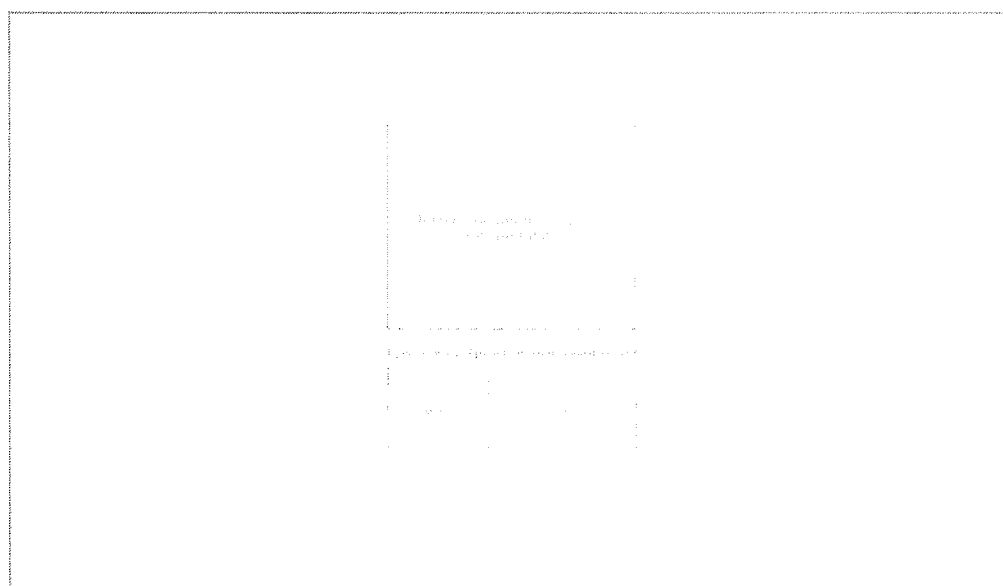
Picture no.4



Picture no.5



Pattern of logos



Prior to the purchase of any of the above items, the service provider must obtain approval from the PMU.

The logos of the Municipality and the service provider can be placed under the logos of the MSPDY and the World Bank.

Annex 10 - Guidelines for recording supporting documentation

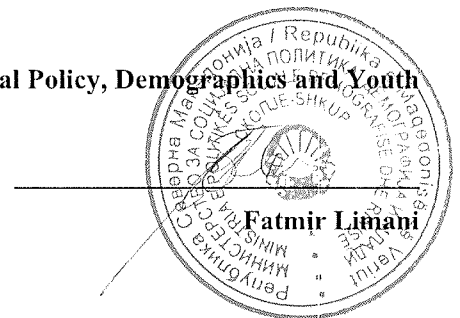
Grant beneficiaries are required to keep records of all project-related documentation and to submit these in printed and/or electronic form to the PMU when providing financial reports for the first and second installments for the establishment phase. After project completion, the beneficiaries are obliged to keep all relevant project documents in original for 5 years. These documents must be made available upon request for inspections, controls, audits, or investigations.

Supporting documentation:

- Invoice
- Request for an offer
- Evaluation report
- Bank statement
- Bank order
- Calculation list for wages, declaration of receipt, account calculation
- Records of the list of participants from events/trainings

In addition, where the performance of construction intervention, and adaptation of space according to the project activity is foreseen, it is mandatory to record the change with pictures: before and after, including a temporary/final situation supported by a construction book.

Minister of Social Policy, Demographics and Youth



Handwritten signature and initials in the bottom left corner.