ANNEX I: ELIGIBLE GRANT ACTIVITIES

Below tables represents the activities that are eligible and not eligible under each activity:

Purchase of Equipment or Machinery	
Description	Purchase of critical equipment that directly impacts the cooperative's ability to produce goods or upgrade already existing machinery/equipment, or replace damage or destroyed equipment
Eligible Costs	- **Essential Equipment for Production**: Purchase of brand-new machinery/equipment essential for agriculture/production, or to meet increased demand or service provision or acquisition of equipment. - **Equipment Installation and calibration**: Costs associated with the delivery, installation, and commissioning of the new equipment. - **Training for Staff**: Expenses for training employees on the operation and maintenance of the new equipment. - **Maintenance Costs**: Routine maintenance or repair costs of existing equipment. -
Non-eligible costs	- **Logistics and Distribution Equipment**: Vehicles or equipment for transportation and distribution purposes are not covered. - **Non-Essential or Luxury Equipment**: Equipment not critical to core operations or considered luxury items. - **Personal or Unrelated Purchases**: Purchases not directly related to the business activities. - **Non-Operational Machinery/Equipment**: Equipment that is not immediately functional or relevant to current operations. - **Excessive or High-Cost Purchases**: Equipment with costs that are unjustifiably high without clear necessity or cost-benefit justification. - **Used/secondhand machinery**: purchase for pre-owned equipment, ensuring focus on new, reliable solutions - **Equipment which are not essential for the cooperative operation**
Documents required	- **A detailed description of the equipment to be purchased**, including specifications, safety regulations, quality standards, purpose, and how it will impact operations/production. - **Quotations or Proforma Invoices**: from suppliers for the equipment including installation, and training costs.

Repair and rehabilitation of facilities and assets	
Description	Invest in repairs to infrastructure, refurbishing damaged equipment, and enhancing structural resilience to improve functionality and service delivery.
Eligible Costs	– **Structural repairs:** Repairs or maintenance expenses for existing infrastructure that were damaged during the war.

	– **Structural Improvement**: Enhance walls, floors, ceilings, storage, and other facilities to meet operational/production safety and quality standards – **Fire Safety & Emergency Systems**: Install fire extinguishers and alarms and implement emergency response training. – **Accessibility improvements:** Including ramps and adaptations to cater for special needs.
Non-eligible costs	- **Aesthetic-Only Renovations:** Cosmetic enhancements or purely decorative changes without a direct impact on operations. - **Non-Essential Construction Projects:** Expansions that do not directly enhance production, operation, service provision, or efficiency - **Land Purchase or Real Estate Acquisition:** Buying land or buildings is not covered under this grant category. - **Personal or Non-Business-Related Expenses:** Investments that are not directly related to operations/production. - **High-Cost Projects Without Justification:** Infrastructure upgrades that are disproportionately expensive without a clear cost-benefit analysis. - **Upgrade of employees' offices or restrooms including basic furniture**
Documents required	- **A detailed description of the enhancement to be done**, including specifications, safety regulations, quality standards (when applicable), purpose, and how it will impact operations. - **Quotations or Proforma Invoices**: from suppliers for the material and implementation cost.

Purchase of Energy-efficient Equipment	
Description	Purchase of energy-efficient machinery/tools/equipment that would support in streamlining production and reducing operational cost.
Eligible Costs	- **Renewable Energy Solutions**: Purchase of renewable energy systems such as solar panels, wind turbines, or other renewable energy technologies. - **Installation Costs**: Expenses related to the installation and setup of energy-efficient equipment or renewable energy systems. - **Basic Training for Staff**: Costs for training employees to operate and maintain the newly acquired energy-efficient equipment. - **Energy Monitoring Systems**: Investment in systems to monitor energy consumption and optimize efficiency, such as smart meters or energy management software. - **Upgrade of Existing Systems**: Costs associated with upgrading current energy systems to improve efficiency, excluding routine maintenance. Replacing or adding batteries and routine maintenance are considered eligible. - **Upgrade Existing Machinery or Equipment** by incorporating tools or components that enhance energy efficiency.

Non-eligible costs	- **Non-Essential Equipment**: Purchase of equipment that offers minimal or negligible improvements in energy efficiency. - **Luxury or Premium Features**: Costs for high-end features or premium versions of equipment that are not essential for energy efficiency. - **Long-Term Investments Beyond Scope**: Expenses for permanent infrastructure or large-scale renewable energy projects that do not address immediate operational needs. - **Repairs or Maintenance**: Routine maintenance or repair costs of existing energy systems or equipment. - **Unrelated Consumables or Accessories**: Costs for consumables or accessories that are not directly related to energy efficiency improvements
Documents required	- **Quotations or Proforma Invoices:** from suppliers or installers for the energy-efficient equipment and renewable energy systems. - **Technical Specifications:** Detailed technical specifications or product descriptions of the proposed energy-efficient equipment, renewable energy systems or the upgrades - **Proof of Existing Energy Systems:** Documentation (including pictures), verifying the presence and condition of existing energy systems (if applying for upgrades for existing energy systems).

Purchase of Raw Materials	
Description	This activity involves the acquisition of raw materials or essential materials critical for the production process.
Eligible Costs	- **Primary Raw materials:** It includes products that are essential for the production process. - **Semi-Processed Inputs:** Materials that are partially processed and will undergo further manufacturing or assembly as part of the final product.
Non-eligible costs	- **Consumable Inputs:** Fuels, gases, adhesives required for manufacturing processes. - **Non-Operational Supplies:** Office supplies, furniture, or items not directly involved in manufacturing. - **Finished Goods for Resale**: Fully finished products intended for retail rather than production inputs. - **Luxury Packaging**: High-cost packaging materials that do not directly protect or contribute to the functionality of the product.
Documents required	- **Detailed List of Required Materials**: Quantities, specifications, suppliers and intended use. - **Quotations or Proforma Invoices:** from suppliers or installers for energy-efficient equipment and renewable energy systems.

Access to Local Markets	
Description	This activity is designed to boost sales of the products of the cooperative
Eligible Costs	Cost of participation in local fairs, cost of packaging of products for sales Social media marketing (Ads with a cap of USD 2,000 per Cooperative)
Non-eligible costs	NA
Documents required	**Quotations/Proposals:** Cost estimates or proposals from vendors for listing fees or design and rebranding.

E-commerce and Digital Solutions	
Description	Develop or upgrade an e-commerce platform (or website upgrade) or entering online marketplace to expand market reach, improve customer engagement, and enhance sales channels or exports.
Eligible Costs	**E-Commerce Platforms and Online Marketplaces**: Website development to facilitate online sales, subscription costs for e-commerce platforms, integration of online payment gateways to ensure smooth transactions and training sessions for staff to manage the e-commerce platform. **Digital Solutions development for operations streamlining**
Non-eligible costs	**Internet Costs:** Internet subscriptions or monthly bills. **Non-Business Software:** Any software not directly related to digital distribution or marketing. **Maintenance Costs**: Costs related to maintaining pre-existing platforms or tools. **Unrelated Digital Tools**: Tools that do not support distribution, marketing, or customer engagement. **Logistics and Delivery Management Tools**: Inventory management systems and order-tracking software to streamline online operations or subscription to delivery service platforms or integration with logistics providers
Documents required	**Quotations/Proposals:** Cost estimates or proposals from vendors for e-commerce platforms, website and/or mobile app development fees, and/or listing fees.

Other **non-eligible** costs that can **NOT** be covered under this grant:

- **Consumable Inputs:** Fuels, gases, adhesives required for manufacturing processes
- **Non-Operational Supplies:** Office supplies, furniture (unless necessary for rehabilitation and business continuity, or items not directly involved in production).
- **Finished Goods for Resale**: Fully finished products intended for retail.
- **Salaries for Full-time, part-time, seasonal, daily Workers or interns**
- **Non-Salary Benefits**: Benefits such as allowances, bonuses, or perks that are not directly tied to salaries
- **Monthly Rent:** any fees associated with renting the production or storage facility