

APPLICATION GUIDE FOR THE MUNICIPAL PROGRAM “START-UP FOR YOUTH AND MIGRANTS”



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GLOSSARY OF TERMS

Young aspiring entrepreneur – an individual aged between 18 and 40, who resides in the municipality of Chişinău and either owns a small or medium-sized enterprise (SME) registered in Chişinău for no longer than 24 months, in which the eligible founder holds at least 75% of the shares or intends to establish an enterprise in the municipality of Chişinău under the same ownership conditions.

Migrant worker – an individual who has been or is currently working abroad, or a recipient of remittances (spouse or first-degree relative of a migrant worker), who resides in the municipality of Chişinău and either intends to start a business or owns an enterprise registered in municipality of Chişinău for no more than 24 months.

Refugee – an aspiring entrepreneur residing in the municipality of Chişinău who intends to start a business, or a refugee entrepreneur who owns a SME registered in municipality of Chişinău for no more than 24 months.

Beneficiary – an applicant who has successfully completed the pre-financing evaluation process and has been approved to receive non-reimbursable financial support.

Financing application file – a numbered set of documents submitted by an applicant for the purpose of obtaining non-reimbursable financial support.

Investment project – a business initiative that involves the allocation of financial resources for the purchase of goods or the provision of services, based on a well-defined plan.

Compliance evaluation – the process of reviewing the financing application file to verify its alignment with the requirements set out in the Program, the Operational Manual, and other applicable compliance criteria.

Pre-financing evaluation – the set of measures undertaken to assess the alignment of applicants and their investment projects with the objectives and priorities of the Program, the effectiveness of their implementation, the capacity to achieve the Program's expected outcome and impact indicators, as well as to identify potential risks that may arise during the implementation of the investment project.

Post-financing evaluation – the set of measures carried out to assess the achievement of the Program's outcome indicators, as well as to determine its overall impact on the economic environment.

Grant portion – the amount of non-reimbursable financial support awarded within the program to finance entrepreneurs' investment projects.

Non-reimbursable financial support – a form of funding provided to beneficiaries under the Program for the implementation of the investment project (grant).

Substantial amendment to the financing contract/investment project – an action involving a change in the project's objective or modification exceeding 30% of the investment project's value, which requires replacing or removing investment items or reducing the beneficiary's own contribution.

Conflict of interest – the use by beneficiaries/applicants of the Program of their position as founder/administrator of the enterprise for personal benefit or for the benefit of affiliated persons (spouse, child, partner, parent, sibling, grandparent, niece/nephew, uncle/aunt, brother-in-law/sister-in-law, mother/father-in-law, son/ daughter-in-law) with the purpose of arranging

fictitious transactions with Program beneficiaries to justify the investment carried out using non-reimbursable financial support or own contribution.

Economic concentration – a group of affiliated enterprises whose financial and employee thresholds exceed the limits established in Article 4 of Law no. 179/2016 concerning small and medium-sized enterprises.

Monitoring – the set of measures carried out to ensure compliance with the implementation of the investment project, adherence to contractual provisions, and the mitigation of risks related to the improper use of financial resources granted to beneficiaries.



● ● ● GENERAL OVERVIEW

This Application Guide for the **Municipal Program “Start-up for Youth and Migrants”** (hereinafter, the “Application Guide”) provides procedural instructions for the application process and is mandatory for all Program applicants.

The Municipal Center for Entrepreneurship Development (CMDA), as the Program’s implementing unit, is responsible for managing all stages of the Program, including information phase, application, evaluation, funding disbursement of funds, post-financing monitoring, and organizing training sessions for participants.

Program purpose and specific objectives

The purpose of the Program is to stimulate entrepreneurship among youth and migrants in the municipality of Chisinau by facilitating the launch and development of sustainable businesses and supporting job creation.

To achieve this purpose, the Program targets the following specific objectives:

- a) to promote the entrepreneurial spirit among youth and migrants in the municipality of Chisinau;
- b) to facilitate access for young people and migrant workers who wish to establish or develop a business to the necessary financial resources by providing non-reimbursable financial support up to 250,000.00 MDL, but not exceeding 70%

of the eligible costs;

- c) to develop entrepreneurial competencies by providing informational, advisory, and educational support;
- d) to create favorable conditions for channeling remittances obtained by migrants into the economic sectors of Chisinau municipality;
- e) to facilitate the implementation of innovations, technology transfer, and know-how;
- f) to increase the number of jobs and active enterprises in the municipality of Chisinau.

Program beneficiaries

- a) **young aspiring entrepreneur** – an individual aged between 18 and 40, who resides in the municipality of Chisinau and either owns a SME registered in the municipality of Chisinau for no longer than 24 months, in which the eligible founder holds at least 75% of the shares or intends to establish an enterprise in the municipality of Chisinau under the same ownership conditions.
- b) **migrant worker** – an individual who has been or is currently working abroad, or a recipient of remittances (spouse or first-degree relative of a migrant worker), who resides in the municipality of Chişinău and either intends to start a business or owns an enterprise registered in municipality of Chisinau for no more than 24 months.
- c) **refugee** – an aspiring entrepreneur residing in the municipality of Chisinau who in-

tends to start a business, or a refugee entrepreneur who owns a SME registered in

the municipality of Chisinau for no more than 24 months.



Eligibility criteria for young aspiring entrepreneur

- a) is a citizen of the Republic of Moldova, residing in the municipality of Chisinau, aged between 18 and 40 years;
- b) intends to start a business or owns a SME registered in the municipality of Chisinau for no more than 24 months, in which the eligible founder holds at least 75% ownership;
- c) the applicant's financial contribution

- represents at least 30% of the eligible costs of the investment project, confirmed by submitting a bank account statement from a commercial bank or other proof of availability of own contribution at the time of application;
- d) the project is based on a business plan demonstrating the feasibility and efficiency of the investment project;
- e) the project is implemented within the administrative-territorial area of the munic-

pality of Chisinau;

f) the business will ensure the creation and/or maintenance of at least 3 permanent jobs for a minimum period of 2 years;

g) at the time of submitting the financing application, the applicant has no outstanding debts related to taxes and fees owed to the national public budget;

h) applicants may receive non-reimbursable financing under the Program only once.

Eligibility criteria for migrant worker

a) is a citizen of the Republic of Moldova, residing in the municipality of Chisinau;

b) is a migrant worker from the municipality of Chişinău or a recipient of remittances (spouse or first-degree relative of a migrant worker);

c) intends to start a business or owns a small or medium-sized enterprise registered in the municipality of Chisinau for no more than 24 months prior to the application submission;

d) the applicant can provide documentary evidence that the financial resources held originate from remittances (employment contract, payment documents confirming remittance transfers, etc.);

e) the applicant's financial contribution represents at least 30% of the eligible costs of the investment project, confirmed by submitting a bank statement from a commercial bank or other proof of own contribution at the time of application;

f) the project is based on a business plan demonstrating the feasibility and efficiency of the investment project;

g) the project is implemented within the administrative-territorial area of the municipality of Chisinau;

h) the business will ensure the creation and/or maintenance of at least 3 permanent jobs for a minimum period of 2 years;

i) at the time of submitting the financing application, the applicant has no outstanding debts related to taxes and fees owed to the national public budget;

j) applicants may receive non-reimbursable financing under the Program only once.

Eligibility criteria for refugee

a) an aspiring entrepreneur residing in the municipality of Chisinau who intends to start a business, or a refugee entrepreneur who owns a small or medium-sized enterprise registered in the municipality of Chisinau for no more than 24 months;

b) is a citizen of Ukraine and is registered as a refugee;

c) the applicant's financial contribution represents at least 30% of the eligible costs of the investment project, confirmed by submitting a bank statement from a commercial bank or other proof of own contribution at the time of application;

d) the project is based on a business plan demonstrating the feasibility and efficiency of the investment project;

e) the project is implemented within the administrative-territorial area of the municipality of Chisinau;

f) the business will ensure the creation and/or maintenance of at least 3 permanent jobs for a minimum period of 2 years;

- g) at the time of submitting the financing application, the applicant has no outstanding debts related to taxes and fees owed to the national public budget;
- h) applicants may receive non-reimbursable financing under the Program only once and from a single source.

Program priority areas

- a) businesses engaged in manufacturing activities or service provision;
- b) businesses that include innovative activities or aim to implement projects involving technology transfer and know-how;
- c) businesses focused on the development of the following sectors: information and communication technology (ICT); e-commerce; electromechanics; agro-food industry and HoReCa; light industry; creative industries; tourism; health and beauty; professional, scientific, or technical activities; energy efficiency; agriculture; and others;
- d) businesses that provide services or products to third-party companies.

Ineligible areas under the program

The following sectors are not eligible under this Program:

- a) fiduciary and insurance activities;
- b) investment funds;
- c) banking, microfinance, and other financial activities;
- d) currency exchange and pawnshop operations;
- e) gambling and related services;
- f) real estate sector;
- g) military services and/or technical assistance, operations with military products, production of military goods;
- h) import, production, and sale of alcoholic beverages and alcohol products;
- i) import, production, and sale of tobacco products;
- j) retail and wholesale trade;
- k) other sectors which, according to applicable legislation, fall under public security or food safety, and are under the jurisdiction of central and/or local authorities.

● ● ● ELIGIBLE COSTS

1. Non-reimbursable financial support shall be used for:

a) tangible investments, including:

- technological equipment, machinery, tools and work installations, measuring, control, and regulation devices, computing technology, etc.;
- raw materials and supplies necessary to start the production process, up to a maximum of 20% of the non-reimbursable funding amount;
- purchase of new tangible investments only, accompanied by a warranty certificate;

b) intangible investments or development services, up to a maximum of 10%, including:

- visibility and digitalization elements (brand book, brochures, website, e-Commerce platform);
- franchises, eco-labeling, licenses, software, etc.;
- obtaining quality certificates, quality/brand standards, or other permitting documents.

2. The beneficiary's own financial resources must be used strictly in accordance with the needs specified in the investment project to ensure continuity/complementarity of the investment and achievement of the proposed objectives.

3. Only costs incurred after the applicant's project approval are considered eligible.

● ● ● INELIGIBLE COSTS

Non-reimbursable financing under the Program will not cover:

- a) loans and provisions for losses and debts;
- b) interest payments;
- c) fines, financial penalties, and legal expenses;
- d) assets and services funded or co-financed by other assistance programs/projects;
- e) purchase of land and buildings;
- f) foreign exchange losses;
- g) costs incurred prior to application to the Program;
- h) depreciation expenses;
- i) transportation costs;
- j) customs duties and brokerage service fees;
- k) labor costs for works;
- l) expenses related to salaries and rent;
- m) taxes and fees, including VAT;
- n) purchase of second-hand equipment;
- o) consumables, maintenance, and repair services;
- p) financing of leasing costs;
- q) means of transportation.

● ACCESSING THE NON-REIMBURSABLE ● FINANCIAL SUPPORT

The procedure for accessing non-reimbursable financial support under the Program involves a series of activities aimed at identifying, selecting, evaluating, and approving investment projects that align with the Program's objectives and eligibility criteria.

Application to the Program is made by submitting the Application Form online, signed with a qualified advanced electronic signature by the applicant, along with the corresponding set of documents. The required documents include those listed below:

Documents Required for Financing: Young aspiring entrepreneurs

- 1. The applicant's identity card (the Confirmation Extract regarding registration at the address of domicile and/or temporary residence, from the portal (verifica.gov.md) will be presented – which will contain information regarding domicile, residence and IDNP code in digital format) – electronically signed);**
- 2. Grant application form (original, electronically signed);**
- 3. Extract from the State Registry of legal entities and sole proprietorship** (if the application is submitted on behalf of a business entity);
- 4. Business plan/Application form** for a period of 4 years demonstrating the feasibility of the investment project (*original, electronically signed*);
- 5. At least 3 quotations** for the machinery/equipment to be purchased under the investment project (e.g., public offers for goods/services, which may also be pre-sented as screenshots from official supplier websites);

er websites);

- 6. Supporting documents demonstrating availability of co-financing amounting to at least 30% of the eligible costs of the investment project**, confirmed by submission of a bank statement from a commercial bank or other proof of own contribution at the time of application;

- 7. Other supporting documents** (optional).

Migrant workers/remittance recipients

- 1. The applicant's identity card (the Confirmation Extract regarding registration at the address of domicile and/or temporary residence, from the portal (verifica.gov.md) will be presented – which will contain information regarding domicile, residence and IDNP code in digital format) – electronically signed);**
- 2. Grant application form (original, electronically signed);**
- 3. Extract from the State Registry of legal entities and sole proprietorship** (if the application is submitted on behalf of a business entity);
- 4. Copies of documents proving the kinship between the migrant and the Program applicant:** identity card, marriage certificate, birth certificate, divorce certificate, or other document confirming kinship (as applicable);
- 5. Migrant's employment contract abroad**, translated by an authorized translation office;
- 6. Supporting documents proving the origin of funds from work abroad:** salary/income confirmation certificate, bank statements, copies of bank transfer orders;
- 7. Business plan/Application form** for a period of 4 years demonstrating the feasibility of the investment project (*original, electronically signed*);

cally signed);

8. At least 3 quotations for the machinery/equipment to be purchased under the investment project (e.g., public offers of goods/services, which may also be presented as screenshots from official supplier websites);

9. Supporting documents demonstrating availability of co-financing amounting to at least 30% of the eligible costs of the investment project, confirmed by submission of a bank statement from a commercial bank or other proof of own contribution at the time of application;

10. Other supporting documents (optional).

Refugees

1. Applicant's identity card;

2. Document confirming refugee status issued by the General Inspectorate for Migration (Migration and Asylum Bureau) of the Ministry of Internal Affairs of the Republic of Moldova;

3. Grant application form (*original, electronically signed*);

4. Extract from the State Registry of legal entities and sole proprietorship (if the application is submitted on behalf of a business entity);

5. Business plan/Application form for a period of 4 years demonstrating the feasibility of the investment project (*original, electronically signed*);

6. At least 3 quotations for the machinery/equipment to be purchased under the investment project (e.g., public of-

fers of goods/services, which may also be presented as screenshots from official supplier websites);

7. Supporting documents demonstrating availability of co-financing amounting to at least 30% of the eligible costs of the investment project, confirmed by submission of a bank statement from a commercial bank or other proof of own contribution at the time of application;

8. Other supporting documents (optional).

Application compliance examination

An application file that meets all compliance and eligibility requirements is considered complete.

The applicant is informed **by email** regarding the compliance status of the file.

If the file is found to be incomplete, the applicant must submit the necessary documents within up to 10 days.

The applicant is notified **by email** and **telephone** about the need to complete the file.

Files that do not meet all compliance and eligibility requirements are considered ineligible and are forwarded for archiving in accordance with the procedure.

The applicant is informed **by email** about the reasons for rejection of participation in the Program.

Pre-financing evaluation of applications

Only complete applications are admitted at the pre-financing evaluation stage, which includes:

1. Compliance analysis;

2. Investment project analysis;
3. Risk analysis.

During the pre-financing evaluation process, if necessary, the opinion of external experts may be requested. These experts will prepare and present a technical assessment of the project to ensure its alignment with the Program's priorities.

Documents confirming the performed expertise constitute the Pre-Financing Evaluation Report, duly signed.

If applicable, during the pre-financing evaluation of applications, interviews or on-site visits may be organized as follows:

- a) the interview, conducted in any form (by phone, online, or in person), aims to assess the applicant's capacity to successfully implement the investment project. The conclusions of the interview are included in the Evaluation Sheet.
- b) the on-site visit aims to confirm the intention to carry out the investment, as well as the reality, legality, and existence of economic and financial operations. The conclusions of the visit are included in the Evaluation Sheet.

Only adjustments to the investment project are accepted at the pre-financing evaluation stage, not substantial modifications. In the event of a request for substantial modification or a complete change of the investment project, the application will be rejected, with the possibility to restart the application procedure.

If an on-site visit, interview, technical expertise, or additional documents are requested from the applicant, the evaluation

deadline will be extended by an additional 15 working days.

Approval of non-reimbursable financial support

The final decision to approve or reject the investment project financing is made by the Coordination Council and recorded in the meeting minutes.

The applicant will be informed by email about the decision made, as well as the scheduled period for signing the financing contract.

Rejection of non-reimbursable financial support

Reasons for rejection of applications include:

- a) failure to meet the Program's eligibility criteria;
- b) failure to achieve the minimum required score according to the evaluation grid;
- c) incorrect or incomplete completion of the grant application form;
- d) submission of false documents or declarations by the applicant that do not correspond to reality;
- e) the investment project is not viable;
- f) investment items (both from own contribution and non-reimbursable financial support) have been financed or co-financed by other programs/projects or are not relevant to the applicant's activity;
- g) The application was classified as high risk.

In the case of rejected applications, the applicant will be informed by email within 5 days from the signing of the Coordination Council's meeting minutes, including the reasons for rejection.



● IMPLEMENTATION OF THE INVESTMENT ● PROJECT

Signing the financing agreement

The financing contract is signed according to the procedures established in the Program:

1. Either with a handwritten (wet) signature — in two copies, one of which is handed to the beneficiary, and the other is kept by the Implementing Unit (UIP);
2. Or with a qualified advanced electronic signature — if both parties to the financing contract agree to this method.

In the event of any changes to the documents submitted during the application to the Program, the beneficiary is responsible for providing the updated documents before the financing contracts are signed.

Execution of the agreement and project implementation

After signing the financing contract, the beneficiary shall carry out the investment using their own contribution and submit the corresponding original sup-

port documents within the deadline specified in the financing contract, along with any other justificatory documents confirming the investment.

If any inaccuracies and/or ambiguities are identified in the submitted supporting documents and/or deviations from the financing contract occur, the Implementing Unit will request (via email and phone) the beneficiary to provide the missing or necessary supporting documents within up to 10 working days.

Any additional documents submitted by the beneficiary will be appended to the file.

Supporting documents confirming the investment will not be accepted if they:

- a) contain corrections or other errors;
- b) are prepared with conflicts of interest;
- c) are unrelated to the investment items specified in the financing contract;
- d) are suspected to be falsified.

● ● ● MONITORING

Post-financing monitoring and evaluation

Monitoring activities start immediately after the beneficiary completes the investment project, by submitting the full set of supporting documents confirming the investment.

The monitoring period for Program beneficiaries shall last 24 months from the date of submission of the complete set of documents.

Monitoring is carried out in two stages:

a) **post-financing monitoring** – involves a visit to the business location to confirm the degree of investment implementation, as well as the reality, legality, and existence of economic and financial operations. Based on the monitoring activities, a post-financing monitoring report is prepared.

This report is accompanied by evidence confirming the existence of assets and their registration in the accounting records;

b) **final monitoring** – involves a visit to the business location and includes the evaluation of the fulfillment of obligations assumed under the financing contract, including the achievement of result indicators. Based on the monitoring activities, a final monitoring report is prepared. This report is accompanied by evidence confirming the existence of assets and their registration in the accounting records.

● ● ● FINAL OVERVIEW

The beneficiary is required to return the financial resources obtained under the Program in the following cases:

a) the financial resources were used contrary to the purpose specified in the Financing Contract;

b) the beneficiary disposed of investment items purchased with the non-reimbursable financial support before the end of the monitoring period, in any form provided by applicable legislation;

c) the beneficiary ceased the core activity for which the non-reimbursable financing from the Program was granted;

d) the beneficiary refuses or evades monitoring and/or submits false documents or declarations that do not correspond to reality;

e) the investment financed by the non-reimbursable financial support and the beneficiary's own contribution was carried out in violation of applicable legislation, as identified by the PIU or competent authorities after the financial support was granted;

f) the beneficiary changed the founders/partners or members of the enterprise after signing the financing contract, including during the monitoring period;

g) the beneficiary disposed of assets purchased with the grant amount after signing the financing contract, including during the monitoring period.

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