

Business Project Eligibility and Assessment Criteria

Business Project Eligibility Criteria and Requirements

- 1. Availability of a properly designed business plan which shall contain information pertaining to:**
 - the applicant (corporate or private) and the proposed project;
 - financing requirements, project cost, profitability, current and expected turnover, availability of co-financing schemes, credit record, data on assistance buy-back possibilities and corporate assets;
 - staff specialization, current staffing level and planned job opportunities; average wages applicable and expected wage rates;
 - technologies currently in use, would-be innovational technologies, raw material procurements, partnerships and project feasibility assessments;
 - marketing and sales projections, present and planned sales levels, marketing policies, foreign and domestic sales outlets, competitive assets, partnerships available and sales potentialities;
 - applicant's fiscal position, mandatory payments-related status, overpayments to the Treasury and overdue liabilities, if any;
 - cooperation with trade banks and lending organizations;
 - other project particulars, if needed
- 2. The proposed activity shall:**
 - be conducive to new jobs;
 - boost production;
 - foster exports or substitute imports;
 - promote cooperation with other enterprises and household businesses on a cooperative basis;
 - contribute to local area development;
 - have a bias towards local resources;
 - have an innovational focus;
 - be environmentally safe and clean
- 3. The following will be precluded from participation in the assistance program:**
 - fresh starters;
 - entities with no past operational record;
 - construction or service sector-related projects;
 - inadequately grounded or estimated projects;
 - economically harmful projects;
 - hazardous projects
4. All projects shall be computer-designed, with electronic copies available for consideration.
5. Any eligible entity shall introduce the system of corporative management and submit performance reports on a monthly basis.

Key Project Assessment Factors

1. feasibility;
2. job creation;

3. bias for exports, import-substitution capacity;
4. co-financing availability;
5. substantiated analysis on sales outlets allowing for the global financial and economic crisis;
6. availability of clearly-designed and high-quality business projects;
7. data accuracy;
8. innovative approaches;
9. allowance made for a multiplicative impact and development opportunities;
10. adequate human resource capacity;
11. financial performance attractiveness;
12. low risk exposure

Criteria applicable in case of a more detailed study or priority determination, if necessary

1. Point-based criteria for priority determination (50 points in total):

- feasibility and prospects (5);
- risk exposure (3);
- good corporate record (2);
- multiplicative economic effect (5);
- export-promotion and/or import-substitution capacity (7);
- staff specialization and qualification (2);
- job opportunities (7);
- innovative approaches and competitive assets (3);
- properly designed marketing policy (7);
- good borrowing and debt compliance record (5);
- co-financing availability (owner's participation to 50% and above) (4)

2. Analysis-based comparative criteria:

- buy-back period determination on the basis of a cost-profit analysis;
- investment return index;
- corporate profit margin;
- net current worth (value);
- investment performance ratio;
- estimated return on each AMD 1 million-worth of investment (profit, new jobs, exports, fiscal contributions etc);
- collation of actual (local) and overall (regional) indicators (company share in the aggregate sales index of line enterprises, the share of company staffing in the total number of staff employed in the region etc)