

Business Development (BD) Grant Scheme

Frequently Asked Questions

15/7/2020

Q1: Are Business development grants non-refundable? It was not explicitly mentioned in the Call.

A1: Yes. Business Development grants are non-refundable.

Q2: As a part of the project documentation is there a detailed budget form, or the applicants are applying just with a business idea and lump sum?

A2: In relation to Business Development Call for Applications, during this phase of the application process applicants are applying by proposing only an indicative amount of total budget. The indicative budget figure is entered within the Narrative Application form which is Annex 1 of the Business Development Call for Applications. If successful, applicants will develop a detailed budget during Technical Assistance phase. For details about this later process, please refer to section 3. Available funding and allocations of the Call for Applications.

Q3: Are there any limitations to the type of services or the product to be developed to generate new income for the media through online sales?

A3: We advise all potential applicants to suggest idea around one service or product they aim to develop, launch and implement as part of their business plan. We did not predefine which type of services they should or could apply with, but this should be in line with their core media business.

Q4: If we already have a certain business model, like internet model for which we already have basic information and is already practiced in Europe and the region, can we receive technical assistance to get better understanding of that business model and its application here?

A4: Yes. The essence of our business support is to develop and tailor existing monetization streams to the need of media that will apply for our support. The Project will help media to adapt desired model to their context, capacities and needs during the Technical Assistance phase. The media outlet will also have an opportunity to plan in their budget all needed technical support and services to successfully develop and implement this model. Additionally, the Project will provide tailored capacity building for their staff in domains related to defined business model.

Q5: If we have combined idea to be presented in the application form: the current functioning business model to be extended but also to develop and implement new business idea in view of expanding and strengthening the overall business of the organisation, would this be a reason for the application to be disqualified?

A5: No, this is not a reason for the application to be disqualified. However, both existing business model and the new one that is to be developed, their objectives and how they both contribute to financial stability of the organisation should be clearly presented in the Application Form.

Q6: Is it recommended that we develop a new service or is it sufficient that we strengthen the current service provision (if the service provision is novelty on its own)? We understand that we can apply for strengthening of services, development of applications, etc. but here we refer to the basic service that we offer.

A6: Both are acceptable. It is preferable that you consolidate further what you are already doing, but you can try new services as well.

Q7: Should the application present a group of business ideas, or is the applicant limited to one idea?

A7: A group of ideas or one business idea are both acceptable, on condition that the application is clear and logical and contributes to further development of the media outlet. It is important that the business idea is built on already functioning model of the media outlet and includes new or updated features that will expand the current business model and will contribute towards its sustainability.

Q8: Will the media outlet be obliged to develop new business model?

A8: The project will provide technical assistance on developing new business model. Different e-learning possibilities will be available. However, the usual business model of the media outlet will not be changed but will be only further developed, through informal manner (e-learning), mentoring and similar activities that will be provided by the Project. Similar media outlet experiences will be shared during the Technical Assistance phase and media outlets will be able to learn from concrete experiences.

Q9: Our media outlet has not conducted a market research and neither do we have time or resources to perform it. Furthermore, do we have to conduct audience research or measurement?

A9: This should be clearly stated in your Application Form: the need to conduct market research as one of the first activities. Your need for capacity building in this regard should be clearly stated as well. In terms of audience measurement, each media has some information on its audience, and this is very relevant information to be included in the Application Form.

Q10: Is it allowed for a local media outlet, as an applicant, to expand its coverage to two or more locations?

A10: The new business idea is always welcome. Local media working with local community is priority of this Call, but if the media outlet wants to expand from original territory, this can be also proposed. However, it is better to remain as local media and within the currently covered territory and to strengthen the organisation

as such. If the applicant is a broadcast outlet, none of this applies. The coverage is part of broadcast license, issued by the Regulator. The project will not support any expansion beyond the actual license.

Q11: As the Application Form is more a concept than concrete and detailed business plan, is it possible to adjust the proposed concept idea upon receipt of the technical assistance – if deemed necessary and if it contributes to successful Business Plan?

A11: Yes. The application is a preliminary business idea based on which the evaluation will be conducted. Upon successful evaluation, applicants will receive the technical assistance for 2 months and during this time will develop further their business idea into detailed business plan and budget.

Q12: Could you, please, give some more information on target groups and final beneficiaries? Could we include final beneficiaries in the target groups?

A12: This will depend on your business idea. Beneficiaries will benefit directly from implementation of your business plan and its results, but target group is a group that your business plan is targeting to reach/influence/cover with reporting. Beneficiaries can be internal (i.e. capacities of the journalists, improved digital marketing of the media itself), and external (specific communities, specific audiences, etc.). For the external beneficiaries, specific portions of the target groups can be later the beneficiaries of the project (underrepresented groups, specific audiences, etc.).

Q13: Do we need to name all the clients as direct beneficiaries? What do you mean by 'supporters'?

A13: No, you do not need to name specific clients, but you may specify the type of the business/sector. Supporters might be clients, and other entities/individuals that you might target to generate new income by selling/promoting your new business idea/products.

At this stage (application process) you just need to define profiles of potential target groups, and during the Technical Assistance (if your application is selected), you will get mentoring support to conduct analysis of potential targets/clients and include it as a part of your Business plan.

Q14: Is it possible for one business idea to be a combination of internal organisation development and a new service/product, as we think these two things are closely related?

A14: Yes, this belongs to two areas in which the Project will provide capacity building support as well (media management and production) and it is natural to combine these areas under the single business idea.

Q15: Is it possible for a small media outlet to make a business model to be interesting to bigger advertisers?

A15: Hardly ever. The viable option for the small media outlets is to be networked and/or syndicated and only then receive a portion of national advertising campaigns. Meantime, before thinking about monetization and attracting bigger advertisers, your media outlet should consider how to take a step forward in improvements of the organisation in terms of technology and its organisational capacity. You should start with website redesign, then you may introduce interesting formats on social media, podcasts, etc. which may help to increase the outlets' audience.

Q16: We have planned a website redesign. Our media outlet has many business ideas, related to podcasts, live broadcasting on Facebook, direct communication with readers on the website. How can we turn different ideas into one idea?

A16: Website redesign is a very good idea for you to start with, as an interactive platform, and around that idea try to link other ideas you have mentioned and build a new business idea which will lead to more professional reporting, wider audience reach and gaining new audience, as well as generation of additional income.

Q17: Can you provide professional consulting assistance related to the development of digital platforms?

A17: Yes, the Project provides external consulting assistance, for example Facebook advertising, community engagement, etc.

Q18: In which way should we define topics for our shows?

A18: The Project cannot interfere in editorial policy of the media outlet. However, with the tools which you will gain as a support through this Project, you will be able to measure audience satisfaction with your content and thus make new editorial decisions. We want to improve how these topics will be presented in technical terms.

Q19: Is it acceptable to create separate programmes such as: youth programme, women empowerment programme, programme for persons with disabilities, citizen initiatives?

A19: All the topics you have proposed are acceptable and could bring added value to your business idea/plan, but our grants are not commissioning content nor providing the support for covering specific topics, issues etc.

Q20: If we have already conducted market research and we have finalised the business plan, can we still apply?

A20: There is always room for further development/improvement, and this can be also a subject of the Application Form. Therefore, in this case the answer is yes, you can still apply in a sense that the concept idea/application form refers to further development of the existing business model.

Q21: How is Technical Assistance (TA) conducted?

A21: The Technical Assistance will be provided to the applicants that successfully complete Step 4 of the Quality Assessment phase and who will sign a Pre-Agreement. The pre-grant phase will involve a two-month period of technical assistance by the Project to assist the grantee to develop Business Plan and Budget. Upon successful development and submission of the Business Plan and Budget, the Grant Agreement can be signed to be followed by disbursement of grant funds to implement the Business Plan. During the grant implementation phase, technical assistance will be also provided on an ongoing basis to support implementation of Business Plan.

Q22: Could you please specify if the timeframe should include the technical assistance and the implementation of the business idea?

A22: The time frame required in the Application template, needs to reflect only the implementation period of the Business Idea, starting from January 2021, up to one year, not the Technical assistance phase.

Q23: Within the BD Call, there is a time limitation for implementing the project activities set for December 31, 2021. Let's suppose we receive support for new sources of revenue project and assume that unpredictable events, beyond our control, happen during the course, something that could make an impact on the outcome of approved business plan (like repeated or prolonged closure of businesses due to COVID-19). Is the Project ready to extend the support until the project milestones are reached in such cases?

A23: The planned duration of the project may not exceed 12 (twelve) months. All activities should finish no later than 31 December 2021. Any potential risks and mitigation measures should be identified and listed in the Application Form in Section 3.6. Grant Schemes are part of the larger Project 'Media for All' and its end date is set to 31 March 2022. Should Project timeframe for any reason be changed during its lifetime, all Project activities will be considered accordingly.

Q24: Do the project expenses include expenses for the business model promotion and audience education for its usage?

A24: Yes, this is important part of any business model - to promote it, and to educate audience and potential clients, so this should be part of the budget activities. Depending on the model, this could be either community engagement strategy, or specific sales strategy.

Q25: Will the successful applicants (Grantees) be allowed to select and directly hire experts or consultants for the implementation of the Business plan (experts who would be providing training, doing marketing or some other types of analysis, etc.), or will they be selected and hired by the Project?

A25: The Business development grant process starts with this Call expecting applicants to apply with their business ideas and an indicative budget, that will be the key elements on which the applicants will be selected to enter the technical assistance phase. Selected media outlet will be provided with Technical Assistance (consultants hired by the Project) to develop its ideas into business plan and budget. During the Technical assistance phase, it should be defined what consultancies /trainings would be provided by the Project (free of charge). No trainers' fees should be foreseen in the indicative budget in order to leave more room for other relevant activities.

Q26: Is the mentoring by the Project or the request for capacity building (of any kind) to be included in the project budget?

A26: Media outlet should spend the grant funds for specific issues and implementation of their business plan. Regarding the capacity building and trainers, this can be covered by the Project, either through technical assistance to be implemented by project partner Thomson Foundation or through additional project funds

available for these purposes. No trainers' fees should be foreseen in the budget in order to leave more room for other relevant activities.

Q27: Does building capacity within the technical assistance imply education of employees?

A27: Building capacity implies education of employees and the members of the team external employees, i.e. building internal capacities of media which will be selected for grants. The Project will provide media outlets with additional external consulting support.

Q28: Are the trainers who will provide the selected applicants with technical assistance local or foreign?

A28: The Project has engaged many local and foreign consultants with considerable experience. For the Technical assistance it is important that the experts are familiar with local context. In the process of mentoring/technical assistance, mentors will be linked with the media outlets by experience, structure and size of media.

Q29: It was mentioned that we should propose one business idea. If we develop a set of complementary activities, is that acceptable? When we talk about monetization and being self-sustainable which is a huge challenge given the corona crisis, can the support include involvement of salespersons?

A29: It can include the proposed approach. When we say one business idea, we mean it should not involve an approach that includes opening up of bakery and crowdfunding and podcast and advertising and what not where proposed activities do not interrelate and do not lead to one goal or the media does not have an adequate capacity to implement it. It also depends on the size of the media to ensure that media has the capacity to implement a versatile approach. Yes, the salesperson can be engaged if such activities are envisaged.

When we talk about one integrated idea, what we are saying is that the proposal should not offer a list of ideas where if first does not work, the second might be considered, or the third. Despite discouraging economic situation media should not give up on the long-term development.

It is not the goal that all media receiving the grant need to monetize their ideas. The idea is that if it is not reasonable to expect that the business idea will monetize during the life of the project, it is important that the capacity for such future outcome is set during the grant.

Q30: Do we state in the Application form what are our capacities/resources and what are the key pre-conditions for developing and implementing a successful business model?

A30: Yes, this is required in the application (see part 4 of the Application Form).

Q31: What if our media does not belong to a remote area, nor is managed by a marginalised group, what we can write in the Social impact section?

A31: Despite the fact you do not belong to any of the groups we have mentioned, it does not mean that the work your media is doing, does not have a social impact. We are sure that the journalistic reporting that you do, cover socio-economic and human rights issues daily. You can describe this social impact that your media

and your articles have, related to the good they do to the citizens in general, while keeping them informed, reporting on their issues and exposing wrongdoings in the benefit of public interest.

Q32: How are the payments of staff, equipment to be done and to be recorded?

A32: The Business Development Call for Applications does not require submission of detailed budget. The business plan and the detailed budget will be developed, through support of the project team in next phase, if the application is evaluated as successful. All the payment and other implementation modalities will be regulated in the Grant Agreement.

Q33: The Call for Applications refers to construction of working space as ineligible cost. What about the production equipment that will be installed in newly constructed media outlet production room?

A33: Indeed, the construction costs are ineligible costs and as such cannot be foreseen as part of the budget. However, the production equipment, necessary for project implementation, within the set limit of 25% of the total budget is certainly an eligible cost under this Call.

Q34: If the costs of the project exceed the grant amount the media outlet receives, is it acceptable for the applicant to finance certain activities from its own resources to complete the project?

A34: In accordance with the Section 3 of the BD Call for Applications, no financing from the applicant's side is expected, nor foreseen. The activities of business idea should be planned within the proposed amount of budget which ranges from 10.000 to 25.000 GBP. At this stage only the Application Form with specified indicative amount of budget should be submitted. The Business Plan and Budget will be developed during the Technical Assistance phase.

Q35: In the case of non-profit media, can their strategy be considered as a business plan that as end strategy has creation of revenues with no profit-making aim but rather expansion/strengthening of the organisational capacities?

A35: Having in mind all the criteria for application, the Application Form should include entire business idea but also very clearly explaining the aim related to financial sustainability. Therefore, ensuring the financial sustainability is not necessarily linked to profit making, but rather to sustainability of the organisation as such.

Q36: Currency of budget (EUR or GBP)?

A36: The budget is to be prepared in GBP.

Q37: Bank account: do we need to open a bank account in GBP to receive the funds under this project?

A37: Yes, to receive funds under this project, media outlet needs to have a bank account in GBP. Bank account should be opened during grant agreement preparation process.

Q38: Are there limitations in percentage of salaries of staff compared to other budget lines? We will have high costs of staff: coordinator, journalists, cameraman, editor, translator and in addition and the highest percentage will go into the human resources budget.

A38: The only limitation in terms of the budget is for equipment – up to 25% of the total budget of the project. There are no other limits, however, please note that the budget needs to correspond to the proposed activities, level of engagement on the project and be realistic. Detailed justification for each budget heading needs to be provided.

Q39: Are fees for employees to be expressed by gross or net amount?

A39: All the fees of project staff should be expressed by gross amount.

Q40: Can we include only salaries of current staff or can we hire some additional staff to be involved in project implementation?

A40: The budget of the Grant can be used for both: current staff (part of the salary) and new staff if you will need to hire/contract anybody new.

Q41: Is there a possibility to propose increased salary of employees? The reason for this is the fact that the work on the project will imply additional work compared to current level of engagement, plus, due to COVID-19 salaries have been reduced, and they are as such shown on the payroll.

A41: All staff related costs need to be supported by adequate evidence proving that the occurred financial figures are actually ones within contracts with employees. If you envisage that at the time of implementation some staff salaries will be changed, then you can budget an amount that you predict will be the actual one during the grant implementation. Payroll cost and claimed project staff cost should be in line.

Q42: Can we include an accountant into personnel costs?

A42: Yes, in the percentage proportionate to the level of involvement on the proposed project.

Q43: An IT supporter operates part time with us for website maintenance but is not included in the list of employees with insurance. Insurance is paid by the company owned by the IT person. If included as additional staff in this project, are we obliged to pay for the insurance?

A43: You can include in the grant budget, the cost of any member of your staff that will be engaged with the project, regardless he/she is working part time, full time, or on consultancy basis. In each case, if he/she is not included in the payroll of the company, you can either get a fiscal invoice from his/her company, or if not, you need to sign an individual service contract and pay the relevant tax, and submit to us the respective financial transaction for payment of that tax, in addition to the copy of the contract.

Q44: The limit in terms of the equipment purchase 25% of the total budget amount – is this fixed or it can be flexible?

A44: The limit for equipment, necessary for project implementation, within the total budget is 25%. This limit cannot be changed (increased).

Q45: Is the equipment for online audio programme streaming from the field eligible?

A45: This is a production equipment and, if necessary, for the project implementation, as such it is eligible. The only limitation is 25% of the total budget that can be allocated to equipment.

Q46: Can transfer from analogue to digital signal be supported? We need equipment foremost but could also use mentoring support.

A46: Equipment can be covered up to 25% of total budget and only for equipment essential for implementation of the project. It seems as if the equipment you need overcomes the purpose of this application. What you can consider is if your site needs to be rebranded, if there is specific communication with your audience that needs to be strengthened or if there is a need to strengthen the sales or commercial offer for your current clients. Also, there are successful examples where local media have conducted a fundraising campaign in their local community and collected some funds for purchase of equipment that you can consider.

Q47: Will the equipment purchased in the framework of this grant, remain property of the media outlet, when the grant ends?

A47: The ownership of the assets bought during the grant is going to be regulated within the Grant Agreement with media outlet to secure further usage of the assets by media outlet after the project is finished, securing the sustainability of the project intervention.

Q48: Can you clarify if costs of development of website or procurement of software are eligible, and if software is considered under the category "Equipment"?

A48: Yes, they are eligible. If proposing purchase of licensed software, and if necessary for the project implementation, it should be included in the budget heading Equipment and it falls within the 25% of the limit of the total budget. If proposing development of software, and if necessary for the project implementation, then it should be presented in the Operational Costs regardless if this will involve hiring of a person or a company.

Q49: Can procurement of equipment for the implementation of the project be done abroad, and if so, do costs of transport, customs and VAT fall within the eligible costs?

A49: Equipment purchase abroad is not foreseen within this intervention. Should there be a justified need to procure abroad a piece of equipment which is essential to implement the project activity, and only in case when this equipment or its substitute cannot be procured on a local market (evidence proving this would be needed) - on a case by case basis, the project will assess if the need is justified and cost effective.

The procurement procedure will be prescribed by the Project. Rules will be set within the Grant Agreement and Terms & Conditions as annex to the Grant Agreement.

Q50: Is there VAT exemption or costs need to include the VAT?

A50: The Project is not VAT excluded, so all amounts specified in the Budget should be gross (inclusive of VAT) except reimbursable VAT.

Q51: Can we use lump sums for some costs?

A51: The budget should be clearly presented, with detailed justifications for each budget line. Lump sum may be applied to some extent (this is to be considered as an exception), but it is preferable that costs are described to as much detail as possible. If lump sum instead of unit cost is used, justification should be provided how the applicant has come to this lump sum.

Q52: Is legal aid provided within the project, in case of litigation and lawsuit or threat of lawsuit due to the content of the show, or do media outlets have to take care of these issues? In certain projects in which we took part, the legal aid was provided.

A52: Media for all Project has funds dedicated to legal assistance for protection and support to media and journalists. Need for legal assistance is considered on one on one basis and funded separately, as it cannot be predicted if the legal issues will occur and legal aid needed, so applicants do not need to include these costs in the budget. Another thing is if you need legal advice in relation to your proposed project, that type of legal service should be part of the proposal.

Q53: Our organization was established after 1 January 2018. Are we eligible to apply?

A53: Section 4.1. Eligibility criteria of the Call for Applications (both Business Development and Engaged Citizen Reporting) state that in order to be eligible for funding under this Project, the applicant must fulfil the criteria 'Applicant must be a media outlet (legal entity owning this media outlet) established before 1 January 2018'. Therefore, your media outlet is not eligible for funding. This criterion is established so we can have at least one annual financial report and some content produced by the media that can be used as a base for monitoring of the media.

Q54: Is it possible for one entity to apply as a TV station and a Radio in the same application?

A54: Yes, it's possible for a radio/TV station to apply as a whole unit, if it's one legal entity. If TV and radio outlets are 2 separate legal entities in same ownership and operating under the same name, 1 can apply and include the other in activities as the functional part of media company.

Q55: Our media outlet has changed ownership but as media outlet is functioning for more than 20 years. Will this be a problem as the last change in the ownership dates in May 2019?

A55: The applicants need to provide proof that indeed the media outlet has had a continuity in its functioning, content development and employment and that the ownership did not affect this continuity. Please do submit all necessary documentation that can confirm this statement.

Q56: Should any of the certificates like registration or tax requested as supporting document be translated?

A56: The application must be submitted in English; however, the supporting documents issued by local institutions can be submitted in local languages.

Q57: What if we cannot obtain the tax certificate in time due to COVID19 crisis and slow process of issuing of the certificate by Tax administration?

A57: If you cannot obtain the certificate in time, at least submit the evidence that you have requested it. We will take into consideration such extraordinary circumstances and if needed consider how much longer it would be acceptable to wait for the certificate. We are aware that, because of COVID 19 there are state-covered schemes introduced in a form of subsidies: in these cases the applicant should submit evidence that the media outlet is benefiting from such schemes and – if applicable – the due taxes are to be covered as part of these subsidies. If you encounter any situation where you cannot obtain proper documentation due to certain country specific issue, please submit any evidence you can obtain to present the encountered issue and we will take it into consideration.

Q58: How old should the Tax Administration certificate on payment of all due taxes? There might be issues in issuance of the certificate due to COVID19 situation and also an issue related to the governments' measures in relation to payment of taxes.

A58: The applicant should submit all the certificates obtained from Tax Administration with the latest and most updated format and information. These documents will be assessed by the project team on individual bases. The certificate/confirmation on paid taxes should be part of the application package.

Q59: Is revision or evaluation or audit of the project foreseen after the end of the project implementation?

A59: Grantee will sign Grant agreement which will define all grantee's obligations, project activities, reporting, how long project documentation should be archived, as well as that grantee will be required to submit all necessary evidence which is subject to an eventual audit.

Q60: Financial statements: is it required to be issued by relevant regulatory body or by the applicant? Similarly, is the applicant's stamp and signature enough on the financial statements?

A60: Financial statements are to be submitted together with the Application Form. If Financial statements are approved by the authorized state body, then Financial statements should be accompanied with confirmation that they are complete and valid. In case the authorised state body still has not issued such confirmation, then applicants should only submit Financial statements signed (and/or stamped) by their authorised person.

Q61: Is there an agreement foreseen to be signed for confidentiality and data protection between the media outlet and the British Council?

A61: Yes, the project has foreseen a pre-agreement to be signed – upon successful application in this phase and a Grant Agreement to be signed in case of the successful business plan and budget development and approval.

Q62: If we are to apply to both grant schemes ECR and BD, can one person manage both projects, or are they to be managed individually?

A62: Yes, however in this case, percentage of time, level of engagement and relevant tasks should be planned accordingly and clearly presented in both applications. We as a project, do encourage media outlet to use this opportunity and build / strengthen its internal project management skills.

Q63: Can application for ECR and BD grants be joined?

A63: Not allowed. These are two different grant schemes. Each application should stand on its own as it will be evaluated by a separate selection panel. It is the project's responsibility to ensure coordination between two grants, however each application should be treated separately. The proposals in these applications should not be interdependent.