
Smile Together Partnership Information for Writing Proposals

**International Cooperation Funds
of the Work Together Foundation**

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Introduction of the Smile Together Partnership

1. Smile Together Partnership

Since 2011, the Work Together Foundation has been promoting its Smile Together Partnership (STP), a project that supports the establishment of social enterprises and operational assistance in developing countries. Through the program, it has been working to alleviate poverty faced by children in various developing countries. In addition, STP attempts to support the creation of employment opportunities that respect the local culture while maintaining its sustainability. Through social enterprises, STP strives to provide employment for parents so that their children can receive better care at home. It also supports social enterprises that provide employment and educational opportunities for youths who have to work, allowing them to take their first step in society. Work Together Foundation promotes decent job creation not merely in Korea but also in developing countries through Smile Together Partnership to free children in poverty from restraints of poverty and make them live as members of society.

2. Purpose

- Alleviating children poverty through supporting establishment and management of social enterprises in developing countries.

3. Direction

- Supporting social entrepreneurship in developing countries with cooperation of partner organizations which have understandings and experiences to run social enterprises in the community
- Providing Financial, Non-financial support to social enterprises which have clear business model

4. Process

- ① Advance publicity
- ② Open the 5th call for STP cooperation proposal in and outside country
(Sept. 1~ Sept. 30, 2016)
- ③ Interview of the representatives, evaluation of project explanation and due diligence to research the feasibility. (Oct. ~ Nov., 2016)
- ④ Selecting Partner organization (Dec., 2016)
- ⑤ Signing a contract and providing 70 % of STP Funds for the year of 2017
(by Dec., 2016)

- ⑥ Providing tailored non-financial support to respective traits of enterprises
- ⑦ Monitoring and assessment

5. Principles

- **A project physically based in a local community and working with residents:**

The foundation believes most problems come from the urban centralization of the population and little wealth redistribution in the local community. The ST Project supports community-based social enterprises, which revitalize the community economy and make people feel proud of their community.

- **A project nurturing leadership in local people:**

If international or national NGOs are engaged in a project, they should have clear picture of when they will step out of the project, even if it is a long-term involvement. To attain this, the organization should develop the capability of the local staff during its project.

- **A project which created a sustainable business model without harming the local community:**

Most of the businesses in underdeveloped and developing countries take advantage of low labor costs and harm the environment. In addition, lots of the free training programs run by NGOs are in the service industry, since these skills can be taught in the short-term and results are easily seen. This causes the centralization of the population and environmental problems. The ST Project would like to support the building of competitive working skills and business models that don't harm the environment.

- **A project supporting impoverished children in developing countries**

Outline of the 5th STP Call for Proposals

1. Outline of the open for call project

- Title: The 5th Smile Together Partnership
- Duration: January, 2017 ~ December, 2019
(Up to 3 years depending on the performance)
- Support Organization: Work Together Foundation
- Target: Organizations in and outside country which strive to resolve children poverty problems of developing countries through establishing and operating social enterprises or not-for-profit organizations with business profit
- Means: Document screening and due diligence and interview (on/off line)

2. The details of the implementation and STP procedures

■ The details of the implementation

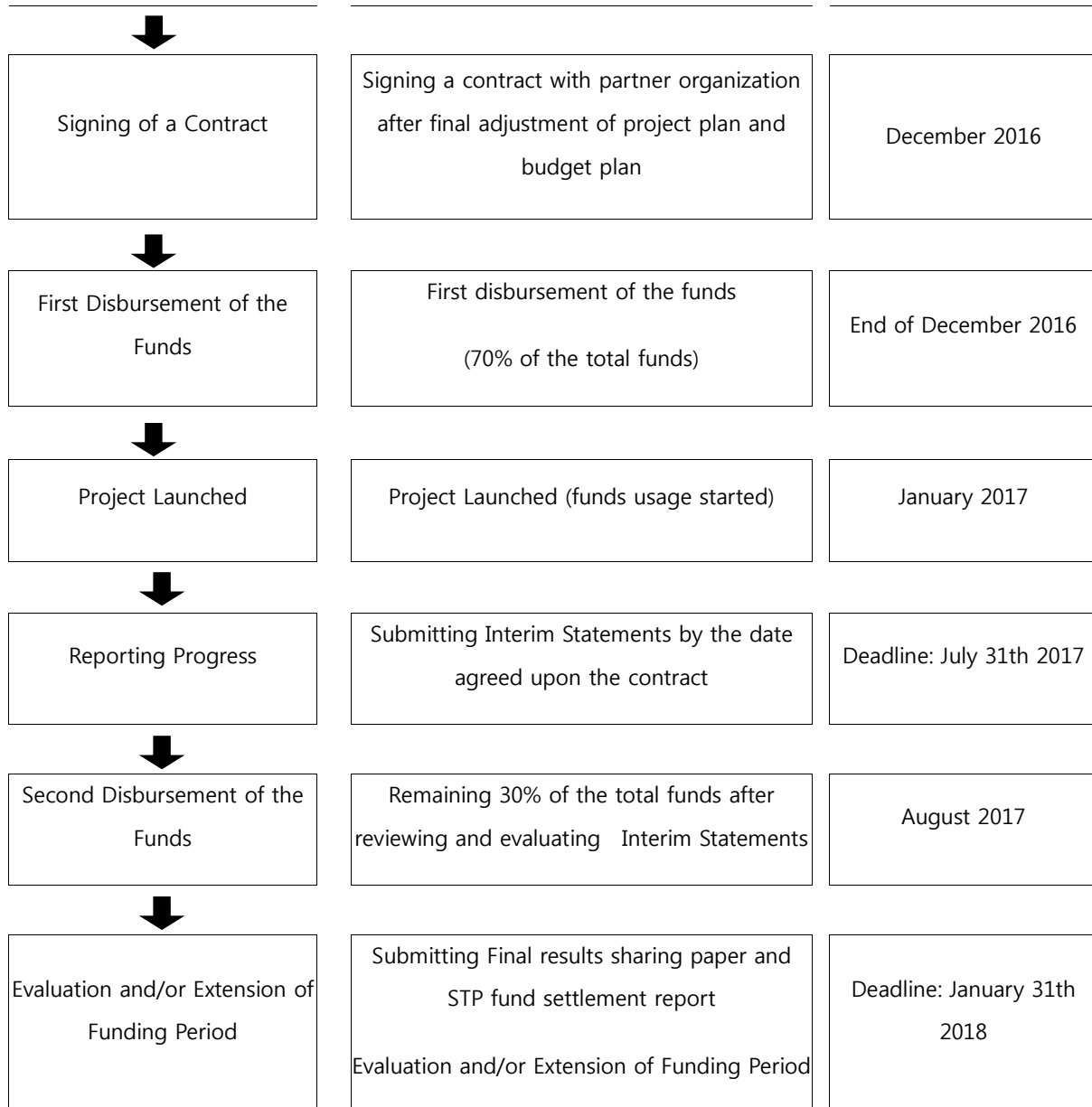
① Financial support

(Average USD30,000 ~ USD50,000 for a fiscal year per organization, up to 3 years depending on the performance)

② Pro bono professional consultancy services from the business industry, promotional support, providing opportunity to attend events to improve financial sustainability through Happily Ever After Project under STP

■ STP Procedures

Procedures	Details	Date/Duration
Open Call for Smile Together Partnership and Receiving Applications	Notice through WT website eng.hamkke.org, application via E-mail	2015. 09/01 ~ 09/30 by 17:00 in the WT website
↓	Selection of partner organizations through the documentation screening	October 2016
↓	Due diligence to study the feasibility	October-November 2015
↓	Final evaluation and selection based on representative interviews and due diligence	December 2016



■ Applications and registration

- Proposal (English) application period: 01.09.2016. ~ 30.09.2016. 17:00(Korean Standard Time)
- Target: Organizations which strive to resolve children poverty problems of developing countries through establishing and operating social enterprises
- Required documents: All required documents must be in Microsoft Word format (‘.doc’) or scanned images (‘.pdf’ format).

① 1 STP Cooperation Proposal

* The applicants shall fill out the official format of STP Cooperation Proposal (English). However, Korean and English are both available for writing up contents of the proposal. Once you chose to use certain language, use it for all papers till the end of application. (e.g., Once submitted paper in Korean, all the papers that will be shared for every year – Interim report, Results sharing paper, etc- should be written in Korean)

- #### ② Organizational statement (one copy - including details on the organization’s financial autonomy, budget and expenses from its activities of the past three years);

- ③ Curriculum vitae and certificate of employment of the organization's representative (one copy each);
- ④ Corporate registration, nonprofit organization registration, business registration, or other officially issued ID (one copy each).
- Channel for Submission: **All submissions are to be received via e-mail only to global@hamkke.org**

■ Required Information for Cooperation Proposals

(*refer to specific forms provided by the Work Together Foundation)

- ① Background information on the project site/region
- ② Specific social issue(s) to be tackled
- ③ Competitiveness and sustainability of the project
- ④ Detailed plans and budget for establishing and/or running the proposed social enterprise
- ⑤ Project model(s) for supporting poor children, along with expected social impact
- ⑥ Details of requested STP support
- ⑦ Plan(s) on advertising the Smile Together Partnership

IV STP Evaluation

■ Evaluation Process

- Document Screening, 2) Due Diligence, 3) Final selection with interview of the representative(on/off line)
- Evaluation Process

Process	Deadline	Details / Supplements
Proposal Submission	Sept. 1, 2016 ~ Sept. 30, 2016	<ul style="list-style-type: none"> ● Application via E-mail (Submission of STP Cooperation Proposal and required documents)
Document Screening and selection of semifinalists of STP partners	Oct., 2016	<ul style="list-style-type: none"> ● Target: Application submitted enterprises ● Means: Document Screening ● Judge: three experts from management, international development cooperation (both Academic and Practical part) ● Nominate twice the number of total through document screening
Due diligence	Oct. ~ Nov., 2016	<ul style="list-style-type: none"> ● Project performance, existence of available networks and local resources on

		the proposals will be checked by foundation's due diligence
Selection of Finalists of STP partners	Oct., 2016 ~ Nov., 2016	<ul style="list-style-type: none"> ● Means: Final selection of STP partners interview evaluation based on the document screening and due diligence ● Judge: the same three experts of management and international development cooperation as the judge who screened the documents
New STP partners announcement	Dec., 2016	Announcement in website and individual notification
Signing a STP Funds contract	~ Dec. 31, 2016	Signing a contract and disbursement of 70% of STP Funds for 2017

■ **Criteria for the Document Screening and Due diligence**

(Same criteria is applied to 1) and 2); each stage starts on a zero base, not on an accumulative base)

Criteria	Detailed Evaluation Item	Points
<p>1. Capability to generate social values (i.e., capability to make contribution to culture, society, and environment)</p>	<p>Possibility of creating jobs for the parents of children in need in the communities of developing countries (Please indicate the number of jobs created in the Cooperation Proposal)</p>	<p>35%</p>
	<p>Ability to directly support children in need in developing countries (How will the children in need be supported?)</p>	
	<p>Ability to foster the local youth leadership in running the business (How does the business include the youth in developing countries for establishing and running the business?)</p>	
	<p>Contribution of the business model to social, cultural, and natural environments (How intimate are the business and the local society? Employment of locals, etc.)</p>	
<p>2. Capability to</p>	<p>Feasibility of business proposal</p>	<p>30%</p>

<p>generate economic values (i.e., capability of profitability and sustainability)</p>	<p>(Budget validity, manpower, governance structure)</p>	
	<p>Competitiveness of business items (Market conditions and prospects)</p>	
	<p>Sustainability after the end of STP (Feasibility and sustainability of the business model)</p>	
<p>3. Ability to utilize local resource</p>	<p>Understanding of local community</p>	<p>20%</p>
	<p>Ability to make use of available local resources</p>	
<p>4. Smile Together Partnership Operation</p>	<p>Dedication to cooperation, ability and experience as a partner</p>	<p>15%</p>
	<p>Effectiveness and transparency of the budget</p>	
	<p>Dedication to promoting STP</p>	

IV Smile Together Partnership Budget Compilation

1. **Please read the STP financial guideline (budget compilation part) before you prepare the Smile Together Cooperation Proposal**
2. Minimize the obscure budget compilation such as contingency allowance, incidental expenses
3. Specific Bases of calculation of each project items should be suggested.
 - ① Compilation of budget and Adjustment report should comply with classification and category account subjects in STP Standard Accounting Codes
4. Project fund should be optimum for accomplishing the project purposes. Thus, operation expenses which have low relation to direct project implementation such as food expenses, honorarium, meeting costs should not be compiled immoderately.
5. Budget on STP proposal should be complied with Classification, Category of STP Standard Accounting Codes and submitted

STP Standard Accounting Codes

Section (Fixed)	Classification (Fixed)	Category (Fixed)	Item	Details
Revenue	Fund	Fund	STP Funds	Total amount received as STP Funds
	Interest	Interest	Interest	Total amount of interest incurred

				from the Funds (Enter the amount after tax)
	Other	<u>Write on your own</u>	Other	Revenue generated from the project such as sales (including items no longer used) or sponsorships
Expenses	Labor Costs	Project Labor Costs	Wages	<p>Wages paid to the task force working exclusively on the STP project</p> <p>STP Funds are not to be used to cover the labor costs of any employees working in Korea.</p> <p>The Institution is responsible for paying for the corporate portion of the "Four Major SIS (insurances)" for Korean employees working on the project onsite.</p>
			Staff training	Training fees for local staff
		Other Labor Costs	Sundry Payments	Payments given to workers other than regular full-time employees (part-time employees, employees hired for limited periods of time)
		Operational	Constructi	Construction

	Expenses	on		wages for construction workers
			Renovation	Renovation costs, building repair costs, etc.
		Acquisition	Supplies	Consumable goods such as stationery or other office supplies (a maximum of USD 100 per unit)
			Equipment	Equipment such as office furniture, equipment, or any other tangible asset (more than USD 100 per unit)
			Machinery	Machinery (more than USD 100 per unit)
			Other	Items other than office furniture, equipment, and machinery (more than USD 100 per unit)
		Material	Material Costs	Materials purchased for STP project operations
		Operation & Execution	Travel Expenses	Expenses incurred during business trips (accommodations, transportation, meals etc.)
			Event Expenses	Expenses for hosting events (program operation, honorariums, etc.)
			Marketing &	Expenses for advertisement

			Promotion	(printing, advertisement, etc.)
			Rental	Property rental fees including security deposit. Clearly specify "security deposit" on the Financial Settlement Sheet if a security deposit has been paid.
			Taxes/Utilities	Taxes incurred and utilities used (electricity, etc.) during STP project operations
			Other	Operational costs other than the above items (service charges, communication expenses, etc.)
	Social Contributions	Direct Support of Children	Meal Support	Meals provided free of charge
			Community Support	Costs for community & activities geared towards children, other than meals.
	Other Expenses	<u>Write on your own</u>	Foreign Exchange Gain/Loss	Any gain or loss from foreign exchange

- 1) You may claim labor cost of a local manager.
- 2) Please plan the budget in USD; indicate and use the exchange rate of the date of preparation.

3) Please note the following when you compile the budget

Total budget(①+ ②)	"Total Project Budget in this year"
STP budget(①)	"Funding Amount Requested (Yearly base)"
Self-funded amount(②)	Financial resources other than the one provided by the STP (Loan and investment included)

4) However, acquisition costs for real estate, office building, etc. cannot be included in the budget. (Rent or lease fees may be included)

IV Frequently Asked Questions

Q1. My organization is NOT social enterprise. Can I still apply?

A1. Yes you can. Both social enterprises and institutions such as civil society organizations (NGOs, NPOs, etc.) may apply.

A2. However, It is not possible register as a consortium of both organization based outside the country where the project happens and organization in the country.

Q2. My organization does not hold any legal status. Can I still apply?

A1. No, you cannot. However, you can apply before being registered as a social enterprise if you can prove that you can be registered before the STP funding Contract.

Q3. What are the types of enterprise NOT applicable for STP?

A1. Enterprises which go against the rules of humanitarian assistance (Businesses with political, military, religious purposes)

A2. Simple financial donations or a project which is only for grant disbursement and project execution

A3. Organizations with scholastic/research purposes

A4. Charity organizations which only provide equipment and/or materials to impoverished communities

Q4. Can I modify the business plans or the project budget after the selection process?

A1. After Secondary examination, you can submit final business plans which include the changed details and budget on the condition that you consult and obtain approval from the Work Together Foundation in advance.

Q5. Which countries can apply for STP Funds?

See the below "DAC List of ODA Recipients"

No	Least Developed Countries (48)	Other Low Income Countries(4) (GNI per capita ≤ \$1,045)	Lower Middle Income Countries(36) (\$1,046 ≤ GNI per capita ≤ \$4,125)	Upper Middle Income Countries(58) (\$4,126 ≤ GNI per capita ≤ \$12,745)
1	Afghanistan	Democratic People's Republic of Korea	Armenia	Albania
2	Angola	Kenya	Bolivia	Algeria
3	Bangladesh	Tajikistan	Cabo Verde	Antigua and Barbuda
4	Benin	Zimbabwe	Cameroon	Argentina
5	Bhutan		Congo	Azerbaijan
6	Burkina Faso		Cote d'Ivoire	Belarus
7	Burundi		Egypt	Belize
8	Cambodia		El Salvador	Bosnia and Herzegovina
9	Central African Republic		Georgia	Botswana
10	Chad		Ghana	Brazil
11	Comoros		Guatemala	Chile
12	Democratic Republic of the Congo		Guyana	China(People's Republic of)
13	Djibouti		Honduras	Colombia
14	Equatorial Guinea		India	Cook Islands
15	Eritrea		Indonesia	Costa Rica
16	Ethiopia		Kosovo	Cuba
17	Gambia		Kyrgyzstan	Dominica
18	Guinea		Micronesia	Dominican Republic

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19	Guinea-Bissau		Moldova	Ecuador
20	Haiti		Mongolia	Fiji
21	Kiribati		Morocco	Former Yugoslav Republic of Macedonia
22	Lao People's Democratic Republic		Nicaragua	Gabon
23	Lesotho		Nigeria	Grenada
24	Liberia		Pakistan	Iran
25	Madagascar		Papua New Guinea	Iraq
26	Malawi		Paraguay	Jamaica
27	Mali		Philippines	Jordan
28	Mauritania		Samoa	Kazakhstan
29	Mozambique		Sri Lanka	Lebanon
30	Myanmar		Swaziland	Libya
31	Nepal		Syrian Arab Republic	Malaysia
32	Niger		Tokelau	Maldives
33	Rwanda		Ukraine	Marshall Islands
34	Sao Tome and Principe		Uzbekistan	Mauritius
35	Senegal		Viet Nam	Mexico
36	Sierra Leone		West Bank and Gaza Strip	Montenegro
37	Solomon Islands			Montserrat
38	Somalia			Namibia
39	South Sudan			Nauru
40	Sudan			Niue
41	Tanzania			Palau
42	Timor-Leste			Panama
43	Togo			Peru
44	Tuvalu			Saint Helena
45	Uganda			Saint Lucia
46	Vanuatu			Saint Vincent and the Grenadines
47	Yemen			Serbia
48	Zambia			Seychelles

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49				South Africa
50				Suriname
51				Thailand
52				Tonga
53				Tunisia
54				Turkey
55				Turkmenistan
56				Uruguay
57				Venezuela
58				Wallis and Futuna

Source: DAC List of ODA Recipients

■ Application and Inquiry desk

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