



# USAID

FROM THE AMERICAN PEOPLE

Issuance Date: September 23, 2019

Closing Date: 8 days from issuance date

Grants maximum amount: range between \$20,000 and \$205,000

**Subject: Palladiums Request for Applications (RFA) Number  
RFA-LIFE- 06 (Extension):**

Dear Prospective Applicants,

Palladium is seeking applications from qualified Non-Governmental Organizations (NGOs) to implement, as recipients, for the Livelihoods Component under “**USAID Livelihoods and Inclusive Finance Expansion (LIFE) Project**”. Palladium is implementing USAID LIFE Project under contract with USAID Contract Number: AID-268-C-16-00002

## **USAID Livelihoods and Inclusive Finance Expansion**

Grants will be administered in accordance with the following regulations as applicable.

- Automated Directives System (ADS) Chapter 303 Grants & Cooperative Agreements to Non-Governmental Organizations
- ADS 303.3.24 – Simplified Grants
- ADS 303.3.25 Fixed Amount Awards
- A Mandatory Reference for ADS Chapter 303: 303\_mak Fixed Amount Award Entity Eligibility Checklist
- A Mandatory Reference for ADS Chapter 303: 303\_mat Fixed Amount Awards to Non-Governmental Organizations
- A Mandatory Reference for ADS Chapter 303: 303\_mab Standard Provisions for Non-U.S. Nongovernmental Organizations
- A Mandatory Reference for ADS Chapter 303: 303\_maa Standard Provisions for U.S. Nongovernmental Organizations.
- ADS 302.3.4.13 Grants Under Contracts (GUCs)
- 2 C.F.R. 200.45 Definition Fixed Amount Awards
- 2 C.F.R. 200.201 Use of grant agreements (including fixed amount awards), cooperative agreements, and contracts (as referenced in ADS 303.3.25.a.)
- 2 C.F.R. 200 Subpart E – Cost Principles for non-profit and educational organizations – used to negotiate award amounts and terminations per 2 C.F.R. 200.201 (b)(1))
- FAR Part 31 – Cost Principles for For-Profit organizations used to negotiate award amounts and terminations per 2 C.F.R. 200.201 (b)(1))



The RFA is comprised of the following main sections:

- 1. Project Description**
- 2. Funding Opportunity Statement**
- 3. Award Information**
- 4. Eligibility Requirements**
- 5. Application Submission Information**
- 6. Application Review Information**
- 7. Award Administration Information**
- 8. Other Information**

Successful Applicants will be responsible for ensuring achievement of the program objectives. Please refer to the Program Description section of this RFA for a complete statement of goals and expected results.

Subject to availability of funds, Palladium intends to provide up to \$205,000 in total funding for activities to be implemented no later than March 2021. Palladium reserves the right to fund any or none of the applications submitted.

To be eligible for award, Applicants must provide all required information in their application, including the requirements found in any attachments to this RFA. Applications that are submitted late, incomplete or are non-responsive will not be considered. Awards will be made to the responsible applicants whose application best meet the requirements of this RFA and the evaluation criteria contained herein.

Palladium requires that applications be submitted electronically (e-mailed) to [ApplyLebanon@thepalladiumgroup.com] no later than September 30, 2019.

Issuance of this RFA does not constitute an award commitment on the part of Palladium, nor does it commit Palladium to pay for any costs incurred in the preparation and submission of an application. Further, Palladium reserves the right to reject any or all applications received. Applications are submitted at the risk of the Applicant, and all preparation and submission costs are at the Applicant's own expense.

Palladium team will be conducting different meetings with all interested applicants to answer any questions related to the RFA.

Sincerely,

Palladium Livelihoods Director



## **INTRODUCTION:**

### **1. Project Description**

LIFE is a 5-year USAID-funded project implemented by Palladium. The purpose of LIFE project is to improve economic opportunities and livelihoods of low income individuals and microenterprises by expanding and strengthening microfinance associations' and member institutions' services and enhancing entrepreneurs' business skills. To this end, LIFE will improve livelihoods, strengthen microfinance activities and advance inclusive finance. Inclusive Finance, also referred to as financial inclusion, is defined as "universal access to a broad range of financial services, at a reasonable cost, provided by a diversity of sound and sustainable institutions." LIFE will consolidate the gains made under the predecessor USAID award, 'Lebanon Investment in Microfinance Program (LIM)' and expand inclusive finance to the unbanked and higher-risk, micro business clientele.

#### **Project Goal**

The USAID/Lebanon LIFE project will strengthen livelihoods, advance the microfinance industry, and inclusive finance, in order to improve economic opportunities for underserved entrepreneurs and recipients of microfinance services.

### **2. Funding Opportunity Statement**

For the purpose of this RFA, the project will use grants to support achievement of LIFE results under Component 3-Livelihoods.

LIFE will use grants to stimulate creation of Revitalization Hubs in some especially vulnerable peri-urban areas in Saida, South Lebanon, so as to provide the most significant impact. These hubs in which several Livelihood partners will work in synergy in one concentrated area with its underserved population will incubate and enhance a more productive business ecosystem. We are expecting that the awarded NGO(s) in each area will coordinate their work with the governing municipality and with other USAID Economic Growth activities working in the same areas.

This round of grants is expected to:

- 1) Target vulnerable peri-urban areas in Saida, South Lebanon, with emphasis on youth, women, and people with disabilities; and
- 2) Provide training and mentoring to support basic business skills such as product design, marketing, sales, accounting, etc. Sectors can vary based on market demand and needs such as tourism and hospitality, specialty/processed foods, digital literacy, IT skills, beauty, and agribusiness, etc. NGOs and/or business development services (BDS) and will deliver trainings in ways that are sensitive to the target audience; for women with limited time, or people with physical disabilities and limited mobility, flexible training schedules may be most appropriate; and/or



- 3) Provide in-kind resources to committed participants (entrepreneurs and SMEs) to start/expand/sustain their businesses through NGOs and/or BDS providers.
- 4) Coordinate with other community stakeholders (other NGOs, municipalities, unions, chambers of commerce, etc.) to accelerate and magnify a positive socio-economic developmental impact.
- 5) Gender integration should be considered as paramount in all proposed activities.

LIFE intends to award grants to NGO(s)/BDS provider(s) that are independent and/or affiliated and which have the best access to entrepreneur networks and SMEs, are skilled in vetting potential grantees, have prior experience making similar grants, and can clearly demonstrate their role in the expansion of financial inclusion and coordination with other community stakeholders to achieve a positive and sustainable socio-economic developmental impact in their areas of implementation. These actors will leverage their existing footprints and expertise to deliver their services and/or issue sub-awards to beneficiaries.

### 3. Award Information

- LIFE anticipates granting performance based awards according to the proposed activities and applicants' eligibility assessment and capabilities.
- Grants period starts with a base period limited to 12 months. Grantees will be evaluated based on their performance and achieving deliverables that will qualify high performers for additional resources and those with low performance (not delivering) will be subject to a grant revision and reduction in the budget ceiling.
- Geographical areas of grant activities: Saida, South Lebanon - the selected area of implementation must be geographically concentrated within Saida in order to ensure tangible impact.
- Target population: micro-entrepreneurs including: low income youth, women, and physically disabled in rural areas.
- Clear and tangible plan for linking end beneficiaries with the microfinance sector in Lebanon. .
- Grants outcomes include but not limited to increased productivity, job creation, increase in salaries, job promotions, training and mentoring provided to support microenterprise development and improvement of business personnel skills, and expansion of financial inclusion (access to micro-credit, savings, etc.).
- Grant amount will depend on the purposed activities, anticipated results and impact and the applicant capabilities and expertise. However, no grant shall be granted for an amount exceeding \$205,000.
- Award Type: use of specific grants mechanisms will be determined by Lebanon LIFE based on evaluation of applications, and assessment of applicants' organizational capacity.



#### 4. Eligibility Requirements

Grants may be provided to grantees that meet the below eligibility criteria:

- Must be a registered legal entity in Lebanon at least one year prior to the submission;
- Must not be majority owned or controlled by a government entity and must operate as an independent non-politically affiliated organization;
- Must not be debarred, suspended, excluded or otherwise ineligible to receive US Federal funding;
- Must be able to obtain SAM Unique entity identifier number (for grants over \$25,000);
- Must be able to register and provide a DUNS number;
- Must comply with USAID Mandatory and Applicable Standard Provisions unless a waiver is secured by Palladium;
- Costs reflected in the submitted budgets for establishment of milestones must be reasonable, allocable and allowable in accordance with applicable cost principles (FAR Subpart 31 for for-profit institutions and 2 C.F.R 200 Subpart E for educational and non-for-profit institutions);
- Demonstrate functional managerial systems, including financial, administrative and technical policies and procedures that safeguard assets, protect against fraud, waste and abuse;
- Must comply with all applicable USAID rules and regulations (including procurement regulations, if applicable, branding and marking requirements, environmental requirements, regulations regarding terrorism financing, trafficking of persons, etc.).
- Grants will not cover any of the following activities:
  - Capital expenditures, including construction activities or buying real property;
  - Capital loans;
  - Support for or lobbying on behalf of a particular political party;
  - Religious activities;
  - Support of police or military.
- Equipment as defined in 2 C.F.R. 200.33

The Chief of Party has the authority to waive a requirement if a response to the RFA presents a valid justification, assuming approval from USAID.

#### 5. Application Submission Information

- a. Applicant may obtain from the point of contact (POC) any materials needed for the application or otherwise communicate with the POC regarding the application requirements.

**POC:**



Email: [ApplyLebanon@thepalladiumgroup.com](mailto:ApplyLebanon@thepalladiumgroup.com)  
Subject Line: RFA #06 ( Extension)  
Attn: Nataly Chebib (Livelihoods Director) and/or Rita Fermanian (Grants Officer)

b. Content and Format of Application Submission:

Applicants submit a grant concept note (up to 5 pages) that will describe the purpose of the grant, rationale behind the chosen sector(s)/market(s), specific activities to be undertaken, strategy to meet the LIFE's targeted population, definition and number of targeted beneficiaries, timeline of activities, and organizations' programmatic and administrative capacity to reach the intended results of the grant; and a simple budget laying out the funds needed to accomplish the technical scope described in the concept note.

**Shortlisted** applicants will then be asked to provide additional information/revised application in step 2 of the application process.

c. In addition to requirements in point (b) above, applicants must submit with the concept note the following:

- Basic contact information and information regarding the status of the organization. General information includes: (1) Legal Name of Organization, (2) Mailing Address, (3) Physical Location, (4) Contact Information, (5) Organization's Legal Representative.
- Copy of organization's legal registration certificate under the Lebanese Law.
- Copy of organization's certificate listing current Board of Directors.

d. Submission Dates and Times:

Applications in response to this RFA must be delivered via email with all relevant documents to the following address:

[ApplyLebanon@thepalladiumgroup.com](mailto:ApplyLebanon@thepalladiumgroup.com)  
Subject Line: RFA #6 ( Extension)  
Attn: Nataly Chebib and/or Rita Fermanian  
Lebanon Livelihoods and Inclusive Finance Expansion (LIFE)

Questions on this RFA may be submitted via email to the email address above by no later than 3 days prior to submission date.

Submission date: September 30, 2019. Late submissions will be disregarded.

## 6. Application Review Information

a. Applications' evaluation is a two-step process, described below:

Step 1: Evaluation of concept notes submitted by eligible applicants based on the below selection criteria; shortlisting of qualifying applicants.



Step 2.a: LIFE team will notify shortlisted applicants of their qualification to the second phase in coordination with USAID COR where full grant application and additional information are required.

Additional information include but not limited to:

- Submission of DUNS and SAM Unique Identifying Numbers, unless exemption applies (awards less than \$25,000 performed by foreign entities overseas 2 CFR 25.110 (d) (2));
- Submission of required pre-award certifications, assurances, and solicitation provision;
- Submission of other risk assessment information and forms.
- Submission of required legal, identification, and personal information for USAID vetting purposes.

Step 2.b: LIFE team will notify unselected applicants of exclusion from second phase.

Step 3: Final approval by Grants Evaluation Committee based on completed pre-award assessment and eligibility determination, revision of full grant application, and verification of reasonableness of the final grant budget.

Step 4: Grant proposals approved by LIFE GEC will be submitted to USAID for approval.

Step 5: Only grant proposals approved by USAID in writing will be issued an award.

- b. Selection Criteria: The selection criteria are distinct from eligibility criteria that are addressed prior to acceptance of an application.

After the eligibility criteria are met, LIFE's Grants Evaluation Committee will evaluate the application based on the following criteria:

- 1- Relevance (10 points)
  - Proposed activity is in line with LIFE objectives and goals;
  - Proposed activity is in line with RFA's purpose and expected results.
- 2- Number of Beneficiaries (20 points)
  - Metrics reached by the proposed activity.
- 3- Capacity of Applicant (20 points)
  - The applicant presents evidence: technical, managerial and financial capacity to implement the proposed activity.
- 4- Sustainability (15 points)
  - Long-term plan, next steps after the grant ends, any future partnership, etc.
- 5- Budget (10 points)
  - Activity costs are realistic and verifiable and are allowable and allocable.
- 6- Role in expanding finance inclusion and creating a positive socio-economic developmental impact (25 points)



- The applicant's demonstration of tangible steps on expanding financial inclusion and the role to be played with other community stakeholders to achieve positive socio-economic developmental impact.

## 7. Award Administration Information:

Award Notices: Upon approval by USAID, a Grant Agreement will be issued and mutually signed by Palladium and the successful Grantee.

### Grant Agreement will include:

- Statements identifying how the award will be administered, including the mandatory and as applicable standard provisions and any approved deviations from the **Standard Provisions**.
- Reporting requirements (type of reporting: narrative, M&E and financial) and frequency.
- Statement about USAID branding and marking standards to be used in the award (see the provision entitled "Marking and Public Communications Under USAID-Funded Assistance").
- The Project Grants Program anticipates funding only activities (i.e., education, technical assistance, or training programs) which fall under the categorical exclusions of USAID Environmental Guidelines<sup>1</sup>. Therefore, if all activities under a specific grant are identified as categorical exclusions, the Project will not conduct an Initial Environmental Examination or Environmental Assessment. However, in instances, where the proposed activity may directly affect the environment, LIFE will ensure compliance with 22 CFR 216 and the USAID Environmental Guidelines.

## 8. Other Information

- a. Palladium reserves the right to fund any or none of the applications submitted, and
- b. Palladium will not cover any pre-award expenses paid by the applicant

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<sup>1</sup> 22 CFR 216