

**Agriculture and Rural Empowerment (ARE) program**  
**Modification #001**

**Request for Applications (RFA) No. 006**

Issuance Date: **October 6, 2021**

**Modification Date:** November 8, 2021 – modifications are highlighted in yellow throughout the RFA document.

Dear Applicant:

The USAID-funded Agriculture and Rural Empowerment (ARE) Activity, implemented by Chemonics International, is seeking grant applications for implementation of the “*Building Business Resilience in Beirut (BBRB)*” intervention. ARE intends to award one or more grants that will be implemented in accordance with USAID and US Government regulations governing grants under contracts and ARE’s internal grant management policies.

The project will hold a pre-application information session on **October 21, 2021** on MS Teams from **2 PM till 4 PM**. This information session will allow eligible and interested applicants the chance to ask questions about the RFA and receive guidance on how to complete the application form. Interested applicants that meet the eligibility requirements defined in Section III below and would like to attend this workshop must confirm their attendance by sending the participant’s name and the organization’s name to [grants@lebanonare.org](mailto:grants@lebanonare.org). Up to two persons may attend from each organization. No reimbursement for costs of attendance will be met. Applicants may also submit questions to [grants@lebanonare.org](mailto:grants@lebanonare.org) prior to the information session. The deadline for confirming attendance of the pre-application workshop and submission of clarification questions is **October 20, 2021 at 5 PM**.

**Applications are due not later than 05:00 pm Beirut time on November 12, 2021. Only electronic submissions to [grants@lebanonare.org](mailto:grants@lebanonare.org) will be accepted. No hard copy applications will be accepted.**

ARE Activity and Chemonics employees may not ask for, and applicants are prohibited from offering, any money, fee, commission, credit, gift, gratuity, thing of value, or compensation to obtain or reward improper favorable treatment regarding this solicitation. Any improper request from a project employee should be reported to the chief of party or [BusinessConduct@chemonics.com](mailto:BusinessConduct@chemonics.com).

Annexes included with this Request for Applications:

- **Annex A** – Grant Application Form
- **Annex B** – Grant Application Budget Form.
- **Annex C** – Implementation Timeline
- **Annex D** –Required Certifications.
- **Annex E** – Applicant Self-Assessment Form
- **Annex F** – Mandatory and Required As Applicable Standard Provisions:
- Annex G** – Vetting Information Form

## **SECTION I. PROGRAM DESCRIPTION**

### **IA. OBJECTIVE**

Under the BBRB Intervention, ARE proposes to support at least 200 F&B-related and other MSMEs in blast affected neighborhood including fruit and vegetable shops, mini markets, bakeries, restaurants and cafes, and butcheries. In addition, small workshops and/or light manufacturing facilities in the targeted neighborhoods should be assessed for support. Support may include non-structural rehabilitation works, small equipment, small-scale alternative energy products and/or furniture. ARE will ensure that support will focus on business management such as cost reduction, and on food safety and hygiene promotion for F&B-related MSMEs.

Through this RFA ARE seeks to award one or more grants to a registered Lebanese entity, Association, NGO or for-profit enterprise to deliver the first phase of the intervention consisting of 1) Assisting in community mobilization, 2) MSMEs mapping and needs assessment, business prioritization and shortlisting, and 3) training on business management and food safety and hygiene.

The intervention is planned for up to 12 months (for Phase 1 and Phase 2) with a ceiling budget of \$100,000. After the completion of Phase 1, ARE will proceed with Phase 2 to validate and deliver the needed upgrades in order to ensure business resilience. Phase 2 is not included under this grant and will be financed through another mechanism.

### **IB. BACKGROUND**

The USAID-funded Lebanon Agriculture and Rural Empowerment (ARE) Activity, implemented by Chemonics International, aims to develop rural economies in Lebanon through support to the agri-food sector and other industries to unlock local and export sales potential while also creating jobs and increasing farmers' and worker's incomes. ARE has three main objectives:

- Objective 1: Increase Domestic and Export Sales
- Objective 2: Increase Access to Financial Resources
- Objective 3: Improve Productivity of MSMEs

### **IC. DETAILED PROGRAM DESCRIPTION**

#### *Overview:*

BBRB will expand and build on the lessons learned from the implementation of the ARE financed "Beirut Blast Business and Food Security Recovery Intervention," implemented by the Lebanese NGO, Lebr relief. Following the massive and tragic explosion in the port of Beirut on August 04, 2020, ARE implemented the aforementioned intervention during the period of November 2020 through August 2021.

The objective of initial intervention was to kickstart economic and livelihoods recovery in blast-affected neighborhoods by assisting local business owners to re-establish their fruit, vegetable and agri-food product businesses that provide vital local food markets for these communities. The intervention sought to re-

establish shop operations and maintain or increase the value of disrupted sales of agri/agro products, improve relationships and linkages between buyers and producers, and create or maintain new short-term employment opportunities in these communities. Finally, the intervention supported rehabilitation works and/or supplied new working capital to selected businesses, supported job retention, and increased productivity of shops by introducing new technology and management practices so that these businesses restart with greater capacities than prior to the blast. ARE supported 46 businesses through this intervention.

Under the BBRB Intervention, ARE proposes to support at least 200 MSMEs in Beirut, including fruit and vegetable shops, mini markets, bakeries, restaurants and cafes, and butcheries. Other F&B related enterprise categories may be suggested by applicants in their applications if not included in the prior list. In addition, small workshops and/or light manufacturing facilities in the targeted neighborhoods should be assessed for support. Applicants should propose and justify the mix for different business types that will be supported following the needs assessment.

The intervention extends over two phases:

**Phase 1**, implemented by a Lebanese partner under this RFA will include community mobilization, MSMEs mapping and needs assessment, business prioritization and shortlisting, and training on business management, and food safety and hygiene for F&B-related businesses.

**Phase 2**, implemented by ARE will deliver the material assistance and support and may include non-structural rehabilitation works, small equipment, alternative energy products (low cost) and/or furniture. ARE will ensure that support will focus on business management such as cost reduction, and food safety and hygiene promotion for F&B-related MSMEs.

***Problem statement:***

One year after the tragic Beirut port blast MSMEs are facing ongoing and deepening economic and financial challenges to remain operational. Businesses continue to struggle with significant price increases, bank restrictions, decreased client purchasing power, severed access to critical utilities, prohibitively expensive spare parts and equipment. Many MSMEs especially those operating in the food service and supply sectors are struggling to keep their operation running and are on the verge of closing leaving many younger Lebanese without a source of employment income.

While a significant portion of those MSMEs affected by the port blast were rehabilitated, the majority has not yet achieved business and operational recovery. Such micro and small businesses that constitute a primary source of livelihoods and income for the inhabitants of blast-affected neighborhoods require critical support to keep their doors open. Enabling the resilience of these shops to cope with the harsh economic and business reality will not only allow them to ensure their families' livelihoods and preserving jobs for youth that are at risk, but will also allow them to remain as key access points in communities for families and households to purchase especially at a time when transportation options are limited and costly.

***Suggested intervention:***

Within the framework of ARE Objective 3, and in order to help alleviate the devastating impact and critical conditions that F&B-related and other MSMEs are facing in Beirut, and in order to help such businesses withstand the deepening crises that they are facing and remain operational, ARE proposes an adaptive intervention over two phases:

**Phase 1- Operational and Resilience Survey and Needs Assessment:**

- Surveying and assessing the challenges and gaps incurred by at least 300 businesses, in the Beirut blast affected communities. Surveys shall be designed to assess the operational challenges and critical points that are necessary for the continuation of the business including business owner opinions of support required;
- Conduct an outreach effort in order to inform and publicize this intervention and expected support to local businesses;
- Develop a draft evaluation scoring matrix for the shortlisting and selection of beneficiaries. This matrix will be validated and finalized with the ARE team;
- Suggest an intervention list of at least 200 MSMEs based on the scoring matrix that include key information including MSME address, legality, type of business, estimated support budget and other;
- Survey other aid program’s support on similar business and resilience support in the designated areas. Ensure that businesses proposed for support under ARE are not receiving duplicative support from other donor-funded initiatives. Support that is additional to other donor support may be considered with a strong justification;
- Scout and identify local initiatives, resources and opportunities that could complement this intervention and/or synergies (i.e. municipal initiative to support alternative power system installations);
- Design and conduct a business management and food safety and hygiene training to help businesses cope better with increased loss of electrical power in order preserve product quality and stocks and ensure better food safety.

**Phase 2- Material assistance and delivery**

Following the prioritization and identification of at least 200 MSMEs, ARE will issue a procurement solicitation for the validation, supply and delivery of the assistance identified under Phase 1.

***Indicators table and anticipated impact:***

Applicants have to include targets for the below list of ARE indicators in order to specify the anticipated impact of the suggested intervention:

INDICATOR	Applicant Proposed Target	COMMENTS
A.1:VALUE OF NEW PRIVATE SECTOR INVESTMENT LEVERAGED BY USG IMPLEMENTATION (CONTRACTUAL)		
A.2: NUMBER OF FULL-TIME EQUIVALENT (FTE) JOBS CREATED WITH USG ASSISTANCE (CONTRACTUAL)		
A.3: PROPORTION OF FEMALE PARTICIPANTS IN USG-ASSISTED PROGRAMS DESIGNED TO INCREASE ACCESS TO PRODUCTIVE ECONOMIC RESOURCES*		

A.4: YOUTH-3 PERCENTAGE OF PARTICIPANTS IN USG-ASSISTED PROGRAMS DESIGNED TO INCREASE ACCESS TO PRODUCTIVE ECONOMIC RESOURCES WHO ARE YOUTH (15-29)		
A.5: PERCENT OF USG-ASSISTED ORGANIZATIONS WITH IMPROVED PERFORMANCE		
4: VALUE OF INCREMENTAL SALES (DOMESTIC AND EXPORT) COLLECTED AT FIRM LEVEL AS A RESULT OF USG ASSISTANCE (CONTRACTUAL)		
7: NUMBER OF PEOPLE WITH IMPROVED INCOMES AS A RESULT OF USG ASSISTANCE		
10: NUMBER OF FARMERS AND MICROENTERPRISES WHO HAVE APPLIED IMPROVED TECHNOLOGIES OR MANAGEMENT PRACTICES WITH USG ASSISTANCE (CONTRACTUAL)		
13: NUMBER OF SMALLHOLDERS AND SME BENEFICIARIES RECEIVING IMPROVED EXTENSION SERVICES		
[PROXY] TOTAL NUMBER OF JOBS PRESERVED AS A RESULT OF USAID ASSISTANCE		
[PROXY] TOTAL NUMBER OF BENEFICIARIES TRAINED ON BUSINESS MANAGEMENT AND FOOD SAFETY AND HYGIENE BEST PRACTICES		

Additional indicators may be proposed by applicants and ARE reserves the right to require that additional indicators be tracked during negotiation of award(s).

ARE recognizes that some grantees may need technical assistance to more effectively carry out the intervention. Consequently, applicants are encouraged to specify their needs for technical assistance and/or training in their application.

**NOTE:** The above suggested intervention, components, and illustrative action plan and activities are not exhaustive or restrictive. When, and if applicable, applicants are encouraged to suggest additional interventions and activities that support ARE’s objectives and address the problem statement listed above.

## **ID. AUTHORITY/GOVERNING REGULATIONS**

ARE grant awards are made under the authority of the U.S. Foreign Affairs Act and USAID’s Advanced Directive System (ADS) 302.3.5.6, “Grants Under Contracts.” Awards made to non-U.S. organizations will adhere to guidance provided under [ADS Chapter 303](#), “Grants and Cooperative Agreements to Non-Governmental Organizations” and will be within the terms of the USAID Standard Provisions as linked in the annexes, as well as the ARE Project grants procedures.

ADS 303 references additional regulatory documents issued by the U.S. Government’s Office of Management and Budget (OMB) and the U.S. Agency for International Development:

- 2 CFR 200 [Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Subpart E](#)

Full text of 2 CFR 200 can be found at [http://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200\\_main\\_02.tpl](http://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl). ARE is required to ensure that all organizations receiving USAID grant funds comply with the guidance found in the regulations referenced above, as applicable to the respective terms and conditions of their grant awards.

Under the ARE grant program, USAID retains the right at all times to terminate, in whole or in part, ARE grant-making authorities.

## **SECTION II. AWARD INFORMATION**

ARE anticipates awarding a maximum of \$100,000 for implementation of activities under this RFA through a single award ranging from \$10,000 to \$100,000. The final value of the award will be dependent upon grant activities proposed and final negotiation with the successful applicant and may be lower or higher than that range. The duration of any grant award under this solicitation is expected to be no more than twelve months. The estimated start date for grants awarded under this solicitation will be on/about November 15, 2022, though every effort will be made to make award(s) more quickly given the urgent nature of the economic and financial situation in Beirut. The grant type will be determined during the negotiation process based on assessment of the capacity of the selected applicant(s), the proposed activities, and the needs and requirements of ARE.

## **SECTION III. ELIGIBILITY**

### **IIIA. ELIGIBLE RECIPIENTS**

- Applicants must be a registered Lebanese non-government or private organization formally constituted, recognized by and in good standing with appropriate Lebanese authorities, and compliant with all applicable civil and fiscal regulations. Private companies must be majority Lebanese owned and operated (minimum 51% Lebanese ownership).
- Applicants may only submit one application per prime organization under this RFA.
- Applicants must be able to demonstrate successful past performance in implementation of integrated development programs related to ARE's priority areas.
- Applicants must have established outreach capabilities with linkages to the beneficiary group(s) identified in the program description. This should be reflected by the incorporation of the beneficiary perspective in the application.
- Applicants must display sound management in the form of financial, administrative, and technical policies and procedures and present a system of internal controls that safeguard assets; protect against fraud, waste, and abuse; and support the achievement of program goals and objectives. ARE will assess this capability prior to awarding a grant.
- The following are required to be submitted as part of the application package in response to an RFA found in Annex E.
  - Certification of "Representation by Organization Regarding a Delinquent Tax Liability or a Felony Criminal Conviction (AAPD 14-03, August 2014)"
  - Prohibition on Providing Federal Assistance to Entities that Require Certain Internal Confidentiality Agreements – Representation (May 2017)
- Additionally, applicants must sign the following required certifications prior to receiving a grant. The certifications are attached to this solicitation (Annex D) and ARE will review them with applicants.
  - Certification Regarding Lobbying (if award exceeds \$100,000)
  - Certification Regarding Terrorist Financing

- Certification of Recipient
  - For any grant award(s) resulting from this solicitation that is other than in-kind and equivalent to \$25,000 USD or more, grantees will be required to provide a Data Universal Numbering System (DUNS) number at the time of award. If the applicant already has a DUNS number it should be included in their application. Otherwise, applicants will be expected to get a DUNS number before an award is made. ARE will assist successful applicants with this process. DUNS numbers can be obtained online at <http://fedgov.dnb.com/webform/pages/CCRSearch.jsp>
  - The project will work with the successful grantee to draft a marking and branding plan which will be annexed to the grant agreement.
  - Faith-based and community groups will receive equal opportunity for funding in accordance with the mandated guidelines laid out in ADS 303.3.28 except for faith-based organizations whose objectives are for discriminatory and religious purposes, and whose main objective of the grant is of a religious nature.
  - Grantees are subject to and must pass U.S. government partner vetting requirements per Executive Order 13224.

## **SECTION IV – APPLICATION AND SUBMISSION INFORMATION**

### **IVA. INSTRUCTIONS TO APPLICANTS**

Applicants must propose strategies for the implementation of the program description described above, introducing innovations that are appropriate to their organizational strengths.

#### **IVA1. APPLICANT SELF-ASSESSMENT**

All organizations selected for award are subject to a pre-award risk assessment conducted by ARE, to ascertain whether the organization has the minimum management capabilities required to handle US government funds. The applicant self-assessment is the first step in the pre-award risk assessment process. The Applicant Self-Assessment Form is contained in Annex E.

Instructions and a template for the full application are in Annex A. Applicants that submit full applications that meet or exceed the merit review criteria will be notified of next steps in the application process.

#### **IVA2. GRANT APPLICATION**

Templates to be utilized when developing the application are provided in Annex A - C. Applicants shall present their technical application and budget in the formats provided and shall follow the instructions and guidelines listed in these annexes.

All grant activity costs must be within the normal operating practices of the Applicant and in accordance with its written policies and procedures. For applicants without an audited indirect cost rate, the budget may include direct costs that will be incurred by the Applicant to provide identifiable administrative and management costs that can be directly attributable to supporting the grant objective.

The application must be signed by an authorized agent of the Applicant.

### **IVA3. INELIGIBLE EXPENSES**

ARE grant funds may not be utilized for the following:

- Construction or infrastructure activities of any kind.
- Ceremonies, parties, celebrations, or “representation” expenses.
- Purchases of restricted goods, such as: restricted agricultural commodities, motor vehicles including motorcycles, pharmaceuticals, medical equipment, contraceptive products, used equipment; without the previous approval of ARE, or prohibited goods, prohibited goods under USAID regulations, including but not limited to the following: abortion equipment and services, luxury goods, etc.
- Alcoholic beverages.
- Purchases of goods or services restricted or prohibited under the prevailing USAID source/nationality (Burma (Myanmar), Cuba, Iran, North Korea, and Syria).
- Any purchase or activity, which has already been made.
- Purchases or activities unnecessary to accomplish grant purposes as determined by ARE.
- Prior obligations of and/or, debts, fines, and penalties imposed on the Grantee.
- Creation of endowments.
- Covered telecommunication and video surveillance equipment or services produced by or provided by the companies listed in ADS 303.3.35.2.

### **IVB. APPLICATION AND SUBMISSION INFORMATION**

Applications shall be submitted in English and may not be more than 20 pages.

Applications (Technical and budget proposals and supporting documentation) should be submitted in electronic copy to the ARE grant email address: [grants@lebanonare.org](mailto:grants@lebanonare.org) and should reference RFA No.006. Applications must be submitted no later than **05:00 PM Beirut local time, on November 12, 2021**. Late or unresponsive applications will not be considered.

In addition to the application forms and budget, applicants should submit the following to ARE:

- Implementation Plan
- Signed and dated Required Certifications listed under section III.A
- Applicant Self-Assessment form
- A completed Vetting Information Form
- A copy of the Applicant’s valid legal registration (Commercial Circular, Commercial Register, and Ministry of Finance Registration **OR** equivalent from other ministries based on nature of legal entity)
- A copy of their latest audited financial statements.
- List of portfolio and similarly previously achieved projects

All questions concerning this solicitation should be submitted to the Grants email address: [grants@lebanonare.org](mailto:grants@lebanonare.org). ARE will assist applicants in understanding the application process and can provide coaching in application development at the request of applicants. **ARE will not accept phone calls or in-person inquiries.**

### **SECTION V. APPLICATION MERIT REVIEW CRITERIA**

Full applications will be evaluated against the merit review criteria in the table below.



<b>Merit Review Category</b>	<b>Rating (Points)</b>
Feasibility of Design & Technical Approach and methodology	30
Management & Programmatic Capacity (including sustainability of intervention)	15
Delivery time/ speed of implementation	15
Cost Effectiveness	10
Past Performance	10
Gender and Youth Awareness and inclusion	10
Impact on Target Group	10
<b>Overall Rating (out of 100 points)</b>	<b>100</b>

These merit review criteria elements are described more fully below.

**A. Feasibility of Design & Technical Approach:** The quality and feasibility of the application in terms of the viability of the proposed technical approach, (i.e., the proposed technical approach can reasonably be expected to produce the intended outcomes), appropriateness of the proposed survey methodology, innovativeness, and the work plan for achieving project objectives to offer the impact listed in the detailed program description section. The technical approach must directly contribute to the achievement of the ARE Program’s expected results and performance under the activity and must be measurable under one or more of the ARE Program’s indicators as indicated in the RFA (see page 5). Evaluation of approaches may include either approaches proven to be effective or new untried approaches with promise. Proposed mechanisms for monitoring and evaluation with objectively measurable indicators will also be appraised. **30 points**

**B. Management and Programmatic Capacity, including sustainability of intervention:** Evidence of the capability to undertake and accomplish the proposed activities and positively restore and strengthen targeted MSMEs in the Beirut blast area. The application should demonstrate the organization’s effectiveness in terms of internal structure, technical capacity, and key personnel, in meeting economic development goals. In addition, the organization must demonstrate adequate financial management capability. The evaluation will be based principally on the background, qualifications, reputation, appropriateness and skills of its key personnel; and the “track record,” reputation, and achievements (including development of self-sufficient, sustainable activities) of the organization. This category will also review the extent to which the funded intervention will result in building and strengthening the capacity of the community and local organizations, and whether the intervention itself is sustainable or will promote sustainability of the MSMEs supported through the intervention. **15 points**

**C. Delivery time, speed of implementation:** The extent to which the applicant is able to mobilize quickly and deliver the suggested project taking into consideration the urgency of this activity and need to restore MSMEs to operation as fast as possible. **15 points**

**D. Cost Effectiveness:** The degree to which budgeting is clear and reasonable and reflects best use of organizational and grant resources. **10 points**

**E. Past Performance:** Previous or ongoing experience implementing similar activities. This examines an Applicant’s references and experience, which is a critical factor in assessing the capacity of the organization to implement the activity. **10 points**

**F. Gender and Youth Awareness:** The extent to which the proposed activity includes a gender component or represents a strong commitment to women as beneficiaries. **10 points**

**G. Impact on Target Group:** The extent to which the proposed training activity corresponds to the needs of target group(s) and will directly benefit them. Indicator targets proposed by applicants will be evaluated herein. Also, the degree to which it will directly or indirectly stimulate other organizations and resources to replicate, develop, or implement activities supporting the objectives of ARE. **10 points**

Additionally, ARE will ensure environmental soundness and compliance in design and implementation as required by 22 CFR 216.

## **SECTION VI. AWARD AND ADMINISTRATION INFORMATION**

All grants will be negotiated, denominated and funded in USD. In any time throughout the life of the award, if USAID revokes the right to pay in USD, the contract or remaining amount of the contract will be paid in local currency per Lebanon's Central Bank official exchange rate.

All costs funded by the grant must be allowable, allocable and reasonable. Grant applications must be supported by a detailed and realistic budget as described in Section IV.

Issuance of this RFA and assistance with application development do not constitute an award or commitment on the part of ARE, nor does it commit ARE to pay for costs incurred in the preparation and submission of an application. Further, ARE reserves the right to accept or reject any or all applications received and reserves the right to ask further clarifications from the offerors. Applicants will be informed in writing of the decision made regarding their application.

### **LIST OF ANNEXES –**

- **Annex A** – Grant Application Form
- **Annex B** – Grant Application Budget Form
- **Annex C** – Implementation Timeline
- **Annex D** – Required Certifications
- **Annex E** – Applicant Self-Assessment Form
- **Annex F** – Mandatory and Required As Applicable Standard Provisions:
- **Annex G** – Vetting Information Form