



**USAID**  
FROM THE AMERICAN PEOPLE

**ARMENIA**

**DATE:** October 10, 2012

**SUBJECT:** AMENDMENT #1 TO RFA-111-12-000004, PARTNERSHIP FOR RURAL PROSPERITY PROGRAM

**ISSUANCE DATE:** September 18, 2012

**CLOSING DATE:** November 13, 2012

The purposes of this amendment to the funding opportunity are to: (i) respond to the requests for clarification and; (ii) extend the closing date for submission of applications from October 26, 2012 to November 13, 2012 at 10 AM Yerevan time.

All questions and points of clarification received by the due date and time were considered for inclusion in this amendment. If the exact wording of your question(s) cannot be located it is because it is addressed in another similar question or request for clarification.

| # | Question                                                                                                                                                                                                  | Answer                                                                                                                                                                                                                                                                                                                                      |
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| 1 | <i>Will the cost sharing be evaluated on the part of prime organization only or the consortium cumulatively? Will the in-kind contributions (existing infrastructures) be considered as cost sharing?</i> | Cost share is not a requirement for this program and will not be viewed as a decisive factor during the evaluation. USAID is more interested in creativity and how the activities will help achieve the desired result. In-kind cost share is acceptable if it can be accurately documented during/for audit.                               |
| 2 | <i>How many communities can be involved?</i>                                                                                                                                                              | USAID has intentionally left the number of communities and beneficiaries open. Many of the issues described in the program description are shared by most of the marzes of Armenia. If an applicant is already focusing on a particular geographic area and views the project as an opportunity to expand, that will be considered as well. |

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| 3  | <i>Is it acceptable if several international organizations combine their technical expertise and apply with one prime organization?</i>                                                              | While partnerships with international organizations are acceptable the prime applicant must be an Armenian organization.                                                                                                                                                                                                                                              |
| 4  | <i>Is it acceptable if one organization will be nominated as a sub- for several primes'?</i>                                                                                                         | Yes, one organization could be nominated as a sub in several applications.                                                                                                                                                                                                                                                                                            |
| 5  | <i>Are there groups of people (disabled, women, youth) that will have advantage over the others?</i>                                                                                                 | We welcome applications from organizations that will help achieve the expected results and that meet the eligibility requirements. All groups are welcome, and there is no criterion of what is more desirable.                                                                                                                                                       |
| 6  | <i>There are a number of local organizations with lots of potential but lacking resources. Will the potential be considered if there is a creative idea?</i>                                         | The application package will be evaluated as a whole with strengths and weaknesses, taking into consideration that each of partners can address different components. Past performance and qualifications will also be considered.                                                                                                                                    |
| 7  | <i>Will the evaluation criteria be the same for profit and non-profit organizations?</i>                                                                                                             | The RFA clearly mentions that both profit and non-profit organizations may apply. All applications will be evaluated based on the same criteria. However, USAID will not pay profit.                                                                                                                                                                                  |
| 8  | <i>Is it acceptable that the organization has experience of achieving the expected results in similar program in another country (Georgia)?</i>                                                      | USAID is interested in organizations that have methodologies and approaches that can achieve the desired PRP results, therefore, it is expected that any methodologies, approaches, experiences described in an application should be applicable and replicable for the local situation and conditions.                                                               |
| 9  | <i>Can the sub partner organization be a governmental organization?</i>                                                                                                                              | It is allowed. See USAID's policy at ADS 303.3.21.b.                                                                                                                                                                                                                                                                                                                  |
| 10 | <i>Can the consortium consist of two equal prime organizations?</i>                                                                                                                                  | It is not possible for the consortium to consist of two primes, since one of the organizations should be responsible to receive and distribute funds, perform reporting, as well as manage the relationship with all sub-partners to achieve the desired results and to ensure that the funds are managed responsibly in accordance with USAID rules and regulations. |
| 11 | <i>Can costs for an external evaluation be included in the applicant's budget?</i>                                                                                                                   | The applicant may wish to perform its internal evaluations and the cost(s) for these should be included in the applicant's budget. USAID will likely do its own mid-term and final external evaluations at USAID's expense.                                                                                                                                           |
| 12 | <i>How far is the VAT exemption expanded? Are the sub-recipients exempted from VAT too?</i>                                                                                                          | Sub-recipients are exempted from VAT as well.                                                                                                                                                                                                                                                                                                                         |
| 13 | <i>Is it necessary to submit details of construction works to be undertaken in frame of the program with the application?</i>                                                                        | Details of construction works should not be submitted with the application.                                                                                                                                                                                                                                                                                           |
| 14 | <i>Are there any partnership agreement formats? Is there a limitation to the number of consortium members?</i>                                                                                       | There is no standard format for partnership agreement and the number of consortium members is not limited provided that the consortium is manageable and cost efficient.                                                                                                                                                                                              |
| 15 | <i>Is there any specific financial viability criterion for prime contractor among eligibility criteria [RFA-page 19: Has adequate financial resources or the ability to obtain such resources as</i> | USAID intends to use and advance/liquidation financing mechanism; however, the final determination of the financing mechanism will be based on the results of the pre-award survey of the successful applicant.                                                                                                                                                       |

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|    | <i>required during the performance of the award]? Should the prime contractor pre-finance the project activities before USAID will reimburse the costs for implemented activities?</i>                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                             |
| 16 | <i>Is it possible to extend the application submission deadline which in our opinion is short for preparing full application package for such large scale project?</i>                                                                                                                                                                                                                  | Yes, the application deadline is extended to November 13, 2012                                                                                                                                                                                                                                                                                              |
| 17 | <i>To clarify once more if our understanding is correct regarding partnership and sub-granting. Can a lead organization identify a partner-agency in the initial stage of program development and be flexible in sub-contracting others upon need during the program implementation period?</i>                                                                                         | In case it is not identified in the Technical Application, a change of the partner-agency must be strongly justified and approved by USAID. Other organizations may be subcontracted upon need during program implementation. These additional subcontractors will require USAID approval.                                                                  |
| 18 | <i>Are there any restrictions for the budget of the proposal?</i>                                                                                                                                                                                                                                                                                                                       | The budget must be developed in accordance with the Cost Application Format instructions of the current RFA.                                                                                                                                                                                                                                                |
| 19 | <i>How detailed must the technical application be in describing the proposed construction activities? For example, are detailed construction plans required?</i>                                                                                                                                                                                                                        | Detailed construction plans are not a requirement for this RFA.                                                                                                                                                                                                                                                                                             |
| 20 | <i>The RFA indicates that the technical application must provide “a clear description of what the Applicant proposes to do, where, why, when, how and by whom” (page 14 RFA). Is it required to indicate the names and details of sub-contractors (such as possible construction companies) already in the application form?</i>                                                        | Applicants are not required to indicate the names of the sub-contractors in the Technical Application, unless it is the partner organization or part of consortia formed to participate in this Funding Opportunity. Subcontractors identified after award will require USAID approval.                                                                     |
| 21 | <i>Regarding the Past Performance, is it possible to list project experience involving projects which did not bring in money directly, but the organization was actively involved in the implementation process on voluntary basis with parallel funding going directly to the communities?</i>                                                                                         | All relevant past performance information should be clearly described in the application.                                                                                                                                                                                                                                                                   |
| 22 | <i>Regarding Cost sharing required (referred to on page 16 of the RFA),</i><br><i>a) What kind of special circumstances warrant a community from this prerequisite?</i><br><i>b) What types of cost sharing does this include? For example, can provision of community assets be considered as cost sharing?</i><br><i>c) Is there a threshold such as a minimum percentage of cost</i> | a) There are no special circumstances in this regard.<br><br>b) Cost sharing is not a requirement under this program. Any in-kind contribution should be clearly prescribed and documented in a measurable way, in order to ensure the possibility of auditing of such contribution if necessary.<br><br>c) No, there is no minimum cost sharing threshold. |

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|    | <i>sharing required from communities?</i>                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 23 | <i>Are there any preferences/requirements of USAID regarding the geographic locations of the project?</i>                                                                                                                                                    | No                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 24 | <i>Are environmental mitigation and monitoring plans (EMMPs) necessary for all of the proposed activities?</i>                                                                                                                                               | USAID has found that a <b>Negative Determination with conditions</b> applies to the activities prescribed in the Program description. This indicates that if these activities are implemented subject to the specified conditions, they are expected to have no significant adverse effect on the environment. The Applicant(s) will be responsible for implementing all IEE conditions (including EMMP) pertaining to all activities granted Negative Determination with conditions.                                                                                                                                                                                                                                    |
| 25 | <i>How detailed must the budget narrative be: for example, are vendor quotes required to serve as a basis of estimate for each budget line item or are previous experience with similar activities sufficient justification?</i>                             | The budget narrative is sometimes referred to as the budget justification. The narrative serves two purposes: it explains how the costs were estimated and it justifies the need for the cost.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 26 | <i>What is the NICRA rate for this RFA, if an organization (prime, sub) does not have such with US government?</i>                                                                                                                                           | A Negotiated Indirect Cost Rate Agreement (NICRA) is not established for a single RFA, RFP or an award. Responsibility for negotiating indirect cost rates with organizations doing business with the U.S. Government is specifically assigned. Each organization negotiates its indirect cost rates with one government agency which has been assigned cognizance. Usually the cognizant government agency is that agency which has the largest dollar volume of contracts with the firm or organization. The resulting Negotiated Indirect Cost Rate Agreement (NICRA) is binding on the entire government. Organizations that do not have established indirect cost rates should budget all proposed costs as direct. |
| 27 | <i>The link provided on page 17 of the RFA (<a href="http://apply07.grants.gov/apply/FormLinks?family=15">http://apply07.grants.gov/apply/FormLinks?family=15</a>) leads to multiple budget forms. What are the specific appropriate forms for this RFA?</i> | SF 424 and SF 424A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 28 | <i>Are applications which include local government-related organizations as prime/sub applicants eligible for consideration under this RFA?</i>                                                                                                              | Local governmental organizations are not eligible as a prime but are eligible as sub applicants. See USAID's policy at ADS 303.3.21.b.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 29 | <i>Is there a maximum percentage (from the total project budget) that can be allocated to sub-grants/sub-awards/contracts to other organizations?</i>                                                                                                        | 40% of total program budget/works could be allocated to sub-grants/contracts.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 30 | <i>Are there any limitations regarding the legal status of sub grantees/contractors? For example, are non-Armenian organizations/individuals (experts) also eligible to act as sub</i>                                                                       | Non-Armenian sub-contractors/grantees are eligible. Subcontractors must meet the source and nationality requirements in 22 CFR 228 under authorized geographic codes 110 and 937.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |

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|    | <i>grantees/contractors?</i>                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 31 | <i>Please explain the statement on pg. 19 of RFA, point 11: Required assurances, certifications and representations in Section (TBD)?</i>                                                                                                                                                                                | Please refer to Annex B of the RFA.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 32 | <i>What does EEO stand for (pg. 19 of RFA, point 12e)?</i>                                                                                                                                                                                                                                                               | EEO stands for Equal Employment Opportunity.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 33 | <i>Can you please re confirm if the technical capacity building of the local micro finance institution (MFI) to make the adapted financial services available for the rural communities and financial education of the rural communities to be able to work with the MFI are eligible activities under the PRP call.</i> | Yes, but the activities to be implemented under the program could not be limited by this activity only.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| 34 | <i>What kind of legal document has to be developed in between prime and the sub: MOU, partnership agreement or any other specific format?</i>                                                                                                                                                                            | It is up to an Applicant to choose the type of the document. However, RFA requires that "...the Cost/Business application must include a copy of the legal relationship between the parties. The agreement should include a full discussion of the relationship between the Applicant and Sub-Applicant(s) including identification of the Applicant with which USAID will treat for purposes of Agreement administration, identity of the Applicant which will have accounting responsibility, how Agreement effort will be allocated and the express agreement of the principals thereto to be held jointly and severally liable for the acts or omissions of the other." |
| 35 | <i>Can an international organization be a sub for different primes?</i>                                                                                                                                                                                                                                                  | Yes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |