REQUEST FOR APPLICATION (RFA)

Number: SOL-268-12-000006
Title: Building Alliance for Local Advancement, Development, and Investment (BALADI)

Issuance Date: March 15, 2012
Application Submission Date: April 19th, 2012, 2:00 pm Cairo Local Time

Deadline for Questions: March 29, 2012, 2:00 pm Cairo Local Time

Dear Sir/Madam:

On behalf of USAID/Lebanon, the Regional Procurement Office of USAID/Egypt is seeking Assistance Applications from US non-governmental entities to implement the program description explained below.

This funding opportunity is posted on www.grants.gov and may be amended. As the Request for Application (RFA) may be amended, potential applicants should regularly check the site to ensure they have the latest information pertaining to this RFA.

Only **electronic** applications will be considered received. USAID bears no responsibility for data errors resulting from transmission or conversion processes associated with electronic submissions.

To be eligible for award, the applicant must provide all required information in its application, including the requirements found in any attachments to this Grants.gov opportunity.

This RFA consists of this cover letter plus the following Sections:
Section I - Funding Opportunity Description
Section II - Award information
Section III - Eligibility Information
Section IV - Application and Submission Information
Section V - Application Review Information
Section VI - Award and Administration Information
Section VII - Agency Contacts
Section VIII - Other Information
Section IX - Standard Provisions
Section X – Special Provisions

Each section is provided as an attachment except for the two which are provided below:

SECTION VII. AGENCY CONTACTS: Please send all questions or comments concerning this funding opportunity to the following **e-mail address: baladi@usaid.gov** .

SECTION VIII. OTHER INFORMATION: USAID retains the right to fund any or none of the applications submitted.
Eligible organizations interested in submitting an application are encouraged to read this RFA thoroughly to understand the type of program sought and the application submission and evaluation process.

Sincerely,

Stanley G. Canton

Stanley Canton
Agreement Officer

SECTION I. FUNDING OPPORTUNITY DESCRIPTION

Program Eligibility Requirements:
Type of entities which may apply is described in Section III.

How the Award will be Administered:
Standard Provisions for Non-U.S. Non-governmental Recipients will apply. The Standard Provisions may be obtained via our agency website www.usaid.gov directly or via links in USAID Automated Directive System (ADS) Chapter 303 on our agency website: http://www.usaid.gov/policy/ads/300/303.pdf. Copies may also be obtained from the listed agency points of contact for this RFA.

PROGRAM DESCRIPTION:

The following program description indicates the range of activities that might be involved and the goals of this activity which the successful applicant will be expected to meet.

A. USAID STRATEGY

The United States is committed to assist the people of Lebanon to have a sovereign, stable, democratic, and economically viable Lebanon. USAID support advances two development objectives: 1) Strengthen Lebanon's decentralized ability to provide quality, reliable, and equitable services to its citizens, including education, water and sanitation, and good governance; and 2) enhance economic opportunity, protect the environment, and stabilize the country's poorest areas.

These objectives are achieved using the following strategies:

1. Promoting gender equality and female empowerment
2. Applying science, technology, and innovation strategically
3. Measuring and evaluating impact, with a focus on learning
4. Building sustainability from the start of projects
5. Promoting cross-sector and multi-disciplinary approaches
6. Creating partnerships and leveraging partners

We seek to invest in Lebanon's efforts to improve public services at the local and regional level, promoting community participation in local governance decision-making, access to reliable and affordable public services, and participatory and accountable local governance, as well as to achieve sustained and broad-based economic growth and environmental protection. We meet this challenge by engaging with sub-national government institutions, Lebanese-registered grassroots organizations, and businesses.

B. DEVELOPMENT CONTEXT

The current structure and function of the central government in Lebanon inhibits decentralized decision-making, service provision, and economic development activities. As a result, scarce resources do not address the service needs of communities, resulting in sub-standard public goods. Moreover, pluralistic participation in local decision-making processes is not encouraged, thus limiting the effectiveness of the public services offered by local governments.

The BALADI[1] program offers an opportunity for pro-active, innovative, well-led municipalities, unions of municipalities, and village clusters to address critical resource constraints. BALADI will achieve this by expanding broad citizen participation in local decision making and supporting reliable and affordable public services.

Based on the availability of funds, USAID/Lebanon will award up to four, five-year Cooperative Agreements for up to $6.25 million each to consortia of NGOs that are multi-sectoral, culturally diverse, and willing to work nationwide. See Section D for the Program Description and Section H for Selection Criteria.

C. COUNTRY BACKGROUND

After the 1975-1990 civil war and subsequent years of occupation and attacks by foreign states, Lebanon experienced devastation in the national economy, society, and politics. Despite these setbacks, Lebanon continues to rebuild and integrate into the global economy.

Lebanon is a small country of many different religiously, ethnically, and socio-economically diverse citizens. This diversity is rich in history and culture, yet has led to a significant amount of sectarian tension as groups often pursue their own interests above those of the state. The country is divided into six governorates: Bekaa, Beirut, North Lebanon, South Lebanon, Mount Lebanon, and Nabatieh. Beirut is home to nearly half the population. Thirteen percent of the total population lives in remote rural areas. This uneven distribution, combined with a heavily centralized and confessionalist government, makes equitable service delivery and development planning a challenge at the local level.

Municipalities are frequently perceived as the governmental institutions most capable of providing a basic minimum of public services at the local level. At the same time, overly centralized governance constrains decision-making authority at the local level, making it difficult for local leaders to address the demands. Where proactive, resourceful, and capable mayors and municipal unions can be found, and surround themselves with like-minded individuals, improvements in local infrastructure and service delivery can be remarkable.

Governance

Lebanon is administratively divided into six *muhafazat* or governorates, each headed by a *muhafez* (governor). They are further divided into 25 *caza*, or districts, each headed by a *qa'im maqam* (district administrator). The smallest administrative unit—and the only elected one—is the municipality, headed by a municipal council president or mayor.

Currently, Lebanon has 958[2] municipalities within the six governorates. There are approximately 42 Unions of Municipalities, which include 62 percent of all municipalities throughout Lebanon.

Municipal unions are established by decree from the Council of Ministers and based on requests from the Ministry of Interior and Municipalities (MOIM) and municipalities themselves. Municipal unions are run by councils; each union council is composed of mayors of member-municipalities who serve for the same term as municipalities. A union council elects its own union council president and vice president. All decisions taken

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[1] The word 'BALADI' in Arabic means: 'my country', 'my village', and 'local'.
[2] Reference: Ministry of Interior and Municipalities. Elections 2010 website. www.elections.gov.lb

by a union council are legally binding on member-municipalities. Member-municipalities contribute 10 percent of their revenues to the union. Member-municipalities benefiting from joint projects contribute an additional percentage of their revenues as set by the union council and approved by the MOIM.

Municipalities rely on two main sources of revenue: taxes and fees directly collected by municipalities themselves, and surtaxes collected by the state on behalf of municipalities and placed in an "Independent Municipal Fund" (IMF) administered by the Ministry of Finance. Legal contradictions provide the central government with considerable leeway in determining the redistribution of these funds. A 1979 law specifies that 75 percent of funds should be allocated to municipalities and 25 percent to municipal unions, but the practice is drastically different and municipalities typically receive a fraction of funds to spend as they wish.

The combination of predominantly centralized decision-making with insufficient national planning has placed municipalities in a bind as they are unable to take independent action nor rely on the central government to solve problems. The main tasks of municipalities have been confined to relatively marginal activities, such as the provision of licenses, lighting, and maintenance of secondary schools and community facilities. Cash-strapped municipal councils thus use the bulk of their funds on basic infrastructure and have little left for local development initiatives.

Poverty

Poverty in Lebanon is easily disguised, as the national per capita GDP ranks the country as "upper-middle income. Nonetheless, the 2009 UN Human Development Report categorizes Lebanon as "developing" (for example, hunger rates have increased since 2009). Data is largely lacking (the last official census was by the French in 1932), but most reports indicate that individuals living under the upper poverty line ($4/day) comprise around 28 percent of the population, mostly in remote and underserved areas outside Beirut, Tripoli, and Saida. Lebanon is a signatory to the Millennium Development Goals, which aim to reduce the upper poverty rate to 10.3 percent by 2015.

Private Sector Growth

Doing business in Lebanon remains expensive due to governance and administrative challenges and expensive access to basic utilities. Challenges in the pluralistic and decentralized democracy create gridlock that prevents reform and equitable socio-economic advancement. Lebanon's growth[3] was down in 2011 to 1.5%' due in large part to domestic political uncertainty and regional unrest, and was projected to grow one to two percent in 2011 (versus an annual average of eight percent in 2007-2010). Growth could reach eight percent in 2012, but risks remain high reflecting the uncertain regional and global environment.

Corruption

Lebanon ranked 134 out of 183 countries worldwide in Transparency International (TI)'s 2011 Corruption Perception Index (CPU), compared to 127 out of 178 in last year's survey. Within the MENA region, Lebanon also fell one spot to 14 out of 20 countries. Although Lebanon's CPU score remained unchanged from 2010, its scores for the past three years have been the lowest since its inclusion in the index. TI noted the country's "deeply entrenched nepotism networks" made civil society efforts against corruption very difficult, while anti-corruption legislation exists but isn't properly enforced.

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[3] International Monetary Fund, World Economic Outlook Database, January 2012.

Social Capital[4]

Few Lebanese citizens are aware of the legal framework for local governance, including in some cases municipal council members themselves, such as legal requirements related to public announcements of council decisions. More informed citizens will not only be empowered to hold local government accountable and demand greater participation, but also to appreciate the challenges and constraints under which Lebanese municipalities operate and ways in which they can assist in improving the quality of life in their communities.

The 2010 Legatum Prosperity Index ranked Lebanon's social capital 99 out of 110 countries. The report shows that Lebanese people, in general, do not trust others. Indeed, the index finds that prosperity is found in entrepreneurial democracies that have a strong social fabric, making the two inexorably linked when it comes to determining how prosperous a country is. Building trust and social capital in Lebanon requires greater inter-cultural and inter-municipal cooperation to achieve set goals and values.

Foreign Direct Investment

The Arab Investment and Export Credit Guarantee Corporation (AIEGC) projected foreign direct investment (FDI) in Lebanon to reach $3 billion in 2011, down from $5 billion in 2010, which represents a 39.5 percent drop. Lebanon had been the top per capita recipient of FDI in the region, receiving flows worth an estimated 12.6 percent of GDP in 2010 (versus only 7.2 percent in 2011). This is in line with AIEGC's forecast of a decline of 16.8% in FDI for the entire region, which can be attributed to the political turmoil the region has witnessed since the beginning of the year.

Provision of Public Services

While in principle municipalities are responsible for planning and implementing infrastructure and development projects within their area of jurisdiction, these projects are most often executed by central agencies. Yet, central government is not always able to deliver. It has not been totally effective at addressing widespread problems due to lack of a single national development strategy, scattered decision-making, and overlapping jurisdictions between different central government ministries and agencies. Cash- strapped municipal councils thus use the bulk of their funds on basic administrative needs and have little left for local development initiatives.

Municipal councils are legally permitted to directly collect 16 different tariffs and fees within specified tax rates. In actuality, only a handful of these are significant sources of revenue. The allocation of funds is thus unpredictable, and political factors may determine who gets how much and when.

Gender

The 1926 constitution describes Lebanese men and women as equals. Improvements have been accomplished in bridging the gender gap in enrollment and retention at all education levels. Despite this, there have not been comparable rates of women's participation in the political and economic arenas. Women comprise around half of the country's population, yet their contribution to economic activity is estimated at around 22.8 percent.

In this era of slow growth, high unemployment, and fiscal woes, investing in women is an economic imperative. It is important to keep in mind that gender is not about women only; it is about how a culture defines men and women and how they relate to one another. Women tend to be more informed about gender issues because their

[4] 'Social capital' is the value of social relations and the role of confidence and cooperation to obtain collective or economic results.

lives depend on it – they are the ones with less power because they are in fewer decision-making positions, they control fewer funds, and they tend to be marginalized.

Youth

Lebanon's growing and active youth population is both a potential asset and threat to its development and stability. With more than half of the population below the age of 30, a considerable disconnect is emerging between generations. The older generation, regardless of the sectarian divide, was largely brought up during the omnipresent civil war and seeks to avoid a return to such times. At the same time, some segments of the younger generation can easily be drawn into negative and disruptive activities if their basic needs are not addressed. With decreasing job opportunities and limited educational and training opportunities outside of the formal education system, many young people could end up engaging in negative behavior as a legitimate way to advocate on behalf of one's identity, community, confession, and party – all of which are closely intertwined and mutually reinforcing.

Unlike in some countries, education does not necessarily provide a route out of poverty for Lebanon's youth. One third of extremely poor college graduates and 20 percent of non-poor university graduates are unemployed. Not surprisingly, a large portion of Lebanon's youth is disenchanted with the formal education system and requires alternative means to developing employment and entrepreneurial skills.

Diaspora

Lebanon is a country with a significant Diaspora population. Nearly 10 million Lebanese are estimated to be living outside of the country, compared to a resident population of around 4 million. The largest portion of Diaspora lives in Brazil (an estimated 7 million) with the second largest group living in Argentina (1.5 million). Members of the Lebanese Diaspora reside throughout the world with other significant levels of population living in the United States, Colombia, Australia, Canada, Mexico, France, and Saudi Arabia. The socio-economic profile of the Diaspora varies considerably, though among this group is a sub-population of middle income people interested in maintaining the fabric of Lebanon's diverse and rich culture. The Diaspora represent a group of people who may wish to partner in the economic development of Lebanon's communities.

In 2009, USAID launched the Diaspora Networks Alliance (DNA) with resources to engage Diaspora communities toward effective programming in countries like Lebanon.

Remittances

The World Bank reports that remittances in 2011 were $7.6 billion. Lebanon was the 14th largest recipient of remittances globally in 2009, and the single largest in the MENA region relative to its GDP and on a per capita basis. Currently, remittances are sent to individuals and families, and generate a ripple effect in the economy as families spend funds for their livelihood. However, relatively little is sent back for investment, advocacy, tourism, or philanthropy.

Environmental Protection and Eco-Tourism

With the rapid modernization of Lebanon, natural areas are being destroyed through haphazard development. Citizens are concerned about and acknowledge the problem, but look to local and central government for help. Citizens, government, and the private sector need to work together to save Lebanon's rich biodiversity - the mountains, forests, wildlife, beaches, rivers, caves, valleys, and gorges. This also includes the preservation and tourist promotion of Lebanon's numerous historical and archaeological sites.

The wealth and power represented by these resources make their sound management and equitable access critical for sustainable economic development and a healthy environment. Lebanon is becoming more of an outdoor destination where people can visit its natural reserves and engage in ecotourism activities.

Private-sector Philanthropic Cooperation

Corporate Social Responsibility (CSR) is gaining ground in Lebanon, as several businesses and commercial banks are aware of the need to be responsible towards the economy, society, environment, and human welfare. While some make CSR their strategic goal for long-term survival, others use certain elements of CSR as a public relations and marketing tool.

Public-private partnership and private sector cooperation are two innovative models for improving social and economic conditions in Lebanon. These models combine the assets and experience of strategic private sector partners, leveraging their capital and investments, creativity, and access to markets to solve complex problems facing government, businesses, and communities. This can include fundraising, Diaspora linkages, and special funding and sponsorship opportunities. Such collaborations can promote change in governance and institutions, human capacity, and economic structures that help countries achieve economic and social progress without depending on foreign aid.

Donor Assistance

USAID has provided longstanding support to local government. The Municipal Governance Assistance Program (2004-2011) implemented by the Center for Legislative Development of the University of Albany (SUNY/CLD) helped hundreds of municipalities strengthen their administrative and financial capacities, raise local revenues, and enhance relationships with citizens through greater transparency (e.g., publication of citizens' guides to municipal procedures and fees). More recently, the Empowering Municipalities through Local Economic Development (EMLED, 2008-2011) and the Municipal Capacity Building and Service Delivery (TAMKIN, 2008-2012) programs supported municipalities in the North and South with local economic development initiatives using participatory approaches, with a focus on creating jobs, spurring investments, and revitalizing local economies.

USAID assistance to municipal governments through SUNY/CLD played an important role in enhancing municipal tax collections and revenues, but primarily benefitted the largest municipalities, such as Beirut, Jounieh, Tripoli, and Zahle. Institutionalization of improvements has been a challenge, particularly among the smaller municipalities, which are often too short-staffed to sustain the new systems. In addition, recommendations for organizational restructuring to improve the prospects for sustainability were not always actionable, especially when it involved hiring new staff. USAID support for local economic development programs through EMLED and TAMKIN also faced challenges in institutionalization of participatory approaches as after the 2010 municipal elections no accumulation of experience occurred, and required the need to start over with new municipal leaders and local economic development committees.

Over the past seven years, the EU has worked to assist select unions of municipalities in elaborating local development strategies and implementing priority projects in agriculture, the environment, and tourism. UNDP has managed multiple programs that support the implementation of locally designed projects. The World Bank supports municipal infrastructure and basic service delivery, and has helped select secondary cities capitalize on their cultural assets to foster local economic development. The Italian Cooperation has provided institutional support to municipalities to promote local development and is engaged in environmental protection. UNIDO, UNIFIL, and other actors are also involved.

The BALADI program activities will build on previous, existing, and ongoing activities implemented by USAID and other donors in civil society, decentralized governance, tourism and agriculture value chains, reforestation, social entrepreneurship, education, and water. This project is expected to coordinate with other USAID, international donors (highly encouraged), and the Lebanese NGO community to ensure complementarity, promote information sharing, and prevent duplication.

D. DETAILED PROGRAM DESCRIPTION

In the BALADI program, USAID seeks to encourage innovation in service delivery by local governments, and will sponsor an in-kind competitive grants program, managed by local NGOs, for municipal projects that respond to the governance and economic opportunity citizen needs. The BALADI program tests the hypothesis that many municipalities have outstanding leadership, but lack the financial capital to realize their visions.

The BALADI program will implement activities that address the development problem by supporting municipalities and municipal unions nationwide that demonstrate a real commitment to participatory, equitable, and effective decentralized local governance and economic development that address the following:

1. Improves reliable and affordable public services;

2. Expands broad citizen participation; and

3. Promotes innovation in the delivery of such services.

The BALADI program will support local NGO consortia to respond to the needs and the development ideas of municipalities (and unions). The BALADI program gives priority to NGO activities that engage municipal clusters or unions in efforts that support Lebanese actors who contribute to stronger decentralized governance, civic culture, and poverty alleviation. Priority will be given to projects by municipalities or unions of municipalities that: 1) demonstrate citizen participation in the identification and design of the project; 2) build sustainability for continuation of the activity beyond the period of USAID funding; 3) leverage private sector or host government resources; and 4) are well defined based on a sound feasibility analysis; and 5) have potential impacts within a positive benefit/cost ratio.

BALADI has a two-stage approach: In **Stage 1**, subject to availability of funds, USAID will first award cooperative agreements to up to four lead local NGOs at $6.25 million each for five years. Then in **Stage 2,** these lead local NGOs will then annually solicit applications from municipalities for village-community development projects; the village-community projects will be implemented by the lead directly or with the help of its consortium[5] through in-kind and/or in-cash subgrants/subcontracts. No funds will be channeled to/through municipalities, government entities, or to individuals. Diagram 1 in **Annex I** illustrates Stages 1 and 2.

[5] A consortium is envisioned to be a group of non-governmental organizations or non-governmental entities sub-awarded or subcontracted by the lead NGO for implementing one or more municipal projects.

<u>Stage 1: Support to Lead NGOs with Consortia</u>

Based on the availability of funds, USAID/Lebanon will award up to four Cooperative Agreements, approximately $6.25 million each, to a lead **Lebanese NGO** and a supporting consortia of Lebanese NGOs that are multi-sectoral, culturally diverse, and willing to work together nationwide to achieve the development objectives laid out in this document. Preference will be given to NGOs that 1) demonstrate financial capacity to manage a grant program that meets USAID requirements; 2) maximize the share of resources available for subawards; 3) establish clear criteria for ranking proposals to respond to the needs of citizens for improved municipal services and economic opportunity; 4) demonstrate capacity to manage an outreach program to inform municipalities and citizens of the grant program goals and requirements; and 5) are capable of working in consortia that bring together partners that represent a broad spectrum of Lebanese society. Success will not be measured by reach, rather by the depth of addressing needs and creating sustainable, locally-led and managed long-term, development initiatives. USAID may negotiate and re-assign geographic areas to shortlisted or successful applicants to ensure that the BALADI program has the best geographic coverage in Lebanon. Successful leads shall also ensure regional offices close to targeted communities. USAID expects applicants to contribute office rental costs as part of their cost-share.

USAID seeks local partners that can create consortia to fulfill a work plan that addresses the problem and issues outlined in this Request for Application. Applications should outline how awardees will coordinate closely with partners to ensure programs are reflective of Lebanon's religious, cultural, and economic diversity. Collaborations should be clearly reflected in consortia proposals including the name, background, and function of the Lebanese entity responsible for each goal and activity. Applications to USAID should illustrate how the Cooperative Agreement recipient will annually solicit and plan the collective Stage 2 activity. Applicants should clearly illustrate how they propose to disseminate and promote the program, execute, manage, monitor, and evaluate their proposed programs including the municipal-community projects that they will solicit and sub-award annually under Stage 2. Applications should also illustrate clearly how BALADI-funded municipal-community projects under Stage 2 will be competed, evaluated, vetted, awarded, and monitored and (impact) assessed (including baseline data collection and M&E methodologies) by the Applicant.

Applications shall also address the following development concepts:

a. Linkages to past and present USAID programming and/or other donor or national assistance programs. Information on past and ongoing USAID programs can be found on USAID/Lebanon website http://www.usaid.gov/lb/.
b. Diaspora engagement
c. Private sector philanthropic cooperation
d. Monitoring and evaluation for learning
e. Innovative applications and technology

Desired cross-cutting sectors include:

a. Gender and women empowerment
b. Youth employment and skills building
c. Environmental protection and eco-tourism

All proposed activities shall directly and predictably relate to achievement of program objectives, measured from solid baseline data. Applicants are encouraged to propose the best mix of approaches and activities to achieve results, including collaboration with different organizations, use of public-private partnership, and leveraging Diaspora and private sector resources. The proposed approach should incorporate gender and women empowerment in all its activities, which reflects awareness of the different roles, responsibilities, and expertise of women and men and engage each group as full and equal partners. Furthermore, it is important to eliminate gaps between the status of males and females and leverage and expand expertise and leadership of women and girls.

Each lead NGO and consortium shall submit a work plan, inclusive of the solicitation plan for Stage 2, and Project Management Plan (PMP). Applications to USAID should include a five-year workplan with detailing for the first year. Applications shall also include a PMP table for the life of the program, disaggregated for every year of the life of program with indicators reflecting those presented in Section E.

Diaspora engagement in BALADI projects is encouraged by USAID. The applicant shall submit a roadmap for Diaspora engagement and integration under BALADI and possible ways to coordinate with USAID DNA program.

USAID expects programs to complement ongoing activities, including other donor activities, capitalizing on the wide range of programs carried out to date, incorporate lessons learned from prior work in these areas, and meet locally-identified needs including, but not limited to, past USAID-funded projects. USAID will coordinate with successful applicants on identifying targeted geographic areas, identifying projects and beneficiaries and other Stage 2 activities, and participating in selection panels and providing final approvals.

Cost share is highly encouraged under this program to demonstrate the goodwill and commitment of partners. A cost-share of 20% or more shows commitment and is preferred. Any cost share may be in-kind (such as volunteer labor or use of equipment/facilities at no cost to USAID) or cash investments (from non-USG or donor sources, including revenues generated by the recipient organization through fee-based or membership activities) or a combination of the two. Under municipal-community projects, the applicant's approach should encourage public-private partnerships in a 1:1 ratio of investment.

Prior to USAID's award of up to four Cooperative Agreements, each lead NGO, and any of its proposed sub-partner organizations, must undergo a pre-award survey and financial assessment in accordance to **ADS 303.3.9.1b(2) Contents of the Pre-award Survey** facilitated by USAID **Promoting Active Citizen** Engagement (PACE) project **through** a USAID-approved third-party audit firm. The main objective of the pre-award assessment is to evaluate the NGO's accounting and internal control system to ensure that effective accountability measures over projected USAID funds will be exercised. Corrective actions must be taken by the local NGO to address high-risk weaknesses prior to issuing an award. Depending on the nature of the weaknesses and its effect on USAID funds, "Special Award Condition" can be added to the final awards to resolve and close findings within 90 days from the date of issuance of the original pre-award assessment and a follow-up assessment will be performed. PACE project will also be responsible for providing financial capacity building during the life-span of the cooperative agreements.

Regarding mobilization, USAID/Lebanon expects the NGO consortia to be mobilized within 30 days of start-up.

<u>Stage 2: Municipal Projects for Local Development</u>

USAID expects that after each Cooperative Agreement is awarded and funds released, each awardee will coordinate closely with USAID and other awardees under the BALADI program to publicly launch the local municipal projects competition process within 75 days of start-up. The goal is to conduct a nationwide competitive process annually to support (equipment, small scale construction, and technical assistance) municipalities and unions of municipalities that are generating innovative solutions to the provision of public services, citizen engagement, and economic issues facing their communities. Each NGO consortia will be required to reach out to its targeted governorates and, through the municipal projects competitive process, annually identify municipal clusters and Unions of Municipalities with projects that illustrate a strong commitment to change and local development. Selected municipal projects should improve reliable and affordable public services, expand broad citizen participation, particularly youth and women, and advance social capital. This could be through, but is not restricted to, small-scale local infrastructure, innovative economic development activities in agribusiness, rural tourism promotion, and environmental protection.

Municipalities and Unions of Municipalities that benefit from assistance will receive in-kind support to implement their proposed development projects, e.g. the NGO consortium (prime or relevant sub-awardees in the consortium) is responsible for providing technical expertise, financial management, and procurement oversight to fulfill and implement municipal-community projects. NGO consortia cannot provide cash grants to municipalities, unions of municipalities, government entities, or individuals. Operation and sustainability of each assisted project is the responsibility of the community and/or the municipality (based on the nature and components of municipal-community projects), with activities not commencing until local stakeholders demonstrate how they will sustain the activities. It is imperative that all project activities and investments have locally-owned and managed sustainability plans, including supporting resources and operations and management funding, in place before activities begin.

USAID expects municipal project applicants and BALADI implementers to plan programs and/or activities to address the scale of development needs, rather than programming for maximum reach. Selection of municipal project locations and activities should be made based on expected impact, on areas benefiting from past USAID (or other donor) programming or where new viable partnership opportunities exist, and where there is positive probability of operational sustainability. USAID may negotiate and re-assign geographic areas to shortlisted or successful applicants to ensure that the BALADI program has the best geographic coverage in Lebanon. Successful leads shall also ensure regional offices close to targeted communities.

It is expected such efforts will require the engagement of local governments, local religious groups, local businesses, educators, and local non-profit and civic organizations, i.e., an all-out community effort. Creating a critical mass of private actors who rely on publicly provided goods and services, such as roads, water, electricity, and an educated workforce, helps bring government in line with larger community needs. The BALADI program favors projects that include and engage the private sector and local civil society. Some examples of municipal projects under BALADI are those that by which a municipality or union joins efforts with the local community, civil society, and the private sector to spur economic improvement in rural areas or create vibrant local economic activities and job demand.

USAID will actively participate in the **Selection Criteria Formulation Committee**[6] as well as the **Municipal Projects Evaluation Committee**[7]; USAID active participation will include the entire selection steps. Both committees will be under BALADI program and will be formulated 30 days after USAID awards the lead local NGOs. The final set of selection criteria will be approved by the Selection Criteria Formulation Committee. Under the municipal projects evaluation committee, the lead NGOs will work with USAID to evaluate then

[6] The Selection Criteria Formulation Committee is composed of representatives of the lead local NGOs implementing BALADI, USAID, and the implementer of any other relevant USAID program as identified by USAID. This committee will finalize the set of selection criteria by which municipal-community projects will be evaluated and annually selected.
[7] The Municipal Projects Evaluation Committee is composed of representatives of the lead local NGOs implementing BALADI, USAID, and the implementer of any other relevant USAID program as identified by USAID. This committee is responsible for reviewing, evaluating and selecting municipal community proposals under Stage 2.

identify the best, most feasible municipal proposals and agree which lead NGO and consortia will oversee and assist implementation in each of the five governorates.

The BALADI program will support municipalities across the country, broadly disbursing its benefits. All support will be provided in a nonpartisan manner and equitably benefit Lebanese from all regions and diverse cultural backgrounds.

The selection criteria for municipal projects under Stage 2 should include the main core criteria listed below. To demonstrate good understanding of Stage 2, applicants under this RFA will further develop and weigh these criteria in the application submitted to USAID.

Stage 2 projects main selection criteria:

a. Municipal-community project is formulated and selected through sound **participatory democratic approach**.

b. The project is submitted by a local **community consortium** composed of municipalities (or unions) as the community lead and with other local NGOs, Community-Based Organizations (CBOs), private sector entities, and/or diverse cultural and economic groups and key collaborators. The community consortium members are **working/will work together** for a common goal, and the roles and responsibilities of each participating entity are clearly defined.

c. The project achieves the following goals:

    - ***Establishes sustainable local social capital.*** It also guarantees financial resources and external resource linkages, identifies local government and society leadership and policy champions, and provides incentive structures for social collaboration and investments.

    - ***Improves the governance of municipalities and improves public service delivery.*** It harmonizes local government economic and services planning and implementation, creates reciprocal communication and feedback channels with civic associations, the business community, NGOs, and other local institutions in planning and implementation process. Projects that produce sustainable direct, tangible, and measurable positive socio-economic impact for low-income rural citizens are preferred; for example, this could include projects that increase the total number of investment and higher paying sustainable job opportunities, and/or develop new investment ventures and linkages to the agriculture and tourism value chains.

d. The project **elements and cross cutting themes** include: women, youth, Diaspora, technology, the environment, the private sector and donors, and/or food security initiatives.

e. The project **builds on** existing infrastructure, facilities, and/or activities funded by previous (or other ongoing) USAID, other international donors, or national programs

f. The project has a sound **feasibility study**. Ex. if the project is an income generation one, and requires an access fee to be paid by benefitting citizens, then access fees charged to the public should be reasonable based on fair applicable market prices.

g. The **number of beneficiaries justifies the cost** of the project.

h. The **management and operational plan** of the project is soundly formulated and available; it is also transparent, has good governance and is accountable.

i. The project's **legal aspects** have been secured by the municipality and the community. Ex. Legal papers and needed permits have been obtained/secured.

j. The project is **environmentally sound and compliant** with Lebanese environmental requirements and USAID Regulation 216 requirements.

k. The project does **not include cash grants** to municipalities (unions of municipalities or other government entities) or individuals

l. The project includes an adequate **cost share**[8] (at least 20%) to demonstrate seriousness, commitment, goodwill, and sustainability.

m. The project includes a **public-private partnership** with significant shared contributions between the public sector and the private sector; one-to-one public-to-private share ration is highly desired.

n. USAID contribution in each municipal-community project does not exceed $250K. This contribution must not serve to promote any political gain, lobbying activity, or a religious cause to any of the stakeholders.

It is important to also note that under **Stage 2**, municipalities (and/or unions) whose projects are approved for funding, or who submit good proposals but need additional targeted technical assistance (before project approval) may also receive additional institutional capacity building and technical assistance (for improving municipal procedures, planning, transparency, performance, and community engagement) from other existing USAID *programs providing this type of assistance*. Therefore, **Stage 1** lead local implementers under BALADI will also include adequate coordination and collaboration staff and procedures to coordinate with any other USAID projects on this aspect.

If a Stage 1 applicant expects using a portion of USAID funds for construction under village projects, then the applicant as a good management practice shall hire a capable architectural/engineering (A/E) firm for design and construction management/oversight.

E. OBJECTIVES and Sub-GOALS, ILLUSTRATIVE ACTIVITIES, AND INDICATORS

For each Cooperative Agreement, the awardee will support municipal clusters, unions, and other local development actors. Awardees will implement and report to USAID on the following core goals and objectives, and evaluate and report on the same indicators, which are listed below. The listed activities below are illustrative only; it is up to the lead NGOs to indicate realistic activities in the proposed work plan submitted with the application. Each awardee will then further detail each yearly workplan immediately following the results of municipal projects bidding process in Stage 2.

[8] USAID definitions and details on cost share and matching funds can be found in the Standard Provision on Cost Sharing which is part of ADS 303 that can be found on the following web-site http://www.usaid.gov/policy/ads/300/303.pdf.

Objective 1. Provision of Public Services through Local Government Support

Sub-Goals

1. Increase the perception that government is meeting local needs
2. Improve communication and the input and implementation processes of municipal cluster-, or Union of Municipality-based service delivery, including homogeneous and heterogeneous groups
3. Strengthen and empower the relationship between local governments and civic organizations to understand and implement strategic plans
4. Engage external stakeholders (private sector and NGOs) in the public services planning and implementation phases, including leveraging human and financial resources

Illustrative Activities

1. Support municipal-level service delivery provisions and projects, as defined by the municipality and community and funded by USAID through the prime grant recipients
2. Identify communication asymmetries, service gaps at the multi-community level, and leverage individual and collective needs and assets to promote regional service delivery collaboration
3. Under local implementation and leadership, assist public service planning and implementation (workshops, town halls, surveys), which incorporate public concerns and expressed needs
4. Establish partnerships with civil society, private sector or Diaspora to leverage resources to facilitate public service delivery and project implementation and development

Evaluation Indicators

1. Number of public sector initiatives completed as a result of USG assistance
2. Number of individuals benefiting from multi-community service delivery programs as a result of USG assistance
3. Percentage of citizens that agree government is responsive to citizens' needs (localized/municipal-level survey)
4. Amount of external, non-USG, funding resources identified and applied to service provision (disaggregated by total USD amount and percentage of overall service delivery investment in beneficiary communities)

Objective 2. Social Capital Development to Act as Catalyst for Participatory Decentralized Governance

Sub-Goals

1. Build communal social capital and citizen leadership skills whereby development planning, consensus building, and government accountability are built and utilized to respond to citizen demand
2. Concerted action by local civic associations enables citizens to engage state and market agencies more effectively
3. Improve citizen advocacy activities that link civic associations with local government decision makers

Illustrative Activities

1. Coordinate regular community engagement activities that target and include previously inactive citizens in community development and government accountability programming

2. Advocacy, leadership, and project management skills taught to civil society actors linked to local socio-economic development through coursework, workshops, and engagement programs
3. Training conducted and advocacy roadmap created for community and civil society outreach with local government with an emphasis on service delivery and socio-economic opportunity

Evaluation Indicators

1. Institutions, relationships, attitudes, and values that govern interaction among people contribute to economic and social development (household social welfare vs. household income survey)
2. Percentage of CSOs that engage citizens to shape their agenda and activities (survey of assisted CSOs)
3. Percentage of major local government decisions in which input from participation mechanisms taken into account (to determine whether citizens invited to government meetings have their views influence decisions)

<u>Objective 3. Broad-Based Development through Support of Locally-Championed Plans and Reforms</u>

Sub-Goals

1. Promote environmental protection and responsible rural and ecotourism practices for local economic benefit
2. Provide long-lasting opportunities for women and youth
3. Expand partnerships between local government, civil society, private sector, Diaspora, and the like to drive socio-economic investment

Illustrative Activities

1. Assist municipal clusters and Unions plan implementation for environmental protection and/or rural tourism concepts and provide capital when appropriate
2. Provide specific roles and opportunities to advance women and youth in economic planning and skills development
3. Train local community groups and public sector officials in economic planning and private sector engagement, including the provision of a Diaspora and private sector engagement roadmap and outreach strategy; and activities and programming conducted that drive job demand and link potential employees with employers, including women and youth, linked to value chain development

Evaluation Indicators

1. Number of activities and permanent jobs created through local environmental protection and rural-tourism plans
2. Participating community committees that have at least 40% women and youth (16-30) permanent representatives
3. Value of external financing leveraged or cost shared, in partnership with USAID and local resources, to implement service delivery and socio-economic development plans

F. EXPECTED RESULTS

BALADI program will achieve demonstrated long-term collaboration between municipalities or unions, NGOs, CBOs, and private sector entities to implement and manage community projects and deliver services. Results shall be achieved within the life of the program.

Applicants shall include a section that:

- Clearly explains how the chosen approaches and activities will achieve the objectives of the program.

- Answers the following questions**:** At the end of five years (the BALADI program period), how will Lebanon be different as a result of the proposed program? What is the approach for program sustainability? What difference will be made in the lives of the beneficiaries and partners on the democratic, decentralized governance, and socio-economic levels? How will USG support to local governments and the people of Lebanon be more visible? How will supported programs be self-sustainable and not rely on additional donor resources?

Below are anticipated outcomes from the project.

Objective 1. Provision of Public Services through Local Government Support

- Local citizens perceive local government as meeting service needs and improving local welfare and thus take a role in decision making
- Selected municipalities demonstrate a real commitment to participatory decentralized governance and deliver on that commitment
- Accountability improved and rent-seeking[9] opportunities reduced through greater local NGO and CBO governance participation
- Local revenue generation from public services covers operation and maintenance costs and can be re-invested in infrastructure and services

Objective 2. Social Capital Development to Act as Catalyst for Participatory Decentralized Governance

- Webs of practical and effective cooperative relations between citizens that facilitate civic engagement improve local democratic practices
- Groups of citizens of Lebanon act collectively in a coordinated and effective manner to engage local government and market actors to improve welfare
- Acknowledged and effective citizen advocates effectively and transparently engaging local government to influence decisions

Objective 3. Broad-Based Development through Support of Locally-Championed Plans and Reforms

- Communities realize the socio-economic benefits of environmental protection and successfully manage opportunities that capitalize on the environment
- Institutions, relationships, attitudes, and values that govern interaction among people, especially women and youth, contribute to economic and social development, enhanced quality of life, and decreased poverty

[9] Rent-seeking is the activity of companies or individuals of obtaining privileges such as a monopoly right over a product or service in order to increase their income

- Non-donor resource flows are identified, marketed, and managed professionally and transparently to further support locally-identified socio-economic development needs

G. MONITORING AND EVALUATION

Applications shall include a baseline data report, a monitoring and evaluation section, and a data collection methodology and analysis section.

The monitoring and evaluation section shall outline, in detail, the required actions and activities to be undertaken by the awardee or recipient to guarantee that evaluation planning, baseline data gathering, periodic monitoring, adequate periodic performance reporting, and other activities to facilitate the implementation of evaluations.

The PMP table should have indicators reflecting those presented in Section E and targets for the life of the program disaggregated annually.

Evaluations will examine the extent to which activities have achieved their intended results, estimate the overall development impact of USAID-financed activities, and recommend any activity modifications needed to improve performance.

SECTION II AWARD INFORMATION

Estimated Funds to be Available:
USAID estimates funding for this program for up to four cooperative agreements for the total estimated amount of around $6.25 million for each cooperative agreement. USAID estimates each Cooperative Agreement to be for a period of five years.

Estimated Start Date and Performance Period:
The performance period for this program is estimated to begin around September 28, 2012 and be completed by September 29, 2017.

Type of Award:
The award will be a Cooperative Agreement as USAID desires to be substantially involved in the implementation of the selected program that is consistent with USAID policy contained in ADS Chapter 303 concerning non-governmental assistance activities: http://www.usaid.gov/policy/ads/300/303.pdf

SECTION III ELIGIBILITY INFORMATION

- Applicants must be non-governmental organizations (NGOs) of Lebanese nationality legally registered in Lebanon and meeting Lebanese laws for NGOs and not branches of foreign NGOs otherwise there is no restriction.

- Cost share: There is a mandatory cost share requirement of 20% or more of the total estimated amount that will be evaluated as an element of cost effectiveness and in consideration of USAID regulation in the Standard Provision on Cost Sharing and of applicable policy and procedure: http://www.usaid.gov/policy/ads/300/303.pdf

SECTION IV APPLICATION AND SUBMISSION INFORMATION

Application:
This RFA and any future amendments can be downloaded from www.grants.gov. Applicants are expected to review, understand, and comply with all aspects of this RFA.

Submission:
Applications shall be submitted electronically in two separate parts: (a) technical and (b) cost/business application. The application shall be prepared according to the structural format set forth below. Applicants must be submitted directly to the Regional Procurement Office of USAID/Egypt to the following **mail box: baladi@usaid.gov**

The due date and time for complete application submittals is as stated in the RFA cover letter, unless the RFA is amended to extend the deadline. Applications received after the deadline will not be considered for award, unless the Agreement Officer determines all similarly late applications can be considered.

Point of Contact:
Stanley Canton, the Agreement Officer: e-mail address: heichenfield@usaid.gov, telephone: 011-202-2522-6910
Abeer Rizk, Acquisition and Assistance Specialist e-mail address: arizk@usaid.gov, telephone: 011-202-2522-6884

Application Preparation Guidelines:

(A) THE TECHNICAL PROPOSAL FORMAT

THE TECHNICAL APPLICATION HAS A STRICT THIRTY FIVE (35) PAGE LIMIT, excluding annexes. Annexes to the technical application which do not count against the page limitation consist of: Resumes/CVs for key personnel, letters of commitment of organizational partners or key personnel and past performance information.
Applicants are advised that any pages exceeding this limit will not be considered for evaluation.

To facilitate the review of the application, the applicant must organize the narrative sections of their technical applications in the same order as the selection criteria in **Section V** of this RFA. The requirements for the content of the Technical Application are included in the Evaluation Criteria.

(B) COST/BUSINESS APPLICATION FORMAT

Cost/business sections of the application must be separate from the technical section. There is no page limitation to the cost/business submittal.

The cost/business portion of the application must consist of the following completed forms and requests for information which are available on the following web-site http://www.usaid.gov/policy/ads/300/303.pdf:

- SF-424, Application for Federal Assistance,

- SF-424A, Budget Information – Non-construction Programs, and
- SF-424B, Assurances – Non-construction Programs.
- Pre-Award Certifications, Assurances and Other Statements of the Applicant/Recipient as stated in ADS 303.3.8 and are available on the following web-site http://www.usaid.gov/policy/ads/300/303.pdf.
- Other submission requirements for applications submitted in response to this RFA.

The following are amongst the Pre-Award Certifications, Assurances and Other Statements of the Applicant/Recipient which are requested to be included with the application submittal:

1. **Restrictions on Lobbying** (22 CFR 227);
2. **Prohibition on Assistance to Drug Traffickers** (ADS 206); and
3. **Certification Regarding Terrorist Funding** (AAPD 04-14).

b. Other certifications and statements found in Certifications, Assurances, and Other Statements of the Recipient:

1. The **Survey on Ensuring Equal Opportunity for Applicants**;
2. A Data Universal Numbering System (DUNS) number (See Use of a Universal Identifier by Grant Applicants for background information.)**;**
3. A signed copy of **Key Individual Certification Narcotics Offenses and Drug Trafficking,** (ADS 206.3.10) when applicable;
4. A signed copy of **Participant Certification Narcotics Offenses and Drug Trafficking** (ADS 206.3.10) when applicable.

Other submission requirements for applications submitted in response to this RFA consist of:

- Detailed/itemized budget with budget narrative for each budget object class category, including explanation of how costs were estimated, for both the requested USAID funding and proposed cost share amounts. Participant training should be budgeted in a separate line item. An illustrative sample for budget items is available as **Annex II**.
- Similar budget detail with narrative is requested for organizational partners teaming with the prime applicant.
- Current Negotiated Indirect Cost Rate Agreement (NICRA) negotiated between the applicant and a Federal agency (if available). If a NICRA is not available, the following is required: 1) Copies of the applicant's financial reports for the previous 3-year period, which have been audited by a certified public accountant or other auditor satisfactory to USAID; 2) Projected budget, cash flow and organizational chart; 3) A copy of the organization's accounting manual.

Environmental Compliance:

a) The Foreign Assistance Act of 1961, as amended, Section 117 requires that the impact of USAID's activities on the environment be considered and that USAID include environmental sustainability as a central consideration in designing and carrying out its development programs. This mandate is codified in Federal Regulations (22 CFR 216) and in USAID's Automated Directives System (ADS) Parts 201.5.10g and 204 (*http://www.usaid.gov/policy/ads/200/*), which, in part, require that the potential environmental impacts of USAID-financed activities are identified prior to a final decision to proceed and that appropriate environmental safeguards are adopted for all activities. Recipient environmental compliance obligations under these regulations and procedures are specified in the following paragraphs of this RFA.

b) In addition, the recipient must comply with host country environmental regulations unless otherwise directed in writing by USAID. In case of conflict between host country and USAID regulations, the latter shall govern.

c) No activity funded under this CA will be implemented unless an environmental threshold determination, as defined by 22 CFR 216, has been reached for that activity, as documented in a Request for Categorical Exclusion (RCE), Initial Environmental Examination (IEE), or Environmental Assessment (EA) duly signed by the Bureau Environmental Officer (BEO). (Hereinafter, such documents are described as "approved Regulation 216 environmental documentation.")

d) As part of its initial Work Plan, and all Annual Work Plans thereafter, the recipient, in collaboration with the USAID Agreement Officer Representative and Mission Environmental Officer or Bureau Environmental Officer, as appropriate, shall review all ongoing and planned activities under this CA to determine if they are within the scope of the approved Regulation 216 environmental documentation.

e) If the recipient plans any new activities outside the scope of the approved Regulation 216 environmental documentation, it shall prepare an amendment to the documentation for USAID review and approval. No such new activities shall be undertaken prior to receiving written USAID approval of environmental documentation amendments.

f) Any ongoing activities found to be outside the scope of the approved Regulation 216 environmental documentation shall be halted until an amendment to the documentation is submitted and written approval is received from USAID.

g) When the approved Regulation 216 documentation is (1) an IEE that contains one or more Negative Determinations with conditions and/or (2) an EA, the recipient shall:

Unless the approved Regulation 216 documentation contains a complete environmental mitigation and monitoring plan (EMMP) or a project mitigation and monitoring (M&M) plan, the recipient shall prepare an EMMP or M&M Plan describing how it will, in specific terms, implement all IEE and/or EA conditions that apply to proposed project activities within the scope of the award. The EMMP or M&M Plan shall include monitoring the implementation of the conditions and their effectiveness.

Integrate a completed EMMP or M&M Plan into the Annual Work Plans, making any necessary adjustments to activity implementation in order to minimize adverse impacts to the environment.

SECTION V APPLICATION REVIEW INFORMATION

Technical Evaluation Criteria and Sub-criteria:

The criteria presented below have been tailored to the requirements of this particular RFA. Applicants should note that these criteria serve to: (a) identify the significant matters which applicants should address in their applications and (b) set the standard against which all applications will be evaluated. **To facilitate the review of applications, applicants should organize the narrative sections of their applications in the same order as the selection criteria.**

Technical applications will be evaluated based on the following criteria:

1. Technical Approach and Methodology (35%)

- The applicant demonstrates a thorough understanding of the status, challenges, and opportunities of municipalities, Unions of Municipalities, and citizens in Lebanon. This also includes challenges and opportunities in terms of local governance, provision of public services, poverty, corruption, social capital, foreign direct investment, gender, youth, Diaspora, remittances, eco-tourism and environmental protection, private sector philanthropic cooperation, relevant donor assistance, and other relevant subjects.

- The offeror's proposed approach is clear, well structured, feasible, achievable, and demonstrates technical competence.

- The applicant approach and methodology have a direct and clear relationship to BALADI development context, program description, and goals. The proposed program includes all the requirements, stages, elements, components, and themes defined in sections D, E, and F; introduces feasible and flexible aspects and components to addressing the Lebanese context; and includes coordinating mechanisms with USAID and other implementing partners under BALADI or other relevant USAID programs. Applicants shall also clearly show how:

    - The proposed approach and methodology for stages 1 and 2 soundly includes capable local NGO consortia with leads and members, democratic municipal (or unions)-community-private sector engagement, social capital, and participatory, inclusive and decentralized features.

    - The municipal projects solicitation procedure, dissemination and outreach plan, and evaluation criteria under stage 2 are sound, viable, detailed, and in-line with RFA requirements. These should also clearly demonstrate how risks of nepotism or favoritism based on religious, geographic, or other considerations will be mitigated.

    - The applicant's proposed program shows targeted outreach and impact, and the Branding Strategy and Marking Plan clearly promotes USAID as source of funding.

    - The applicant's proposed approach is geographically well positioned per RFA requirements; it is also receptive to work nationwide and/or in a specific geographic area in Lebanon based on negotiations with USAID.

    - The applicant's proposed ideas, approach, strategy, and workplan to achieve the results are sound and viable, and can be implemented under Lebanese conditions and within the program timeframe.

    - The proposed approach is feasible in promoting to promote cultural, geographic and social diversity.

    - The following questions are answered in a clear and sound manner**:** At the end of five years (the award period), how will Lebanon be different as a result of the proposed program? What is the approach for program sustainability? What difference will be made in the lives of the beneficiaries and partners on the democratic, decentralized governance, and socio-economic levels? How will USG support to local governments and the people of Lebanon be more visible? How will supported programs be self-sustainable and not rely on additional resources?

- The proposed approach and methodology for stages 1 and 2 complements and/or builds on previous and/or ongoing USAID, other donor, or national programs and/or activities.

- The proposed program can reasonably be expected to directly achieve positive and sustainable results in terms of: innovative public service delivery by municipalities and improved governance, sustainable positive socio-economic impact for citizens, and sustainable social capital and community collaborative networking.

- The proposed program provides national, equitable distribution of benefits.

2. Organizational Capacity and Experience (20%)

- The information presented indicates the lead applicant and the consortium's work experience and accomplishments in developing or implementing similar and/or relevant activities or programs. The offeror presents a five year implementation plan (September 2012- September 2017) of high quality, practicality, and relevance that represents the duration of the program with activity -level details for at least the first 12 months.

- The roles, responsibilities, activities, and contributions of each participating member in the proposed consortium is clearly defined and explained. How and to what extent each consortium member will contribute towards program results is clearly identified.

- The applicant presents an effective management structure (for the lead and the sub-awardees) in both program and financial management. This also includes an organizational chart allowing efficient, effective, and accountable management.

- The applicant presents an efficient and effective level of effort for the proposed personnel under the lead and implementing sub-awardees.

- The applicant presents organizational capability and experience in designing, soliciting, and implementing village-community development projects. The applicant also presents organizational capability and experience in managing sub-awards and grants under cooperative agreements. The applicant demonstrates the ability and provides a clear plan to mobilize for quick project start-up and implementation (per RFA start-up parameters and dates).

- Clear and rapid mobilization plan and ability to begin activities within 30 days of signing the award.

- The applicant has the ability, capable staff, and means to document progress and results, share them with USAID and other designated entities, and store and manage data. This also includes staff capable to report and manage data in-line with USAID Aid Tracking System.

3. Personnel (20%)

- The applicant has identified qualified key personnel (up to 5) in the lead (and the subs). Key Personnel include the Program Director, the Financial Manager, Grants and Assistance Compliance Manager, and Senior Technical Manager (who should also be the Deputy Program Director).

- The Program Director should have:
  - a minimum of 15 years of experience in managing similar projects, activities, and responsibilities;
  - a post-graduate degree in a field of direct relevance;
  - Vast knowledge about and experience in the status, challenges and opportunities of municipalities in Lebanon;
  - Excellent knowledge of English and Arabic; French is a plus;
  - Excellent reporting, communication and interpersonal skills;
  - Prior experience in implementing USAID programs;
  - Directed, managed, implemented, and evaluated large projects; and
  - Ability to create and maintain good working relationships with USAID and local community leaders.

- The Financial Manager, Grants and Assistance Compliance Manager, and Senior Technical Manager (Deputy Program Director), and other Key Personnel should have:
  - At least 12 years of experience in their relevant fields;
  - A post-graduate degree in fields of direct relevance;
  - Excellent knowledge of English and Arabic; French is a plus;
  - Excellent reporting, communication and interpersonal skills;
  - Prior similar responsibility under USAID programs is essential for the Grants and Assistance Compliance Manager and the Financial Manager.

- All staff should have previous experience in Lebanon and previous similar responsibilities in implementing similar context projects and activities.

- Staff includes personnel capable of ensuring compliance with Environmental regulation 22 CFR 216 and local applicable environmental standards and safety measures. This includes capable staff who are able to recommend, plan, and implement environmental mitigation measures under funded projects.

- Should attach CVs of all proposed key personnel and other main non-key personnel.

- Availability of key personnel (attach letters of commitment for proposed key personnel).

4. Performance Monitoring and Evaluation (15%)

- Clear Performance Management Plan (PMP) capable of monitoring the effectiveness and impact of the proposed program at the lead and consortium level, and at Stage 1 and Stage 2 of BALADI program implementation.

- PMP capable of Mid-term evaluations for municipal projects and the program and integration of evaluation results to improve program performance.

- PMP capable of documenting frequent field visits.

- PMP table for the five years capable of articulating the results to be achieved, and the changes to be effected, using baselines, targets, and indicators consistent with the program, and with adequate attention to gender and geographic considerations. The PMP table shall include (but not be restricted to) indicators reflecting those presented in Section D and targets for the life of the program disaggregated annually. The PMP table shall include the member(s) of consortia responsible to effect results for each indicator.

- Ability to monitor and ensure compliance with 22CFR216 (environmental compliance regulations), Trafficking in Persons, and other USAID rules and regulations. Capability to verify the quality, document, record, manage, and share data on projects per USAID requirements.

3. Past Performance (10%)

- The applicant should submit an information sheet containing information on all grants, cooperative agreements, contracts, or other programs that are similar to the program description in this application that have been performed by the applicant or by a member NGO within the applicant's team over the past three years. For each program listed, please provide the following information:

    - Award number;
    - Agency or entity providing the funding;
    - Description of the program including, but not limited to, a brief discussion of the complexity/diversity of activities;
    - Primary location(s) of activities;
    - Duration of the program;
    - Skills/expertise required;
    - Dollar value of the program;
    - Contact information for two persons, including name, job title, mailing address, phone numbers and e-mail addresses.
    - Information on the quality of service, timeliness of performance, business relations, customer satisfaction, and cost control of each included project; and
    - other relevant information that will clarify the depth and breadth of applicant experience, involvement, and achieved results.

- Regarding reference checks, USAID recommends that you alert the contacts that their names have been submitted and that they are authorized to provide performance information concerning the listed awards if and when USAID requests it.If extraordinary problems impacted any of the referenced programs, provide a short explanation and the corrective action taken in this section of the Technical Application.

- Past performance will be evaluated as follows:

    (a) Previous experience in addressing local governance and civic participation; collaborative community development; rural development; and other related issues.

(b) Relationship between the methods and techniques proposed in this application and previous performance and experience with similar activities explained. Capacity to undertake and successfully manage relevant assistance awards over the past three years.

(c) Performance information will be used for both the responsibility determination and best value decision. USAID may use performance information obtained from other than the sources identified by the applicant. USAID will utilize existing records of past performance information and solicit additional information from the references provided by the applicant and from other sources if and when the Agreements Officer finds the existing records to be insufficient for evaluating an applicant's performance.

(d) USAID will initially determine the relevance of similar performance information as a predictor of probable performance under the subject award. USAID may give more weight to performance information that is considered more relevant and/or more current. The applicant's performance information determined to be relevant will be evaluated in accordance with the elements below:

- Quality of product or service, including consistency in meeting goals and targets;
- Timeliness of performance, including adherence to schedules and other time-sensitive project conditions, and effectiveness of home and field office management to make prompt decisions and ensure efficient completion of activities;
- Business relations, addressing the history of professional behavior and overall business-like concern for the interests of the customer, including coordination among team members and developing country partners, cooperative attitude in remedying problems, and timely completion of all administrative requirements;
- Customer satisfaction with performance, including end user or beneficiary wherever possible;
- Effectiveness of key personnel, including appropriateness of personnel for the job and prompt and satisfactory changes in personnel when problems with clients were identified; and
- Cost control, including forecasting costs as well as accuracy in financial reporting, ensuring that unnecessarily expensive technical assistance is not used when lower cost advisors are adequate, and pacing the expenditure of level of effort such that deliverables and outputs can be produced within budget.

Cost Evaluation

The Cost Application will be evaluated for cost effectiveness and cost realism. Cost sharing contributions will be evaluated for cost realism. The proposed costs and supporting budget data will be reviewed to determine: (1) if the financial plan reflects reasonable, allocable and allowable costs; and (2) if it reflects reasonable and realistic cost-sharing contributions, including those to be contributed by partner organizations and recipients.

Applicants are encouraged to consider partnership arrangements that enhance the cost effectiveness of program implementation and provide other important benefits as well. This also includes maximizing the portion of USAID assistance funds utilized for municipal-community projects as compared to other program utilizations such as salaries and operational costs.

Under municipal-community projects, the applicant's approach should also encourage public-private partnerships in a 1:1 ratio of investment.

Cost share is highly encouraged under this program to demonstrate the goodwill and commitment of partners. A cost-share of 20% or more shows commitment and is preferred. Any cost share may be in-kind (such as volunteer labor or use of equipment/facilities at no cost to USAID) or cash investments (from non-USG or donor sources, including revenues generated by the recipient organization through fee-based or membership activities) or a combination of the two.

A realistic commitment to cost share is generally viewed as enhancing the evaluated cost effectiveness of a program. The payment of any local taxes and fees shall be included as a cost share in case they are not exempt. **Please note that cost share is specifically tracked by USAID during program implementation to ensure compliance. For information on cost share, please refer to Standard Provision on** Cost sharing or matching**.**

Description of the Review and Selection Process:

Application(s) which are deemed to offer the best overall value and meet USAID objectives will be selected for award. The Technical Evaluation Committee will evaluate the technical/programmatic merit of each application as measured against the evaluation factors. At the time of RFA issuance, all panel members are anticipated to be USAID employees. The panel may make an award recommendation based on the extent of its evaluation scope. In addition, one or more panel members may be asked to provide input to the cost effectiveness review, any substantial implementation involvement desired by USAID, and on any special provisions that may be included in the award.

Once an apparent successful applicant is identified, USAID will perform a **Pre-Award Survey** in accordance with ADS 303.3.9.1b(2) **and Due Diligence** of the most technically sound and cost reasonable applicants. Based on the results of this process, negotiations will be conducted by USAID with all applicants whose application has a reasonable chance of being selected for award. Awards will be made to responsible applicants whose applications offer the best value, cost and other factors considered.

The recommendation or selection of an application for award does not in any way guarantee an award. The USAID Agreement Officer must be fully satisfied that the applicant has the capacity to adequately perform. This issue of organizational capability is generally referred to as a pre-award "responsibility determination." The Agreement Officer must also complete any other necessary pre-award arrangements.

Details on USAID pre-award responsibility determination policy and procedure can be found on our agency website, in its automated directive system (ADS) chapter 303, section 303.3.9: http://www.usaid.gov/policy/ads/300/303.pdf.

Other areas of review and discussion will vary according to the circumstances pertaining to the application. The following areas commonly require discussion and agreement prior to award:

1. Branding Strategy and Marking Plan. The applicant is requested to propose a branding strategy and marking plan which provides for appropriate acknowledgment of USAID support, and which will be required as a material element of the Cooperative Agreement. Information on USAID branding and marking policy can be found in ADS Chapter 320. ADS Chapter 320 sections concerning "assistance" applies to this RFA. ADS Chapter 320 sections concerning "acquisition" do not apply to this RFA. ADS Chapter 320 can be found on USAID website: http://www.usaid.gov/policy/ads/300/320.pdf. **Attached as annex III is the template for Cooperative Agreements**.

2. Final program and budget plans.

3. Payment terms.

4. Procedures concerning administrative reporting and logistical requirements for program including training components.

5. Cost sharing terms.

6. Other award terms including audit, special provisions and/or special award conditions.

SECTION VI AWARD AND ADMINISTRATION INFORMATION

Authority to Obligate the Government:

The USAID Agreement Officer is the only individual who may legally commit the Government to the expenditure of public funds. No costs chargeable to the proposed Cooperative Agreement may be incurred before receipt of either a fully executed Cooperative Agreement or specific pre-award written authorization from the Agreement Officer.

USAID Disability Policy - Assistance (December 2004)

(a) The objectives of the USAID Disability Policy are (1) to enhance the attainment of United States foreign assistance program goals by promoting the participation and equalization of opportunities of individuals with disabilities in USAID policy, country and sector strategies, activity designs and implementation; (2) to increase awareness of issues of people with disabilities both within USAID programs and in host countries; (3) to engage other U.S. Government agencies, host country counterparts, governments, implementing organizations and other donors in fostering a climate of nondiscrimination against people with disabilities; and (4) to support international advocacy for people with disabilities. The full text of the policy paper can be found at the following website: http://pdf.dec.org/pdf_docs/PDABQ631.pdf.

(b) USAID therefore requires that the recipient not discriminate against people with disabilities in the implementation of USAID funded programs and that it make every effort to comply with the objectives of the USAID Disability Policy in performing the program under this grant or cooperative agreement. To that end and to the extent it can accomplish this goal within the scope of the program objectives, the recipient should demonstrate a comprehensive and consistent approach for including men, women and children with disabilities.

Deviations from Standard Provision:

None are anticipated at this time.

A description follows of anticipated Reporting Requirements to be included in the award:

Reporting Requirements:

A. Annual Work plan:

The recipient will prepare and submit for approval by USAID an annual work plan, which will include all activities managed and implemented by the recipient. Each annual work plan will clearly indicate specific tasks and individual responsibilities for task completion. The work plan will serve as a reference point for quarterly and annual progress reports and will permit monitoring of the award performance and costs. It will also be one of the progress performance monitoring tools for USAID.

The annual work plan will establish the timeline for objectives that indicate progress towards the tasks that need to be performed to achieve objectives. It will specify activities on a critical path and show critical performance benchmarks for the responsible parties. The work plan will include a detailed budget with a pipeline analysis of costs incurred and projections of costs for the life of award(s) implementation plan for achieving program outputs.

The recipient shall submit an annual work plan in draft to USAID/Lebanon no later than sixty days after signature of the award(s). USAID/Lebanon will approve the final work plan in writing once any outstanding issues are resolved. Amendments to the annual work plan may be proposed by the recipient for approval by USAID/Lebanon.

B. Quarterly Technical Reporting

The recipient shall meet the following USAID technical reporting requirements:

a. Quarterly Progress Report - Thirty days after the end of each USAID fiscal year quarter, the recipient shall submit to USAID/Lebanon a brief progress report. It will summarize progress in relation to agreed-upon benchmarks contained on the annual work plan. The report will include the Performance Management Plan (PMP) table updated with the latest data on program indicators. The report will also specify any problems encountered and indicate resolutions or proposed corrective actions. The report will list activities proposed for the next quarter.
b. AID Tracker – The recipient shall also populate AID Tracker (a USAID on-line application) with needed data including: organizational data, program events, success stories, and quarterly accomplishments under the program activities and indicators.
c. Other special technical reports under the implemented program as requested by USAID/Lebanon

C. Accruals

USAID performs a quarterly accrual exercise at the end of each USAID fiscal year quarter; i.e. December 31, March 31, June 30, and September 30. Awardees are required to submit four quarterly accrual expenditures reports 15 days before the end of a quarter per year. The recipient must submit a spreadsheet showing cumulative disbursements and estimated (un-disbursed) accruals to the AOR.

D. Quarterly Financial Reports

Thirty days after the end of each USAID fiscal year quarters, the recipient will submit to USAID/Lebanon a report on expenditures incurred during the report period and projected expenditures for the next quarter. This will report against the Award(s) line items.

E. Annual Progress Report

The July-September (last quarter in a fiscal year) Quarterly Progress Report in addition to the first three quarters will constitute the basis of the Annual Progress Report. It will be a comprehensive narrative report summarizing the previous year’s activities and accomplishments using the annual work plan as a starting point and will serve as the tool by which USAID monitors the performance of the recipient.

The report will include status of project activities and will summarize services delivered and progress towards achieving results identified in USAID’s Program Areas. It will document both successes and failures of the interventions, and discuss reasons for shortcomings and recommend actions to overcome them. For each action, the recipient will designate responsible parties and establish a timeframe for completion.

The Annual Monitoring and Evaluation Report will be a stand-alone document, but will be included as an annex to the Annual Progress Report.

F. Recipient Exit Plan
Ninety days prior to the Award completion date, the recipient will submit to USAID a detailed plan describing all actions to be completed to demobilize the recipient's operations. The plan will designate dates for all actions. It will include an inventory of all commodities procured under the project and a plan for disposition of the same commodities.

G. Recipient Final Report
Ninety days after the Award completion date, the recipient will submit a final report to the Project Officer which will summarize implementation progress of all tasks including achievements of strategic results, shortfalls, problems, recommended solutions, and recipient's assessment of Award work completed. The report shall provide quantitative representation. Accomplishments will need to be documented by data and not anecdotal reporting for the analysis and conclusions must be submitted with the final report.

Section IX - Standard Provisions

MANDATORY STANDARD PROVISIONS FOR NON-U.S. NONGOVERNMENTAL RECIPIENTS

1. ALLOWABLE COSTS (OCTOBER 1998)
2. ACCOUNTING, AUDIT, AND RECORDS (OCTOBER 1998)
3. PAYMENT ADVANCES AND REFUNDS (OCTOBER 1998)
4. REVISION OF AWARD BUDGET (OCTOBER 1998)
5. TERMINATION AND SUSPENSION (OCTOBER 1998)
6. DISPUTES (OCTOBER 1998)
7. INELIGIBLE COUNTRIES (MAY 1986)
8. DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS (JANUARY 2004)
9. DRUG-FREE WORKPLACE (JANUARY 2004)
10. NONLIABILITY (NOVEMBER 1985)
11. AMENDMENT (OCTOBER 1998)
12. NOTICES (OCTOBER 1998)
13. METRIC SYSTEM OF MEASUREMENT (AUGUST 1992)
14. EQUAL PROTECTION OF THE LAWS FOR FAITH-BASED AND COMMUNITY ORGANIZATIONS (December 2009)
15. IMPLEMENTATION OF E.O. 13224 -- EXECUTIVE ORDER ON TERRORIST FINANCING (MARCH 2002)
16. MARKING UNDER USAID-FUNDED ASSISTANCE INSTRUMENTS (DECEMBER 2005)
17. VOLUNTARY POPULATION PLANNING ACTIVITIES – MANDATORY REQUIREMENTS (MAY 2006)
18. CENTRAL CONTRACTOR REGISTRATION AND UNIVERSAL IDENTIFIER (OCTOBER 2010)
19. REPORTING SUBAWARDS AND EXECUTIVE COMPENSATION (OCTOBER 2010)
20. TRAFFICKING IN PERSONS (OCTOBER 2010)

REQUIRED, AS APPLICABLE, STANDARD PROVISIONS FOR NON-U.S. NONGOVERNMENTAL RECIPIENTS

1. PAYMENT – ADVANCE (OCTOBER 1998)
2. PAYMENT – REIMBURSEMENT (MAY 1986)
3. INTERNATIONAL AIR TRAVEL AND TRANSPORTATION (JUNE 1999)
4. OCEAN SHIPMENT OF GOODS (JUNE 1999)
5. PROCUREMENT OF GOODS AND SERVICES (OCTOBER 1998)
6. USAID ELIGIBILITY RULES FOR GOODS AND SERVICES (FEBRUARY 2012)
7. SUBAGREEMENTS (OCTOBER 1998)
8. PATENT RIGHTS (JUNE 1993)
9. PUBLICATIONS AND MEDIA RELEASES (MARCH 2006)
10. NONDISCRIMINATION IN FEDERALLY ASSISTED PROGRAMS (MAY 1986)
11. REGULATIONS GOVERNING EMPLOYEES (JUNE 1993)
12. PARTICIPANT TRAINING (OCTOBER 1998)
13. VOLUNTARY POPULATION PLANNING ACTIVITIES – SUPPLEMENTAL REQUIREMENTS (JANUARY 2009)
14. PROTECTION OF THE INDIVIDUAL AS A RESEARCH SUBJECT (OCTOBER 1998)
15. INDIRECT COST RATES - PROVISIONAL (Nonprofit) (OCTOBER 1998)
16. TITLE TO AND USE OF PROPERTY (RECIPIENT TITLE; OVER $50,000) (OCTOBER 1998)
17. TITLE TO AND USE OF PROPERTY (RECIPIENT TITLE; $50,000 and Under) (OCTOBER 1998)
18. TITLE TO AND CARE OF PROPERTY (U.S. GOVERNMENT TITLE) (OCTOBER 1998)
19. TITLE TO AND CARE OF PROPERTY (COOPERATING COUNTRY TITLE) (OCTOBER 1998)
20. COST SHARING (MATCHING) (FEBRUARY 2012)
21. PUBLIC NOTICES (JUNE 1993)
22. PROGRAM INCOME (OCTOBER 1998)
23. (Reserved)
24. PROHIBITION OF ASSISTANCE TO DRUG TRAFFICKERS (JUNE 1999)
25. INVESTMENT PROMOTION (NOVEMBER 2003)
26. REPORTING OF FOREIGN TAXES (MARCH 2006)
27. FOREIGN GOVERNMENT DELEGATIONS TO INTERNATIONAL CONFERENCES (JANUARY 2002)
28. ORGANIZATIONS ELIGIBLE FOR ASSISTANCE (JULY 2004)
29. PROHIBITION ON THE USE OF FEDERAL FUNDS TO PROMOTE, SUPPORT, OR ADVOCATE FOR THE LEGALIZATION OR PRACTICE OF PROSTITUTION - ASSISTANCE (JULY 2004)
30. ORGANIZATIONS ELIGIBLE FOR ASSISTANCE (JUNE 2005)
31. CONDOMS (JUNE 2005)
32. PROHIBITION ON THE PROMOTION OR ADVOCACY OF THE LEGALIZATION OR PRACTICE OF PROSTITUTION OR SEX TRAFFICKING (JUNE 2005) 33. USAID DISABILITY POLICY - ASSISTANCE (DECEMBER 2004)
34. STANDARDS FOR ACCESSIBILITY FOR THE DISABLED IN USAID ASSISTANCE AWARDS INVOLVING CONSTRUCTION (SEPTEMBER 2004)

The Full text for the **“Mandatory Standard Provisions for Non-U.S. Nongovernmental Recipients”** and **“Required as Applicable”** can be found at this website:
http://www.usaid.gov/policy/ads/300/303mab.pdf

SECTION X - SPECIAL PROVISIONS

A- EXECUTIVE ORDER ON TERRORISM FINANCING (FEB 2002)

The Contractor/Recipient is reminded that U.S. Executive Orders and U.S. law prohibits transactions with, and the provision of resources and support to, individuals and organizations associated with terrorism. It is the responsibility of the contractor/recipient to ensure compliance with these Executive Orders and laws. This provision must be included in all subcontracts/subawards issued under this contract/agreement.

B- TRAINING RESULTS AND INFORMATION NETWORK (TRAINET)

Exchange Visitors and Training

The recipient will conform to USAID Automated Directives System (ADS) Chapter 252 – Visa Compliance for Exchange Visitors and ADS 253 – Training for Development, as well as USAID/Egypt-specific requirements for processing of J-1 Exchange Visitors.

The Recipient will enter applicable information into TraiNet for any participant Training, third-country training and in-country training that is funded through this award.

Information and assistance on ADS 253 requirements is currently available from the following USAID/Egypt personnel:
Samah Eid seid@usaid.gov 2522-6891

C- VETTING REQUIRMENTS OF SUB-AWARDEES

Prior to the provision of funding by the Recipient to its sub-grantees ("sub-awardees "), the Recipient shall conduct all screening procedures and due diligence on sub-awardees and key individuals of the sub-awardees, including a check of sub-awardees and such key individuals not screened at the time of award by the Agreement Officer to ensure compliance with Executive Order 13224 and U.S. law prohibiting transactions with, and the provision of resources and support to individuals and organizations associated with terrorism. The Recipient will screen names of its sub-awardees and the key individuals of such sub-awardees against the Specially Designated Nationals List (“SDN” list) administered by the Department of the Treasury’s Office of Foreign Assets Control (“OFAC”) http://www.ustreas.gov/offices/enforcement/ofac/sdn/; UN’s 1267 Committee List on Al-Qaida and the Taliban and Associated Individuals and Entities: http://www.un.org/sc/committees/1267/consolist.shtml ; and State Department’s Terrorist Exclusion List: http://www.state.gov/s/ct/list/ (see ADS 303.3.8.a.4 and ADS 303.3.9).

“Key individual” means (i) principal officers of the organization’s governing body (e.g., chairman, vice chairman, treasurer and secretary of the board of directors or board of trustees); (ii) the principal officer and deputy principal officer of the organization (e.g., executive director, deputy director, president, vice president); (iii) the program manager or chief of party for the USG-financed program; and (iv) any other person with significant responsibilities for administration of the USG-financed activities or resources.”