



USAID | SOUTHERN AFRICA

Issuance Date: January 15, 2025

Questions Deadline: January 30, 2025, at 17H00 South African Time

Submission Deadline: February 18, 2025, at 15H00 South African Time

Subject: Notice of Funding Opportunity #72067425RFA00003

Opportunity Title: Sustainable Skills for Sustainable Communities – An Education Skills Program in support of the sustainable economic diversification of vulnerable communities in Mpumalanga, South Africa.

To: All Interested Respondents/Parties:

The United States Government, represented by the United States Agency for International Development (USAID)/ Southern Africa Mission (USAID/SA) invites all interested organizations to submit concept notes that are focused on private sector engaged skills programs that support the economic diversification goals of Mpumalanga, South Africa.

Subject to the availability of funds, an award will be made to the responsible applicant(s) whose application best meets the objectives of this Notice of Funding Opportunity (NOFO), and the selection criteria contained herein. USAID/SA anticipates awarding one agreement of up to \$5 million over the course of five (5) years. However, USAID reserves the right to fund any or none of the application(s) submitted.

The selection process contains two phases as follows:

- Phase I – Concept Notes Submission and Review
- Phase II – Co-Creation and Full Application Submission.

To be eligible for award, the applicant must provide all information as required in this NOFO. This funding opportunity is posted on www.grants.gov and may be amended. Interested organizations should regularly check the website to ensure they have the latest information. In case of difficulty registering on www.grants.gov or accessing the NOFO, please contact the grants.gov Helpdesk at 1-800-518-4726 or via email at support@grants.gov for technical assistance.

USAID may not sign an award unless the Applicant has complied with all applicable **Unique Entity Identifier (UEI) and System for Award Management (SAM)** requirements. The registration process may take several weeks or even months to complete. Therefore, Applicants are encouraged to begin registration as early in the process as possible. Proposed sub-awardees do not need full SAM registration, they need to only obtain a UEI number. **Applicants need to be registered in SAM if requested to submit the full application (Phase II). Applicants do not need to be registered in SAM when submitting a concept note (Phase I).**

Any questions concerning this NOFO must be submitted electronically to PretoriaApplications@usaid.gov and SDIadla@usaid.gov no later than the time indicated above.

Issuance of this NOFO does not constitute an award commitment on the part of USAID nor does it commit USAID to pay for any costs incurred in preparation or submission of comments/suggestions or an application. All preparation and submission costs are at the applicant's expense.

Thank you for your interest in USAID programs.

Sincerely,

Sandro Carrillo
Agreement Officer

SUSTAINABLE SKILLS FOR SUSTAINABLE COMMUNITIES

This program is authorized in accordance with Part 1 of the Foreign Assistance Act of 1961, as amended.

Through this NOFO USAID/SA is making a special call for the submission of Concept Notes focused on an education skills program in support of the Government of South Africa's (GoSA) Just Transition goals.

I. INTRODUCTION

The United States Government (USG) has been supporting the GoSA's Just Energy Transition Implementation Plan (JET-IP) to enable the country to effectively reach its clean energy transmission goals. South Africa's clean energy transition has important social and economic implications in a society that is already acutely unequal, marked by high levels of unemployment and poverty. Achieving a Just Energy Transition (JET) is critically important to address inequality, maintain social cohesion, eradicate poverty and plan for the physical impacts of climate change.

USAID/SA recognizes the challenges and opportunities this significant goal will bring about, especially for the poorest, most vulnerable of society. Communities affected by the transition have already started to feel its impact, particularly the impact of the transition away from coal and the closure of some existing power stations that, without immediate intervention, will result in an untenable loss of livelihoods. These communities must develop plans to diversify their job base and transition to other sectors of the economy as a matter of priority to ensure the transition secures their futures in a low carbon economy. In addition, the government and other key actors in the sector have a duty to ensure that new sustainable jobs are created to make up for jobs that will be lost during the transition from fossil fuels.

Of equal concern are the most vulnerable of the affected workers and the growing numbers of young people in Mpumalanga who are at risk of being marginalized by the JET (Bhorat et al, 2024). In the context of the transition, they may continue to face deeper hardships of an unjust and unequal society. As traditional industries that make up Mpumalanga's largest income generating sector face closure, transformation, and adaptation to a future that is less reliant on fossil-fuel energy, the GoSA and USAID/SA will need to catalyze resilience in the face of this transition - by designing and strengthening viable alternative career pathways for them through building appropriate skills for the future. The kind of skills that will require a strong private sector

partnership to ensure they are industry aligned and can be absorbed into both traditional and nascent industries.

Given this context, USAID/SA will co-create an activity that responds to the JET-IP that broadens this focus to include strengthening of skills development provision that works with industry in collaboratively designing, implementing and supporting employment and earning activities for people in communities earmarked for coal plant closures. A strong, industry aligned, skilled labor force is needed to enable diversification of employment opportunities that set up youth (ages 15 - 34) and displaced workers in Mpumalanga's transitioning communities to adapt to a changing economy, while driving their careers forward. Aligning itself firmly with the Just Mpumalanga pillar, the activity will take up the call to ensure that industry-aligned skills through the skills formation ecosystem are provided to those whose skills base is low and/or mismatched to the current and anticipated future needs of industries, while ensuring that ongoing skills development is also accessible for re-skilling and upskilling of affected workers¹ who will lose their jobs and livelihoods.

To ensure longevity of program quality and sustainability of outcomes, the activity will focus on strengthening industry-informed approaches, where private sector partners are involved in the co-creation, implementation and absorption of a workforce with skills aligned to their immediate and future needs. To this end, USAID/SA is seeking solutions that connect the private sector to skills formation institutions where participants are newly skilled, upskilled or reskilled into income earning or generating opportunities. Focused on expanding high quality, industry aligned green and sustainable skills², the Sustainable Skills for Sustainable Communities (SS4SC) activity aims to support innovative programs for occupations in non-energy sectors. A range of sectors undergoing a greening revolution are eligible to be supported ranging from smart agriculture, or sustainable tourism all the way through to traditional industries in Mpumalanga such as finance, manufacturing, or trucking and transportation that are thinking carefully and purposefully in integrating sustainable practices into their work. Sectors identified must align strongly with the current Mpumalanga green economy aspiration, municipal economic growth goals and strategic planning. Applicants will need to provide sound industry knowledge of the sector(s) identified in Mpumalanga including the labor market analyses supporting their decision, particularly as it relates to earning opportunities for youth and affected workers historically under-represented in those sectors.

¹ A broadened definition is used here to denote not just those formally employed in the energy value chain, but includes people who are indirectly employed or maintain a livelihood dependent on this value chain, (Bhorat et al, 2024).

² A broadly understood definition of green skills, used interchangeably with sustainable skills, follows the UNESCO skills for the green economy definition, "[The] knowledge, abilities, values and attitudes needed to live, work and act in economies and societies seeking to reduce the impact of human activity on the environment," more broadly it ranges from: (i) "Transversal skills, linked to sustainable thinking, acting, relevant to all economic sectors and occupations, (ii) specific skills required to adapt or implement standards, processes and services to protect ecosystems and biodiversity, and to reduce energy, materials and water consumption, and (iii) highly specialized skills required to develop and implement green technologies such as renewable energies, sewage treatment or recycling." UNESCO-UNEVOC, 2024. For the SS4SC, this will mean more specifically the technical and/or specialized skills, "related to specific sectors or occupations that directly contribute to environmental sustainability, promoting sustainable practices and supporting the transition to a greener economy" (Wainwright, 2023).

II. BACKGROUND

The threat that climate change, growing emissions and the over reliance on fossil fuels has had on industries has necessitated widespread changes in terms of technology, capabilities, knowledge, and behaviors needed if they are to be more climate resilient and sustainable in the future (GIZ, 2022). This change in knowledge and capabilities required by industry signals a change in the kind of skills a, “less pollutive, less environmentally degrading, and less carbon intensive economy – a Green Economy,” will demand (GIZ, 2022). Skills formation institutions and stakeholders play a pivotal role in equipping current and future job seekers with requisite tools to productively engage in a rapidly changing economy, but these systems need to adapt not only their programs but also their teaching and learning methods to facilitate this transition.

A pathway that presents a great opportunity to accelerate this economic transition has been paved. The JET-IP outlines a roadmap by GoSA on the areas of focus and financial commitment needed by sectors to reach its expected environmental, social, economic and governance outcomes during the initial JET process (South African Government, 2023). A critical area outlined under the JET-IP, is the need to focus on skilling, reskilling and upskilling the workforce capable of navigating the burden and opportunities this transition will bring about. With an emphasis on a just inclusionary approach to the transition, the roadmap acknowledges that to equitably realize the gains of this transition for all, an explicit focus is required on alleviating the burden on those that will be hardest hit such as people already on the margins of the economy. A primary focus identified by the SS4SC is on engaging and meaningfully folding in youth and affected workers (primarily those with low skills who are indirectly employed in the energy value chain) into a diversified, sustainable future economy.

III. PROGRAM DESCRIPTION

A central focus of the SS4SC is the strengthening of partnerships between the private sector and skills development providers, where collaborative, co-implementation models result in better industry aligned and ready to work graduates. Thus, USAID intends to advance those solutions that are focused on: 1) The building of strong private sector relationships in skills development, whether it be in curricular development, training of lecturers and students, resources and equipment needs, onsite training opportunities etc. that are relevant for Mpumalanga, 2) Unlocking the learning to sustained earning pipeline for graduates/course completers in their diverse starting points and 3) Carefully working with marginalized groups of people to ensure they are meaningfully folded into the economy either as employees or entrepreneurs. A non-negotiable of the program/course/intervention proposed must be a provable history of sustainable employment and/or earning upon program completion. Construction and Infrastructure activities will not be accommodated under the activity.

Theory of change and high-level key result

The working TOC for the SS4SC is **when** industry aligned skills are provided to youth and affected workers in communities undergoing a transition away from the coal economy, **and** these skills are identified and delivered through collaboration with key private and public sector stakeholders, **then** these target populations will be better positioned to benefit from sustainable earning opportunities.

The high-level result that the activity can measurably attain given this context is:

Youth and affected workers in Mpumalanga communities transitioning away from coal have better industry aligned skills that set them up to obtain dignified earning opportunities in the transforming green economy.

Further refinement and an activity logical framework will be co-developed with the implementing partner as co-creation will be undertaken during the solicitation process.

More broadly, the SS4SC also contributes to USAID Southern Africa's Regional Development Cooperation Strategy (RDCS) Development Objectives (DO) 1 Inclusive Economic Growth Catalyzed and 3 Resilience of People and Systems Strengthened.

The activity seeks to support interventions aligned to one or more of the following objectives that meet the high-level key result:

Objective 1: Accredited or industry endorsed skills programs with a green skills focus are developed through strong private sector engagement in Mpumalanga's coal belt communities (within in the districts of Nkangala and Gert Sibande), with evidence of strong long-lasting institutional support being built. (Note: For interventions where accreditation is being sought, applicants must be clear about how the accreditation process will work, how far along it is or will be based on realistic timelines. For industry certified programs, applicants must demonstrate previous industry acceptance and/or transferability of the certificate.)

Objective 2: Students and graduates, in their diverse needs and starting points, are provided accredited or industry endorsed technical knowledge and soft skills that are transferable to the workplace and have gained practical work-based learning opportunities required to complete their qualifications because of strong industry partnerships.

Objective 3: Capacity of youth and graduates/course completers to meaningfully participate in the formal economy is increased by unlocking earning opportunities through local/ community/ business partnerships in identified green sector(s) while also ensuring inclusive and just growth for the historically marginalized in that field.

The following considerations will apply:

- Interventions need to respond to skilling both youth and affected workers in Mpumalanga's coal belt communities earmarked for coal plant closures in the coming decade. Innovative approaches that make use of Positive Youth Development (PYD) approaches and/or Inclusive Development practices are encouraged.
- Applicants need to demonstrate strong private sector/industry relationships onboard and ready to participate in program co-creation from beginning to implementation, and close-out. Preference for replicable or ready to scale solutions will be given. The role of the private sector needs to be elevated and specific conditions of their involvement outlined deliberately in the solicitation. Applications that best demonstrate co implementation, co-funding or cost sharing where the private sector is also a key decision maker will be weighted more.
- Applications from entities who can demonstrate strong co-creation and co-implementation approaches with local organizations who have a deep knowledge of the Just Transition and/or the skills landscape in Mpumalanga will be weighted more. Joint Ventures welcome.
- Applicants need to provide a detailed labor market analysis for the industry/sector selected: must be able to show evidence of i) high growth potential, high job potential, and/or high business opportunities in Mpumalanga, ii) demand and supply trends of graduates in that industry, and iii) barriers or blockages to current program successes and remedies.
- Green/sustainable sectors identified must show how their interventions do not create barriers for entry or further burden/alienate already vulnerable populations.
- Applicants will need to demonstrate how the Just principles of distributive, restorative and procedural justice will be exercised in their intervention design, implementation and close out particularly for vulnerable groups (target beneficiaries) that have historically been excluded or under-represented in those identified sectors.

IV. ELIGIBILITY INFORMATION

Eligibility for this funding opportunity is not restricted. US and Non-US organizations may participate.

V. EVALUATION PROCESS

USAID/SA will follow a two-tier selection process as follows:

Phase I - Concept Notes Submission and Review

Concept notes received under this NOFO will be evaluated by USAID in accordance with the merit review criteria detailed below. The purpose of this review is to ensure that prospective applicant(s) bring appropriate capabilities, experiences, and potential contributions to the

co-creation process and ultimately the implementation of activities. Concept notes that are not among the highest rated will not advance beyond this phase and will be notified via email.

The concept notes will be evaluated and scored as follows:

Merit Review Criteria		Points available (/100)
1	The extent to which the applicant demonstrates a strong private sector partnership approach to skills development.	30
2	The extent to which the applicant demonstrates strong co-creation and co-implementation approaches with local organization(s) who have a deep knowledge of the Just Transition and/or the skills landscape in Mpumalanga.	25
3	The extent to which the applicant uses an evidence based, systems approach to skills development for employment for Mpumalanga's workforce needs.	20
4	The extent to which the concept responds to GoSA's Just Transition Framework and adequately addresses how youth and affected workers will be programmed for.	15
5	The extent to which local sustainability and scalability measures are embedded in the design and implementation of the activity.	10

Phase II - Co-Creation and Full Application

The apparent successful applicant(s) may be invited to proceed to an in-person co-creation and collaboration process to identify and develop the activities that will help achieve the results desired under this NOFO; identify and incorporate additional partners; and determine respective roles and responsibilities related to the implementation of those activities. The applicant(s) will be provided an opportunity to list partners they wish to invite including government stakeholders, advocacy groups or beneficiary representation. USAID may also identify and invite other stakeholders to be part of the co-creation workshop. Costs for participation in the co-creation will be borne by the apparent successful applicant(s).

None of USAID's communication during the co-creation process should be interpreted as a commitment to making an award of USAID funding. A commitment to an award of USAID funding is only made when an award agreement is signed by the Agreement Officer.

Following co-creation, the apparent successful applicant(s) will be invited to submit a full application(s).

VI. CONCEPT NOTE SUBMISSION INSTRUCTIONS

Concept notes must be submitted in English, via email as a Microsoft Word or PDF attachment. The main body of the concept note must not exceed 7 pages and must use standard margins and 12pt Calibri font. Concept notes in response to this NOFO must include the following three components. Please organize the concept note according to the outline below.

a. Cover Page (1 page maximum)

1. USAID NOFO Number
2. Name and address of organization
3. Contact person (lead contact name, telephone number, and e-mail Information)
4. Title of proposed program; country(tries) and sector(s) being proposed; total dollar amount of funds requested for the proposed period of performance
5. Identify the type of applying organization (e.g. "South African NGO")
6. Names of other donor organizations to whom you are submitting the application and/or which are funding the proposed activities, if any.
7. Signature, name and title of the authorized representative of the applicant.

b. Concept Note (7 page maximum)

1. Description of the proposed intervention(s) that meet one or more of the activity objectives, and programming for the target beneficiaries in target communities in a transparent and "Just" way.
2. Additional areas:
 - a) Show how the proposed activity is intentionally partnering with the private sector to meaningfully unlock the learning to earning pipeline for graduates/course completers throughout the life of the award. (Note: The private sector partner(s) will be expected at the co-creation workshop, if successful).
 - b) Show how the proposed activity is intentionally partnering with local entities deeply familiar with Mpumalanga and/or the Just Transition. (Note: The local partner(s) listed will be expected at the co-creation workshop, if successful.)
 - c) How does your activity link (or intend to link) to the Just Mpumalanga pillar of the JET-IP? Show how you intend to measure your contribution.
 - d) Provide a notional budget of the intended activity.

c. Annexes - Will be evaluated as part of the Concept Note

Annex 1: Organizational Capacity and Mpumalanga/South Africa Experience (1 page maximum).

Describe past experience of the organization and its partners (including proposed subrecipients) and demonstrate experience in achieving results in similar programs to the activity objectives described in the Program Description.

Annex 2: Sector Market Research (3 pages maximum).

Describe the Applicant's industry knowledge of the sector(s) identified in Mpumalanga, particularly as it relates to earning opportunities for graduates/course completers and barriers for the proposed target beneficiaries.

VII. FULL APPLICATION

USAID IS NOT REQUESTING A FULL APPLICATION AT THIS TIME. AN APPLICANT(S) MAY BE REQUESTED TO SUBMIT A FULL APPLICATION FOLLOWING THE MERIT REVIEW OF THE CONCEPT NOTES AND PARTICIPATION IN THE CO-CREATION.