USAID
FROM THE AMERICAN PEOPLE

Original RFA Issuance Date:	March 22, 2011
RFA Amendment No. 01 Issuance Date	April 18, 2011
RFA Closing Date/Time:	May 2nd 2011, 15 h Port-Au-Prince time

Subject: **Amendment # 1**

Ref: Request for Applications (RFA) Number 521-11-021

Dear Potential Applicants:

The purpose of this **Amendment No. 01** to the referenced RFA is to address Questions and Answers. Specific changes are as indicated on the following pages of this Amendment.

All other information, terms and conditions as indicated in the referenced RFA remain unchanged.

Sincerely,

Gary C. Juste
Agreement Officer
USAID/Haiti

1. Question: Due date: The week before the RFA due date is Holy Week, a major Haitian holiday period. We respectfully request a minimum 2-week extension of the due date to allow for full consultation with our Haitian team and partners.

   Answer: The official Haitian holiday during Holy Week is Friday April 22. Given the holiday, USAID will extend the deadline for submission of proposals to Monday, May 2nd, 2011 at 15h Haiti local time.

2. Question: Funding level: The cover page states …"USAID intends to provide approximately $12,000,000 in total for this effort" whereas p.4 states "USAID anticipates contributing $11 million to this four-year program." Can you please confirm that the funding level for this RFA?

   Answer: The expected funding level is $12 million.

3. Question : Given that the overall climate for investment will bear upon the success of the LEAD program and coordination with other USAID projects in the sector is emphasized, when will these awards be made (pages 7-8) and can we anticipate that resulting changes will occur in time to have an impact on LEAD?

   Answer: USAID/Haiti expects that new projects that complement LEAD may come on line within the next 12-18 months. Project design should take into account the current business enabling environment and the current investment climate in Haiti. As new projects come on line, adjustments to LEAD can be made to complement these new projects.

4. Question: With respect to BDS services, are those described on page 14 directed to LEAD Recipient or to another project or both?

   Answer: LEAD should design and deliver business development services, technical assistance and training for sub-grantees with approved business plans to ensure these plans are successfully implemented.

5. Question: Is there a list of USG-assisted value chains (standard indicator) mentioned on page 15?

   Answer: Selection of value chains to receive USG assistance is underway. The target for this indicator can be TBD until further information is available. The LEAD program can support individual firms that fall outside the USG-assisted value chains.

6. Question: Does USAID have a definition of "job" that it is using for LEAD?

   Answer: While "job" is not defined in the RFA, it is used interchangeably with employment as in "employment generation". In all cases a "job" or "employment" shall be at a minimum for a period of 6 months or greater.

7. Question: Evaluations: Page 20, Monitoring and Evaluation Plan, states: "…the LEAD program…will undergo a performance evaluation aimed at measuring whether the expected results are occurring. " Should the grantee budget for this evaluation, or will the evaluation be undertaken directly by USAID?

   Answer: The Recipient should not budget for the performance evaluation. USAID will conduct the performance evaluation. The Recipient should budget for all project monitoring activities.

8. Question: Under position description for Program Director (page 22) the word "firm" appears incorrect; what is the intended word?

   Answer: The correct word is "field", not "firm" as follows: A master's degree from an accredited university in business administration, international trade, economic or a related field.

9. Question: Submission Instructions: On P. 29. Technical Application Format - the RFA states "Technical applications shall be submitted separately for each component." Is this correct? If so, is USAID looking for 2 distinct, complete technical and budget proposals?

   Answer: This is an error. The correct wording is: Technical applications should cover both Components One and Two. Separate budgets should be submitted for each component.

10. Question: Branding strategy and marking plan. On p. 26, Section II (5) the RFA states: "Branding Strategy and Marking Plan will be submitted by the successful applicant." On p.30 the Branding Strategy and Marking Plan is suggested as an Attachment. Can you please clarify if the Branding Strategy and Marking Plan should be submitted as part of the technical proposal?

    Answer: Branding Strategy and Marking Plan should be submitted as part of the technical proposal.

11. Question: Budget format: On p. 32 the budget instructions indicates that "A cost application consists of the SF-424, Application for Federal Assistance; SF-424A, Budget Information – Non- Construction Program; and SF-424B, Assurances – Non-Construction Programs." The RFA also states that "The required budget format is embedded here…" yet the format is not consistent with SF 424. Please advise which format to utilize.

Answer: Please submit the Cost application in both formats.

12. Question: Overhead funding: P. 33 of the RFA states that "USAID strongly encourages applicants to propose cost share for operational costs such as staff and overhead. If overhead costs are proposed under this request for funding, the applicant must clearly demonstrate how these costs will be phased out over the 3-year period." This clause is unclear – is the grantee expected to not charge overhead?

    Answer: The grantee is expected to charge for overhead for up to 3 years. After 3 years overhead shall be absorbed by, if generated, cost share to demonstrate program sustainability.

13. Question: Further on p.33 the RFA states "Given that there are four specific objectives (see page 4 and 5) to the proposal and that USAID may decide not to fund one of them, proponents are encouraged to budget each component separately so as to facilitate future negotiations. Should the proposal be accepted, USAID understands that unavoidably there are common costs to all the project activities that would not be included under each component." There are only 2 objectives under this RFA. Can you clarify?

    Answer: There are 2 components under this RFA. See answer # 9. There are two specific objectives, aligning with the two components. Each component should be budgeted separately. Common costs can also be presented separately.

14. Question: Past Performance: P. 31 of the RFA "Please provide performance reports from the last three most recently completed contracts, cooperative agreements or grants…" This is further discussed on p.47 Past Performance "Each applicant must submit a list of the three most relevant and recent past performance references…" Is the Mission requesting the PPR Short Form or equivalent for 3 projects be submitted for completion by the referenced USAID Mission? Many NGOs do not have formal stand-alone already-completed USAID performance reviews that they can provide. Finally, should this be provided as an attachment or as part of the body of the technical?

    Answer: Either the PPR Short Form or equivalent for 3 projects shall satisfy the past performance requirement and it should be provided as attachment to the technical proposal.

15. Question: On page 33 of your RFA you mention the U.S. Government Negotiated Indirect Cost Rate Agreement (NICRA). If applicable this should be part of the proposal. We are unsure if we need to hand in such a copy. For what organizations is NICRA applicable? If it is applicable for us, please let us know what exact U.S. institution we need to contact for this.

Answer: Please visit the following USAID website for information regarding NICRAs: http://www.usaid.gov/business/regulations/BestPractices.pdf

16. Question: Please confirm if the total value of the USAID investment in the Haiti LEAD project is $12M, as mentioned in the cover letter, or $11M as indicated on page 4 of the RFA. Please confirm that if $12M, that $5M is to be allocated to sub-grants under component 1, and up to $500,000 for subgrants in component 2.

    Answer: The expected funding level is $12 million. The sub-grants component should be $6 million, including up to $500,000 for component two.

17. Question: Please confirm that USAID would like the first year workplan (page 31) and the Life of Activity work plan (page 29) in annex though they are not among the list of recommended attachments on page 30.

    Answer: We would like the life of activity work plan submitted as an attachment

18. Question: Would USAID like to see the "grant, cooperative agreement and/or contract numbers, awarding institution and contact names, and numbers for both technical (AOTR or COTR) and administrative (Contract/Grants) officers" (page 30) in the organizational capability and past performance section, or in the past performance reports included as annexes, or both?

    Answer: In both.

19. Question: Does USAID want three complete Past Performance Reports from sub recipients as well as prime recipients?

    Answer: Yes

20. Question: On page 33 the RFA states “If overhead costs are proposed under this request for funding, the applicant must clearly demonstrate how these costs will be phased out over the 3-year period.” Should this sentence read 4-year period, or perhaps it is not related to the LEAD project?

    See answer No. 12 above

21. Question: On page 33 of the RFA it states "Given that there are four specific objectives (see page 4 and 5) to the proposal and that USAID may decide not to fund one of them, proponents are encouraged to budget each component separately so as to facilitate the negotiations". Please confirm that there are only two components envisioned in this project and whether it is possible that one or the other of the two components may not receive funding.

    Answer: This RFA contains 2 components.

22. Question: Would USAID like the budget to be presented both in the SF-424A format, as well as the RFA Budget Template format? If applicants are to use the RFA Budget Template that is provided, can applicants modify the template as it does not appear to represent the point on page 33 encouraging applicants to budget by component?

    Answer: Please submit budget in both format SF 425 and Budget template. Do not modify the Budget template.

23. Question: Could USAID please provide guidance on the difference between direct long term labor and local staff as mentioned in the RFA budget template?

    Answer: Direct long term labor is a proposed position for one year or more for an Expatriate. Local staff positions are a different labor category and therefore differentiated on the RFA Budget template.

24. Question: Given the SEC regulations about required licensure to attract investors, does USAID envision the Recipient conducting outreach to US-based investors?

    Answer: The Recipient's outreach activities must comply with all US G regulations and policies related to the investment promotion.

25. Question: Does USAID envision the Recipient providing training and support to promising SME that participate in the BPC that are not yet eligible to access matching grants?

    Answer: No. Activities should focus on firms that have the capacity to enter into a legal (sub-grant) arrangement. They should be eligible to receive matching grants. See page 12 of the RFA for illustrative eligibility criteria. Final criteria will be submitted by the Recipient to USAID for approval as part of the Grants Manual

26. Question: Page 33 of the RFA states that "Applicants must include a 20% cost share requirement in response to this RFA". Given that the 1:1 match for the grants fund would already account for a $5M cost share, or well over 20%, are we correct to assume that USAID desires 20% cost share in addition to the match for the subgrants to SME?

    Answer: Matching funds and cost share are separate. The Recipient is expected to provide 20% cost share on all U.S funds that are not used for sub-grants. Cost share can be cash or in-kind.

27. Question: USAID intends to provide approximately $12,000,000 in total for this effort, while the RFA includes a mandatory minimum Cost Share percentage of 20% of the total proposed USAID contribution to the program. Do we need to apply only for the total amount of money or what would be the minimum amount we could apply for?

Answer: There is no minimum amount to apply for. Applicants shall apply in accordance with the requirements set forth in the RFA.

28. Question: 50% of the share of the budget should be dedicated to sub-grants. Where do the other 50% of the share go? Are they to cover the recipient's administration and management costs?

    Answer: 50% of the budget is expected to be used for sub-grants. The remaining funds should be used for all other costs associated with achievement of the results, including outreach, business plan competitions, and technical support to sub-grantees as well as the Recipient's direct and indirect costs.

29. Question: We understand that any US or non-US organization is eligible to apply. In addition the applicants should be registered to operate in Haiti. Is that correct?

    Answer: Sub-grantees must have legal status in Haiti and be a registered Haitian business or Haitian for-profit social enterprise.

30. Question: You state the following: "US-based investors should be full or part owner of a legally registered Haitian business." Would it be an issue if our sub-grantees are Haitian owned without any ownership of the US investor?

    Answer: No.

31. Question: USAID emphasizes that grant applicants to Component 1 can apply so long as they are in the process of registration to operate in Haiti (page 4 and 12). USAID also encourages LEAD applications from new potential partners (page 27). Can USAID please confirm that potential new partners that are in the process of registration to operate in Haiti are encouraged to submit a proposal?

    Answer: Applicants to the RFA must also be registered to operate in Haiti. Sub-grantees must be legally registered in Haiti prior to the award of any sub-grant by the Recipient

32. Question: USAID will strictly enforce a minimum of 20% cost share for this project. Please confirm that the 20% cost share can be from a variety of sources including in-kind donations of materials, overheard and indirect costs, matching investment from the grants under component 1 and/or the match value from remittances.

    Answer: Cost sharing can be from a variety of sources with the exception of U.S. Government funds. All sources of funding, however, shall be directly attributable, allocable and allowable in the furtherance of the program objectives.

33. Question: USAID illustratively lists 4 key positions (page 22-25). USAID also acknowledges that there may be "up to five key personnel" (page 19). Please confirm if USAID envisions 4 or 5 key personnel on this program.

Answer: In the RFA, USAID presented an illustrative staffing plan with 4 key positions. The Recipient should propose a staffing plan. USAID will approve up to five of the members of the Recipient's proposed staffing plan.

34. Question: USAID estimates on page 26 that the total funding for LEAD will be $12,000,000. USAID estimates on page 4 that it will contribute $11 million to this four-year program. Please clarify.

Answer: See answer # 2

35. Question: USAID intends to provide approximately $12,000,000 in total for this effort, while the RFA includes a mandatory minimum Cost Share percentage of 20% of the total proposed USAID contribution to the program. Do we need to apply only for the total amount of money or what would be the minimum amount we could apply for? What is your policy regarding joint applications as a consortium with other organizations, in order to share the load and use each organization's special skill set and experience?

Answer: Applicant should apply for the requirement as set forth in the RFA.

36. Question: The matching grants program will leverage business and social investments on a basis of least 1:1. Does this mean that the sub-grantees need to provide 50% of the grant? Or is it acceptable for the administrating organization to provide the other 50%, e.g. through a Fund mechanism where half the investment capital in the Fund comes from this USAID program and the other half from other sources (possibly including diaspora investors)?

Answer: As this is a matching grants program, sub-grantees should provide at least 50% of the total sub-grant amount. There shall be at least a one to one match for each US government dollar invested on each and every sub-grant which can be from multiple sources.

37. Question: The closing date that you mention on the cover letter is April 26, 2011, 15h Haiti local time. In contrast on page 28 of the RFA you state that the closing date is April 25, 2011. Please confirm the correct closing date.

Answer: See answer # 1

38. Question: The RFA should include resumes or curriculum vitaes of the planned key personnel. How advanced do we have to be in our recruitment process on the closing date?

    Answer: Answer: Potential candidates should be identified, and their profiles must be submitted to us for review.

39. Question: We understand that any US or non-US organization is eligible to apply. In addition the applicants should be registered to operate in Haiti. Is that correct?

    Answer: Yes.

40. In our case, we have a Haiti-based "daughter" organization, a German "mother" organization and a US-based, tax-exempt Fund. Which should be in the lead for this application?

    Answer: The Recipient of the CA must be a Haitian or U.S organization. Sub-grantee must be Haitian firms.

41. Question: We need to sign a number of required representations and certifications (starting page 34 of the RFA). Who needs to sign the certifications especially the ones starting from page 39 of the RFA? We are specifically seeking clarity about whether representatives of the Haiti-based, US-based or Germany-based legal structures should be the signatory.

    Answer: The person authorized to sign the Agreement must sign the Rep & Cert.

42. Question: You state the following: "US-based investors should be full or part owner of a legally registered Haitian business." Would it be an issue if the investor isn't full or part owner of the legally registered Haitian business?

    Answer: Yes it would.

43. Question: You mention that the authorized geographic code is 935 for the procurement of goods and services. It is our priority to procure Haitian goods and services first to really implement a sustainable approach. Is that fine with you? Or do we have to buy all of our goods and services from the US?

    Answer: Haiti is included of the list of countries under Geographic 935.

44. Question: Component one of your RFA supports business and social entrepreneurship. Our focus lies exclusively on promoting social businesses (profitable organizations with a social goal, where the profits are reinvested for the social goals, not distributed as dividends). Would this negatively affect our proposal?

Answer: Technical proposals will be evaluated against the Technical Evaluation Criteria as presented in the RFA.

45. Question: am in the process of submitting an application for the USAID Haiti LEAD program. I have a copy of the pdf file that describes the program. The document refers to the required budget format, "RFA Budget Template," on place 32. However, the link to the template can't be opened. Could you please send me a copy of the budget template?

    Answer: The budget template has been posted as attachment # 2

46. Question: The RFA includes a mandatory minimum Cost Share percentage of 20% of the total proposed USAID contribution to the program. If my proposed project is for a total cost of $2 million and USAID offers $500,000 contribution to the project, how does the Cost Sharing is allocated? Does that mean that USAID will share an additional $100,000 or will hold that amount?

    Answer: Applicant shall submit Applications in accordance with the requirements set forth under the RFA.

47. Question: I am reading through the full announcement of the USAID LEAD program and I do not understand the requirements: Do US investors have to be involved?

    Answer: No, can be only Haitian firms or if a US investor wants to be involved, the US investor must partner with a legally registered Haitian business.

48. Question: Page three. An SME is defined as having a headcount of between 10 and 100 personnel. Would a cooperative or an association whereby the majority of the staff work on a seasonal basis or a piecemeal basis be considered an SME? Or - in other words - at what point can an individual be considered in the headcount?

    Answer: The LEAD project is designed to support the growth of Haitian SMEs (for profit firms), not cooperatives or associations.

49. Question: Page four. A total budget of $11M is mentioned, but the cover letter mentions $12M and page 26 confirms $12M of US funding. Is the $11M specifically for component 1? Please clarify if you want a specific split between component 1 and 2.

    Answer: See answer # 2

50. Question: Page 10 states that "US based investors should be full or part owner of a legally registered business." Will pre-existing partnerships be eligible to participate? Does the act of making the investment make the US-based investor a part owner or do they need to be part owner prior to making the investment?

    Answer: The main Sub grantee must be a Haitian firm based in Haiti. US firms must not have any family ties with the Haitian firm.?

51. Question: Pages 11 and 12. There are references to leveraging: "The matching grants program will leverage business and social investments on a basis of least [sic] 1:1" and "Applicants for matching grants must demonstrate a minimum one-to-one matching ratio of applicant to USAID funding." Does this mean that if the SME is applying for a $50,000 grant from LEAD, then the SME must show that they are also investing at least $50,000? Please clarify.

    Answer: Yes.

52. Question: Page 15. The indicators place little emphasis on the identification of the US-based investors. Is it the Recipient's responsibility to identify the investors or is that expected to be the responsibility of the Haitian-based business?

    Answer: The sub-grant applicant will propose its investment proposal as part of the business plan competition. The recipient would be responsible for all due diligence as part of the review process for the business plans

53. Question: Page 21 section D. We now use the SF-425 instead of SF-272 and SF-269. Could you confirm which standard form should be used for the quarterly financial reports?

    Answer: The correct form to use is SF-425.

54. Question: Page 27. Overhead is not eligible for non-profit. Could you clarify?

    Answer : Page 27 of the RFA does not refer to “Overhead”. However, page 12 of the RFA outlines the eligibility of the Sub-grantees.

55. Question: Page 47. What is the definition of a “major sub”? Is it defined by a certain dollar value of the sub-award, or are there criteria for deciding which subs are major?

    Answer: Those that are $200,000 would be considered major subs.

56. Question: Grants can disburse in amounts ranging from $50,000 to $200,000 - thus the number of grants could range from 25 to 100. How are applicants advised to calculate ICR for the grant fund in their budget application?

    Answer: http://www.usaid.gov/business/regulations/BestPractices.pdf

57. Question: Does the investment made by the US based investor need to be transferred in one sum - or could the transfer be made in a combination of in-kind materials and cash over a time period?

    Answer: This will depend on the grant manual and the sub grant program established by the recipient

58. Question: Is this program open to equity and not just grants? It is not immediately clear if AID is looking for matching grants or debt/ equity. Please specify.

    Answer: The purpose of this program is to create jobs and improve social infrastructure.

59. Question: Would 0 percent return on investments be acceptable?

    Answer: Sustainable job creation is the main objective of the LEAD Investments project thru economic growth.

60. Question: Can you confirm that the applicant should propose a cost share of $3M out of a total budget of $15M? Or should the applicant expect to provide cost share of $2.4M as 20% of the USAID-provided $12M?

    Answer: See answer #26

61. Question: We realize that RFA 521-11-021 specifically requested that questions be submitted between April 4 and 8, we nevertheless would like to query if USAID/Haiti would be able to provide a link to the budget template prior to that time as the current link in the RFA is not operational.

    Answer: The budget template has been posted as attachment # 2